



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

**Stock Code: 6199**



# 2024 ANNUAL REPORT

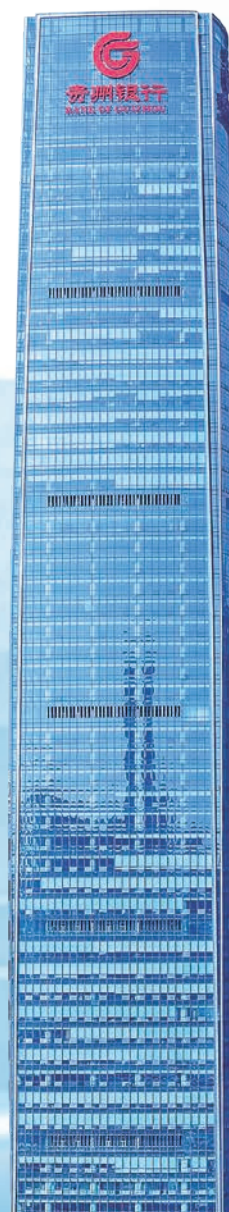
SERVING WITH HEART

BANK  
OF GUIZHOU

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The Bank holds a financial license No. B1383H252010001 approved by the National Financial Regulatory Administration and was authorised by the National Financial Regulatory Administration Guizhou Office to obtain the business license with a unified social credit code 915200000550280000. The Bank is not an authorized institution within the meaning of the Banking Ordinance (Chapter 155 of the Laws of Hong Kong), not subject to the supervision of the Hong Kong Monetary Authority, and not authorized to carry on banking or deposit-taking business in Hong Kong.



## Definitions

The following terms shall have the following meanings in this report unless the context requires otherwise.

"Articles of Association" or "Articles"	the articles of association of the Bank, the version of which was passed by our shareholders at the extraordinary general meeting held on 16 June 2022, and has been approved by the National Financial Regulatory Administration Guizhou Office and came into effect on 26 April 2023
"Board"	the board of Directors of the Bank
"Board of Supervisors"	the board of Supervisors of the Bank
"Director(s)"	the director(s) of the Bank
"Supervisor(s)"	the supervisor(s) of the Bank
"NFRA" or "CBIRC" or "CBRC"	China Banking and Insurance Regulatory Commission (中國銀行保險監督管理委員會) (before 18 May 2023)/China Banking Regulatory Commission (中國銀行業監督管理委員會) (before 17 March 2018). On 18 May 2023, the National Financial Regulatory Administration was established on the basis of the former China Banking and Insurance Regulatory Commission
"Bank", "We", "Our", "us" or "Bank of Guizhou"	Bank of Guizhou Co., Ltd. (貴州銀行股份有限公司), a joint stock company incorporated on 28 September 2012 in Guizhou Province, China, with limited liability in accordance with the PRC laws and regulations and, if the context requires, includes its predecessors, subsidiaries, branches and sub-branches "Banking Ordinance" the Banking Ordinance, Chapter 155 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
"Banking Ordinance"	the Banking Ordinance, Chapter 155 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
"CSRC"	China Securities Regulatory Commission (中國證券監督管理委員會)
"commercial banks"	all the banking financial institutions in the PRC other than policy banks, including the large commercial banks, the joint-stock commercial banks, city commercial banks, foreign banks and other banking financial institutions
"Domestic Shares"	ordinary shares issued by the Bank in the PRC, with a nominal value of RMB1.00 each, which are subscribed for or credited as paid in full in Renminbi
"H Shares"	overseas-listed shares in the share capital of the Bank, with a nominal value of RMB1.00 each, which are to be subscribed for and traded in Hong Kong dollars and are listed on the Hong Kong Stock Exchange
"H Share Registrar"	Computershare Hong Kong Investor Services Limited
"HK\$" or "HKD" or "Hong Kong dollars"	the lawful currency of Hong Kong

## Definitions (Continued)

"Hong Kong" or "HK"	Hong Kong Special Administrative Region of the PRC
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
"PBOC" or "Central Bank"	the People's Bank of China
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"Yuan"	Renminbi-yuan, the lawful currency unit of the PRC
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"NFRA Guizhou Office"	the National Financial Regulatory Administration Guizhou Office
"Four News"	exploring new path, launching new start point, seizing new opportunities and making new achievements
"Four-zations"	new industrialization, new urbanization, agricultural modernization and tourism industrialization
"new No.2 Document of State Council"	Opinions of the State Council on Supporting Guizhou to Break New Paths in Western Development in the New Era (Guo Fa [2022] No. 2) (國務院關於支持貴州在新時代西部大開發上闖新路的意見) (國發[2022]2號)
"LPR"	the abbreviation to Loan Prime Rate, which refers to loan prime rate
"Basis Point (Bp or Bps)"	measurement unit of changes in interest rate or exchange rate. 1 basis point is equivalent to 0.01 percentage point
"Reporting Period"	the period for the year ended 31 December 2024
"Reporting Date"	the date on which the 2024 annual report of our Bank was approved by the Board of Directors, being 31 March 2025

This report was originally prepared in Chinese with a separate English translation. In the case of any discrepancies between the Chinese and English versions, the Chinese version shall prevail.



## Chairman's Statement and President's Statement

**YANG MINGSHANG**

*Secretary of the Party  
Committee and Chairman*



## Chairman's Statement and President's Statement (Continued)

## 1.1 CHAIRMAN'S STATEMENT

As time goes by, we have passed through another meaningful year together. In 2024, the Bank adhered to the guidance of Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era, and under the strong leadership of the provincial Party committee and provincial government, the Bank took the overall situation as a whole with high-quality development, made practical moves, did practical work, and sought practical results, and made every effort to promote the coordinated development of scale, structure, quality, efficiency, and safety.

**Over the past year, we have overcome difficulties, moved forward, and maintained a steady and progressive development trend.** This is mainly reflected in the following aspects: **Firstly, business scale grew steadily.** As of the end of 2024, the Bank recorded total assets of RMB589.987 billion, representing an increase of RMB13.201 billion or 2.29% from the beginning of the year; loans of RMB347.085 billion, representing an increase of RMB15.136 billion or 4.56% from the beginning of the year; deposits of RMB375.002 billion, representing an increase of RMB18.756 billion or 5.26% from the beginning of the year. **Secondly, operating efficiency stabilized and rebounded.** In 2024, the Bank recorded operating income of RMB12.418 billion, representing a year-on-year increase of RMB1.073 billion or 9.46%; net profit of RMB3.779 billion, representing a year-on-year increase of RMB125 million or 3.43%. Operating income and net profit realized a double increase, reversing the previous negative growth trend. **Thirdly, asset quality remained stable.** As of the end of 2024, the Bank recorded a non-performing loan ratio of 1.72% and allowance coverage ratio of 315.98%, being a good level among city commercial banks. Key regulatory indicators such as liquidity, credit risk, market risk and capital adequacy ratios were fully up to standard. **Fourthly, customer base continued to be strengthened.** As of the end of 2024, the Bank had 115,900 corporate customers, representing a net increase of 7,000 or 6.38% from the beginning of the year; individual customers of 12,168,500, representing a net increase of 489,500 or 4.19% from the beginning of the year, with a total of 3.07 million third-generation social security cards with activated financial accounts was offered.

**Over the past year, we have adhered to the leadership of Party building and continuously strengthened the Party building, highlighting the red undertone.** By practically combining the needs of the province, capabilities of the finance, and strengths of the Bank, we took the initiative to place our own development in the grand blueprint for the great endeavors of the Party and the country, integrate into the strategic situation of the high-quality development of the province, promote the development of the "Work Program of Bank of Guizhou in Serving the High-Quality Development of the Province and Completing 'Five Major Articles' in Finance", and actively serve the major strategies of the country and the province. Strengthening the integration of the Party building and corporate governance, business operations, safety production, and corporate culture, to promote cohesion, integration and promotion in all aspects and fields, and effectively transform the advantages of the Party into high-quality development advantages. Standing on the political height of absolute loyalty to the Party, we have resolutely implemented the rectifications from the provincial Party committee's inspection "look-back", and resolved a number of key and difficult problems.

## Chairman's Statement and President's Statement (Continued)

**Over the past year, we have adhered to return to the roots, dedicated to supporting the real economy, making the original mission more determined.** Focusing on the construction of 3533 key industrial clusters, the Bank actively implemented the real estate financing coordination mechanism around key areas and critical links such as the "six industrial bases", "Precision Development for Rich Mines (富礦精開)", "Electric Guizhou (電動貴州)" and "a map and three lists" of the city (prefecture), docked with key projects and customers, providing good support services with comprehensive service solutions. The Bank continuously established and improved the financial service system and mechanism integrating marketing, credit granting, risk control and operation, and focused on playing the role of leading and promoting the products, institutions, systems and assessments to support the real economy with greater efforts, simplified process and better results. As of the end of the year, the total amount of "Four-zations" loans amounted to RMB70.983 billion for the year, with a balance of RMB228.687 billion, representing an increase of RMB7.905 billion from the beginning of the year.

**Over the past year, we have insisted on deepening our transformation to help comprehensive rural revitalization, making the service quality more efficient.** We unswervingly lowered the focus of its services, made every effort to build the rural service outlets as the service channels of the Bank in the rural market, and focused on improving the financial service environment in the countryside. As of the end of 2024, the Bank had offered a total of 1,019,800 third-generation social security cards in rural areas, representing an increase of 26,600 cards from the beginning of the year; the rural service terminals have handled a total of 1,298,800 transactions for rural people, representing an increase of 547,700 transactions from the beginning of the year; and the amount of the transactions was RMB2,772 million, representing an increase of RMB1,299 million, and an incremental increase of RMB518 million more than that of the previous year. The Bank made efforts in supporting credit on green agriculture and technological agriculture, with a cumulative investment of agricultural modernization loans of RMB16.504 billion. The Bank continued to promote the approval and issuance of "agriculture, rural areas and farmers" bonds, and in April 2024, successfully issued the RMB2.5 billion of special financial bond for "agriculture, rural areas and farmers" (Phase II). The balance of the Bank's agriculture-related loans amounted to RMB107.498 billion, representing an increase of RMB5.92 billion from the beginning of the year; the balance of loans to key counties for rural revitalization was RMB97.691 billion, representing an increase of RMB9.411 billion from the beginning of the year.

**Over the past year, we have adhered to the featured development, actively practiced the new development concept, making the highlights and characteristics more prominent.** We have deepened green financial innovation, formulated and issued the "Transformation Financial Framework of Bank of Guizhou" (《貴州銀行轉型金融框架》), and increased financial support for energy conservation and emission reduction in traditional industries. The relevant practices were selected as "Best Practice Cases" of GF60 Green Finance, Annual ESG Green Finance Model Case in the China Banking and Insurance Media Industry, and one of the ESG Green Finance Innovations by Wallstreetcn. As of the end of 2024, the balance of green credit amounted to RMB57.858 billion, representing an increase of 10.85% from the beginning of the year. The Bank has earnestly implemented the coordination mechanism for financing small and micro-enterprises and the policy of loan renewal without principal repayment, and the number of declared customers and financing amount of the Bank's small and micro-enterprises ranked the highest among the industry in the province, and the Bank has consecutively won the "Excellent Inclusive Finance Award" and "Inclusive-Financing Outstanding Contribution Award" issued by the China Banking Association and other entities. As of the end of 2024, the balance of loans to inclusive small and micro-enterprises amounted to RMB52.940 billion, representing an increase of 11.62% from the beginning of the year, and the number of customers of inclusive small and micro-enterprises amounted to 66,500, representing an increase of 12.48% from the beginning of the year.

## Chairman's Statement and President's Statement (Continued)

**Over the past year, we have insisted on observing integrity and innovation, promoted digital advancement and upgrading, making digital empowerment more powerful.** We have formulated a digital financial development program for the next three years specified the digital financial development goals of "intelligent customer service, agile product supply, abundant cooperative ecosystem, precise risk prevention and control, and safe and efficient operation". The Bank created a new paradigm of data empowerment, vigorously promoted the application of data, and promoted the realization of BI business intelligence as the core driving force of data application, and made new breakthroughs in data-driven business decision-making. Giving full play to the double-wheel driving effect of digital technology and data elements on business, we have continuously enriched the digital ecosystem of financial services in all scenarios and chains, and successfully created digital financial services such as "Liquor Distributor Financing", "Drug Purchase Loan (藥採貸)", "Chaqing Agricultural Products Acquisition". In 2024, the information technology research and development achievement of the Bank "Research and Application of High-Performance Anti-Fraud Platform Based on Dynamic Features and Full Scenarios" again won the third prize for Financial Technology Development issued by the People's Bank of China.

Looking ahead to 2025, we will resolutely adhere to Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era as guidance, thoroughly study and implement the spirit of the 20th CPC National Congress, the 2nd and 3rd Plenary Sessions of the 20th CPC Central Committee, comprehensively implement the spirit of the Central Economic Work Conference and the Economic Work Conference of the provincial Party committee, adhere to the political and people-oriented nature of the financial work, and adhere to the positioning of "three services" market, and provide robust financial services for writing a chapter of Chinese-style modernization of Guizhou practice.

**Full support the industrial development of the province.** We will implement the relevant requirements of the promotion meeting centering on industry, project and investment of the province and the promotion meeting on modernized industrial system construction of the province, unswervingly pay close attention to the "six industrial bases" and the leading industries in cities and counties, coordinate the cultivation and growth of new energy and consolidate and enhance the old energy, and accelerate the cultivation of new quality productivity. Focusing on the key direction of industrial development in the province, we will continue to strengthen financial services and promote the construction of a modernized industrial system in the province to achieve greater results. The Bank will further promote the "Precision Development for Rich Mines (富礦精開)", and increase the support for resource-based industries mainly including new energy battery materials, manganese and manganese processing, aluminum and aluminum processing. Focusing on the critical requirements of "Electric Guizhou (電動貴州)", the Bank will actively participate in charging and switching infrastructure construction projects, and assist in the construction and operation of projects such as urban public charging facilities and intercity fast charging networks.



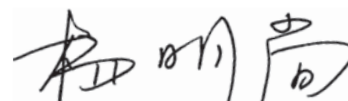
## Chairman's Statement and President's Statement (Continued)

**Fully support the livelihood security of the province.** We will earnestly implement a coordinated working mechanism to support financing for small and micro-enterprises, proactively docking with market supervision, development and reform, industry and information technology departments to accurately understand the operating conditions, creditworthiness and debt-servicing ability of small and micro-enterprise customers, and ensure the efficiency and quality of loan approvals. The Bank will fully utilize the policy of "loan renewal without principal repayment" to ensure the liquidity needs of small and micro-enterprise customers. The Bank will sort out the basic situation of financial services in the field of education in the province, taking targeted measures, promoting the formulation of comprehensive and personalized financial service plans, continuously improving the coverage of financial services in the field of education in the province, and striving to achieve a qualitative breakthrough in financial services in the field of education. The Bank will focus its marketing efforts by taking hospitals under its jurisdiction, provincial medical regional centers and county medical sub-centers as key targets, providing settlement, account and digital construction support for hospitals.

**Fully strengthen the risk and internal control and compliance management.** We will continue to improve the risk management strategy and system, improve the risk identification, assessment and measurement management system, accurately identify risks, accurately measure risks, and continuously enhance the ability to measure risks in a refined manner and manage risks in a forward-looking manner. The Bank will continue to strengthen the construction of the "proactive prevention and intelligent control" risk system, reinforce the system concept, promote the formation of the first, second, and third lines of defense, and the formation of risk management synergy between the front, middle and back office, improving the ability to cope with the challenges of risks in the complex and severe environment. The Bank will strengthen the internal control and compliance management, deeply grasp the new regulatory rules and business development trends, adhere to the problem-oriented approach, continuously improve the internal control and compliance management system, continuously optimize the internal control and evaluation system and internal control evaluation points, accelerate the construction of the intelligent internal control and compliance management system, and make efforts to make up for the shortcomings and weaknesses, continuously improving the level of internal control and compliance management.

**Fully accelerate the pace of digital transformation.** Taking the "Action Program for Promoting the High-Quality Development of Artificial Intelligence in Guizhou Province (2025–2027)" as the main basis and combining with the industry development trend, we will study and formulate the digital financial development plan of the Bank for the next five years, gradually improve the top-level design of the development and the design of the business structure, and accelerate the application of cutting-edge technologies such as big data, artificial intelligence and cloud computing to financial service scenarios including the marketing of retail small and micro-markets, loan investigation, risk control, loan recovery and customer service, supporting business development, promoting business management, and safeguarding risk control and loan recovery. The Bank will effectively achieve the in-depth integration of data, technology and business, and demonstrate the results of the Bank's digital transformation with more comprehensive customer identification, more accurate business marketing, and more excellent operating results.

Making efforts in the work of 2025, we are full of confidence and pride, and we will be closely united around the Party Central Committee with Comrade Xi Jinping as the core, pay close attention to the implementation of the work, and strive to build a better Bank of Guizhou!



*Secretary of the Party Committee and Chairman*

## Chairman's Statement and President's Statement (Continued)

WU Fan

*Deputy Secretary of the  
Party Committee  
and President*



## Chairman's Statement and President's Statement (Continued)

### 1.2 PRESIDENT'S STATEMENT

In 2024, Bank of Guizhou adhered to high-quality development, completely implemented the new development concept with integrity, accuracy and comprehensiveness, deeply carried out the duty positioning of "three services" for city commercial banks and insisted on the political and people-centered nature of financial work, better coordinating development and security, as well as achieving our own consistent and steady development in the practice of advancing financial services for the modernization of Guizhou with Chinese characteristics. At the end of the Reporting Period, the Bank's total assets amounted to RMB589.987 billion, representing an increase of 2.29%; the balance of various loans amounted to RMB347.085 billion, representing an increase of 4.56%; and the balance of various deposits amounted to RMB375.002 billion, representing an increase of 5.26%. The Bank achieved operating income of RMB12.418 billion, representing an increase of 9.46%; and while net profit amounted to RMB3.779 billion, representing an increase of 3.43%.

We fully leveraged the advantages as a local bank to serve the overall development of the province, and strived to resonate and grow with the local economic and social development. Closely following the "big things of the country (國之大者)" and the "big plans of the province (省之大計)" and focusing on pivotal fields and critical links such as the "six industrial bases", "Precision Development for Rich Mines (富礦精開)" and "Electric Guizhou (電動貴州)", we actively connected with projects and effectively satisfied financing needs, advancing in the provision of beneficial support services with a comprehensive service package and credit strategy, as well as continuously increasing the balance of "Four-zations" loans and "five major financial" loans throughout the Bank. We effectively supported the "white list" and "delivery guarantee" for real estate projects due to its active implementation in relation to coordination mechanism for real estate financing. We earnestly implemented the coordination mechanism of financing for small and micro-enterprises, improved the due diligence exemption system for small and micro-enterprises, meticulously executed the policy of renewing non-refundable loans, positively provided financial services in industrial parks, communities and rural areas, and wholeheartedly served the development of market entities, as a result that the number of declared small and micro-enterprises customers and financing amounts ranked among the top in the province among our peers. Benefiting from our "innovative grid marketing model to help improve financial services", we were shortlisted as a "typical case of inclusive finance in 2024". At the end of the Reporting Period, our loan balance for "new industrialization", "new urbanization", "agricultural modernization", and "tourism industrialization" amounted to RMB228.687 billion, representing an increase of RMB7.905 billion from the beginning of the year, ranking among the top in the provincial banking and financial institutions.

We made solid progress in the "five major articles" of financial development, resulting in our more effective transformation and development. With the rapid advancement of financial technology, our formulation of loan management methods for technological innovation further optimized financial services and injected financial momentum into the cultivation of new productive forces for scientific and technological innovation enterprises and advanced manufacturing enterprises. At the end of the Reporting Period, the balance of the technology financial loans amounted to RMB8.071 billion, representing an increase of RMB3.095 billion or 62% from the beginning of the year. Green finance also gained momentum. At the end of the Reporting Period, the balance of green credit reached RMB57.858 billion, representing an increase of RMB5.664 billion from the beginning of the year. The balance of green loans for corporate customers accounted for 23.6% of the total corporate loans, ranking among the top in local financial institutions. We are the only institution in the province included in the People's Bank of China's research on transformational finance planning. Inclusive finance continued to play a significant role. The balance of inclusive loans for small and micro-enterprises amounted to RMB52.940 billion with 66,500 customers, representing an increase of 11.62% and 12.48%, respectively. We issued the first special agricultural finance bond

## Chairman's Statement and President's Statement (Continued)

in the province at RMB5 billion in total, also opened over 2,200 branches in rural areas, achieving full coverage at the village (township) level in the province and promoting the comprehensive revitalization of rural areas. Pension finance progressed steadily. We successfully issued the aging-friendly wealth management product and established aging-friendly branches with certification, becoming the first financial institution in Guizhou to achieve such certification, as well as making our financial services warmer and caring. Digital finance empowered development. We constantly accelerated our digital transformation, promoted the in-depth integration of data, technology, and business, launched online products such as "medicine procurement loans", "business quick loans", "Guizhou quick loans", and "tax easy loans", and successfully created digital financial scenarios such as "liquor distributor financing" and "tea green agricultural product acquisition" platforms, ensuring our financial services more accessible, extensive, and effective.

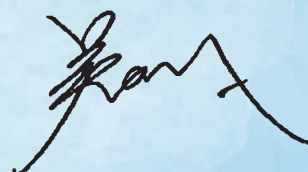
Our comprehensive service system was continuously enhanced resulting from our continued optimization of service capabilities. Adhering to customer-centricity, we closely focused on customer financial service needs and market changes, and concentrated on the construction of technology systems to continuously improve our capabilities in profound integration in terms of business, technology, and data. We attached great importance to the upgrade of technology infrastructure and built a first-class "same city dual active" and "two cities three centers" disaster recovery data center architecture for regional banks, which continued to strengthen our operational security capabilities. Our technological achievements, such as the "Large-Scale Complex Variable Zero-Code Development and High-Performance Computing Platform" and "Research and Application of High Performance Anti-fraud Platform Based on Dynamic Feature and Full Scene", were awarded the Financial Technology Development Award from the People's Bank of China for three consecutive years, making us as the only financial institution in Guizhou Province to receive such honors for consecutive years. With our attention to the wealth management needs of urban and rural residents in the province, we gradually built a complete range of wealth management products including open-ended, regular, closed net worth, and cash management products, also successively launched special products for the elderly, union card holders, and high net worth individuals, obtaining multiple significant industry awards such as "Excellent Investment Return Bank" and "Excellent City Commercial Bank for Financial Registration". We continued to strengthen our research and analysis of financial market trends, and seized market opportunities through advanced planning, resulting in a material year-on-year increase in bond investment returns. We also steadfastly fulfilled our underwriting obligations, practiced national macro-control policies, and underwrote more than RMB110 billion in various interest-bearing bonds, thereby increasing trading activity in the bond market. As a result, we were awarded by the Central Government Securities Registration and Settlement Company as one of the top 100 self-clearing institutions and an outstanding financial bond issuer. By continuously enriching and improving our financial services and product offerings, we vigorously grasped opportunities, emphasized on marketing, expanded our market presence, as well as endeavored to boost entire institutional business, financial markets, asset management, and asset preservation, aiming to lay further solid foundation on our business development. At the end of the Reporting Period, the whole Bank served 115,900 corporate customers, accounting for 9.89% of all corporate entities in the province, and 12,168,500 individual customers, accounting for approximately 31% of the provincial permanent population.



## Chairman's Statement and President's Statement (Continued)

Our continuous enhancement of internal control management system further solidified the foundation for stable and sustainable development. Insisting on the philosophy of internal control as the priority, compliance as the lead and prudent and compliant operation, we incorporated diversified regulatory indicators into our daily business management. Our principal regulatory indicators such as capital adequacy ratio and provision coverage ratio exceeded regulatory requirements. With the objective of "strengthening internal control, preventing risks, and promoting compliance", we fully reviewed and improved 131 regulations and systems related to credit management, risk control, and internal control compliance, optimized over 1,100 evaluation points for internal control, accomplishing the construction of regulatory systems and internal control evaluation systems covering all business lines. We strengthened the three lines of defense and supervision, implemented a grid-based employee behavior management mechanism, and integrated external inspection problem rectification, totally carrying out 274 internal inspections in 2024. We continuously enhanced the fulfillment of responsibilities for "self-restraint" and "due diligence supervision", causing prudent risk culture, and effective risk management and control as a powerful support for development in the severe and complex environment. We have always placed risk prevention in a prominent position and persisted in a "prudent and balanced" risk appetite. In the process of actively implementing national policies, meeting regulatory requirements, and wholeheartedly assisting the development of the real economy, we also coordinated business development with asset security work. We revised and improved the "Guizhou Bank Capital Management Measures" in accordance with regulatory requirements, thereby promoting the formation with regard to an awareness of "capital scarcity" and the concept of "capital constraint" throughout the Bank. We followed the requirements of intensified main responsibilities, putting key governance in practice, solidly establishing a management foundation and implementing detailed risk monitoring and management, and released the credit risk-weighted asset measurement system, which constantly boosted the fine risk management and increased our risk resistance capabilities.

The year 2025 is a pivotal year for further comprehensive and in-depth reforms. The "14th Five-Year Plan" is coming to conclusion, and "15th Five-Year Plan" is being planned. It is a crucial year for the Bank of Guizhou's transformation and development. Following thorough implementation of the new development concept and adherence to the leadership of the Party, we will lay emphasis on serving the real economy, strive to excel in the five major articles in respect of technology finance, green finance, inclusive finance, pension finance, and digital finance, continue to consolidate our business foundation, enhance risk management, and improve service quality and efficiency in accordance with the Board's strategic requirements. We will dedicate ourselves to advancing the construction of Guizhou's modern industrial system and contributing financial strength to better assist the realization of a modernized Guizhou in the context of modernization with Chinese characteristic.



*Deputy Secretary of the Party Committee and President*



## Company Profile

### 1. BASIC INFORMATION

**LEGAL CHINESE NAME:**

貴州銀行股份有限公司

**ENGLISH NAME:**

BANK OF GUIZHOU CO., LTD.

**LEGAL REPRESENTATIVE:**

Mr. YANG Mingshang

**AUTHORISED REPRESENTATIVES FOR THE HONG KONG STOCK EXCHANGE:**

Mr. YANG Mingshang, Mr. ZHOU Guichang

**BOARD SECRETARY AND COMPANY SECRETARY:**

Mr. ZHOU Guichang

**REGISTERED ADDRESS:**

Bank of Guizhou Head Office Building, No. 9, Yongchang Road, Guanshanhu District, Guiyang, Guizhou Province, the PRC

**HEAD OFFICE IN THE PRC:**

Bank of Guizhou Head Office Building, No. 9, Yongchang Road, Guanshanhu District, Guiyang, Guizhou Province, the PRC

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**PLACE OF LISTING, STOCK NAME AND STOCK CODE:**

The Stock Exchange of Hong Kong Limited, BANK OF GUIZHOU, 06199. HK

**CORPORATE UNIFORM SOCIAL CREDIT CODE:**

915200000550280000

**FINANCIAL LICENSE INSTITUTION NUMBER:**

B1383H252010001

**Accounting firms engaged by the Bank:**

Domestic accounting firm : KPMG Huazhen LLP  
Overseas accounting firm: KPMG (Public Interest Entity Auditor registered in accordance with the Hong Kong Accounting and Financial Reporting Council Ordinance)

**HONG KONG H SHARE REGISTRAR AND TRANSFER OFFICE:**

Computershare Hong Kong Investor Services Limited

## Company Profile (Continued)

## 2. COMPANY PROFILE

Officially listed on 11 October 2012, and headquartered in Guiyang City, Guizhou Province, Bank of Guizhou is a legal person financial institution established through the merger and reorganization of Zunyi City Commercial Bank, Anshun City Commercial Bank and Liupanshui City Commercial Bank. Bank of Guizhou has been listed on the main board of the Hong Kong Stock Exchange on 30 December 2019 with its stock code of 6199. HK. As at the end of the Reporting Period, the Bank had 5,604 regular employees and totally 220 business outlets. Bank of Guizhou ranked 252nd in the list of “2024 Top 1000 Global Banks” released by the British Magazine “the Banker”, and ranked 46th in the “2024 China Top 100 Bank List” released by the China Banking Association.

As a leading financial force deeply rooted in Guizhou, Guizhou Bank has always adhered to the service philosophy of being a “Bank with Heart”, built a comprehensive business system covering corporate finance, retail banking, inclusive finance for small and micro-enterprises, financial markets, and asset management, and continuously promoted product innovation and iteration, forming a synergistic development pattern that integrates traditional and modern finance. Guizhou Bank has established a widespread service network across all 88 counties (cities, and districts) in the province. With over 2,000 rural service stations successfully building bridges for financial services to townships, on the basis of a multi-dimensional layout of digital channels such as mobile banking, WeChat banking and intelligent hall, the Bank has gradually built a modern financial service matrix that connects the provincial, municipal, county, and township levels. Guizhou Bank has continuously deepened the application of cutting-edge technologies such as cloud computing, artificial intelligence, big data, and biometric recognition, standing at the forefront of financial technology. The Bank has become the first in the country to achieve full private cloud deployment of its core transaction system and pioneered distributed architecture transformation in the industry, successfully building a dual-distributed technical foundation for application systems and databases. Through the coordinated operation of the “two locations, three centers” data infrastructure, the operational continuity has improved significantly, injecting strong momentum into the high-quality development of the local economy through financial technology.



## Company Profile (Continued)

## 3. HONORS &amp; AWARDS

Honors & Awards	Awarding Institute
2023 Financial Technology Development Award (2023年度金融科技發展獎)	The People's Bank of China (中國人民銀行)
2023 Top Ten Typical Cases of Green Finance in Guizhou Province (2023年度貴州省綠色金融十佳典型案例)	Office of the Financial Commission of the Guizhou Provincial Committee of the Communist Party of China (中共貴州省委金融委員會辦公室)
2024 Mobile Banking Best Accessibility Service Award (2024年手機銀行最佳無障礙服務獎)	China Financial Certification Authority (中國金融認證 中心) (CFCA)
2024 UnionPay Cloud Quick Pay Network Payment Platform Promotion Co-operation Award (2024年 銀聯雲閃付網絡支付平台推廣合作獎)	China UnionPay
National Inclusive Finance Typical Case (2024) (全國普惠金融典型案例(2024))	SME Finance Forum (中小企業金融論壇)
City Commercial Bank of the Year (年度成長城市商業銀行)	East Money
Typical Practice Case of Digital Finance in Banking Sector (銀行業數字金融典型實踐案例)	Banking Digital Finance Development Forum (銀行業 數字金融發展論壇) (2024)
Best Partner 2024 (2024年最佳合作夥伴)	Alipay
FIT Most Potential Award 2024 (2024年度FIT最具潛力獎)	Tencent Financial Technology
2024 Tianji Award for ESG Practices in China's Banking Industry (2024年度中國銀行業ESG實踐天璣獎)	Securities Times
GF60 Green Finance 'Best Practice Case' Award (GF60綠色金融"最佳實踐案例"獎)	Green Finance Forum of 60 (綠色金融60人論壇)
ESG Green Finance Case of the Year in Banking Industry (銀行業ESG年度綠色金融典範案例)	China Banking and Insurance Media (中國銀保傳媒)
ESG Green Finance Innovation Case (ESG綠色金融創新案例)	Wallstreetcn (華爾街見聞)
ESG Model Report Award (ESG報告典範獎)	Alaya Consulting
2024 Exemplary Bank in Green Finance Practices (2024年度綠色金融實踐模範銀行)	Hexum- Finance China(和讯—財經中國)
Bank with Excellent Investment Return (卓越投資回報銀行)	Pystandard

## Company Profile (Continued)

Honors & Awards	Awarding Institute
Bank with Excellent Operation and Management Capability (卓越運營管理能力銀行)	Pystandard
2023 Outstanding City Commercial Bank in Bank Financial Management Registration (2023年度銀行業理財登記工作優秀城商行)	Banking Wealth Management Registration and Custodian Center Co., Ltd. (銀行業理財登記托管中心有限公司)
Elderly Financial Service Demonstration Institution ("養老金融示範服務機構")	Beijing National Financial Technology Certification Center (北京國家金融科技認證中心)
"Elderly Service Benchmarking Network" for Guizhou Bank Anshun Branch Business Department, Yunyan Sub-branch of Bank of Guizhou and Panzhou Sub-branch of Bank of Guizhou ("適老服務標杆網點" 貴州銀行安順分行營業部、貴州銀行雲岩支行及貴州銀行盤州支行)	Beijing National Financial Technology Certification Center (北京國家金融科技認證中心)
Goodwill Guizhou 2024 outstanding contribution to the donor enterprises (善行貴州2024年突出貢獻捐贈企業)	Guizhou Provincial Charity Federation (貴州省慈善總會)
"Qianxinan Prefecture May Fourth Red Flag League Committee" – Qianxinan Branch of Bank of Guizhou Youth League Committee ("黔西南州五四紅旗團委" 貴州銀行黔西南分行團委)	Communist Youth League Qianxinan Prefectural Committee (共青團黔西南州委)
"Qianxinan Prefecture May Fourth Red Flag League Branch" – Qianxinan Branch Operation Department of Bank of Guizhou Youth League Branch ("黔西南州五四紅旗團支部" 貴州銀行黔西南分行營業部團支部)	Communist Youth League Qianxinan Prefectural Committee (共青團黔西南州委)
"Qianxinan Prefecture May Fourth Red Flag League Branch" – Xingyi Ruijin Sub-branch of Bank of Guizhou Youth League Branch ("黔西南州五四紅旗團支部" 貴州銀行興義瑞金支行團支部)	Communist Youth League Qianxinan Prefectural Committee (共青團黔西南州委)
"Qiandongnan Prefecture Advanced Enterprise for Promoting New Industrialization Development" – Qiandongnan Branch of Bank of Guizhou (黔東南州促進新型工業化發展先進企業 貴州銀行黔東南分行)	Qiandongnan Prefectural Committee of the Communist Party of China (中共黔東南州委) People's Government of Qiandongnan Prefecture (黔東南州人民政府)
"First Prize in the 2024 Comprehensive Evaluation of Trade Union Work in the Financial, Trade, Tobacco, Alcohol, and Tea Industries of Guizhou Province" (2024年度貴州省金融貿易煙酒茶業工會工作綜合評比一等獎)	Guizhou Provincial Trade Union for Finance, Trade, Tobacco, Alcohol, and Tea Industries (貴州省金融貿易煙酒茶業工會)
"Advanced Collective for Employee Culture and Sports Work in Guizhou Province for the Year 2023" (2023年度貴州省職工文化體育工作先進集體)	Guizhou Provincial Employee Culture and Sports Association (貴州省職工文化體育協會)

## Summary of Accounting Data and Financial Indicators

	For the year ended 31 December					
	2024	2023	Year-on-Year	2022	2021	2020
<i>(Expressed in millions of RMB, unless otherwise stated)</i>						
			Rate of change (%)			
<b>Operation results</b>						
Net interest income	9,162.05	8,750.02	4.71	10,094.21	9,514.49	10,121.39
Net fee and commission income	301.01	338.25	(11.01)	363.13	427.87	362.52
Operating income	12,417.66	11,344.69	9.46	11,989.98	11,737.16	11,247.61
Operating expenses	(3,711.02)	(3,969.75)	(6.52)	(3,836.78)	(3,729.77)	(3,555.74)
Impairment losses on assets	(4,542.83)	(3,324.10)	36.66	(3,856.07)	(3,900.17)	(3,231.79)
Total profit	4,154.04	4,037.48	2.89	4,299.34	4,190.46	4,355.30
Net profit	3,778.51	3,653.33	3.43	3,829.46	3,705.71	3,670.66
			Rate of change (%)			
<b>Per share (RMB)</b>						
Net assets per share	3.59	3.32	8.00	3.01	2.67	2.47
Basic earnings per share	0.25	0.24	4.17	0.26	0.25	0.25
			Change (%)			
<b>Profitability indicators (%)</b>						
Return on average total assets <sup>(1)</sup>	0.65%	0.66%	(0.01%)	0.74%	0.77%	0.85%
Return on average equity <sup>(2)</sup>	7.50%	7.91%	(0.41%)	9.23%	9.88%	10.50%
Net interest spread <sup>(3)</sup>	1.81%	1.86%	(0.05%)	2.28%	2.37%	2.44%
Net interest margin <sup>(4)</sup>	1.77%	1.77%	0.00%	2.22%	2.29%	2.55%
Net fee and commission income to operating income	2.42%	2.98%	(0.56%)	3.03%	3.65%	3.22%
Cost-to-income ratio <sup>(5)</sup>	28.55%	33.50%	(4.95%)	30.68%	31.09%	30.29%



## Summary of Accounting Data and Financial Indicators (Continued)

	2024	2023	Year-on-Year	2022	2021	2020
	(Expressed in millions of RMB, unless otherwise stated)					
			Rate of change (%)			
<b>Scale indicators</b>						
Total assets	589,986.89	576,786.03	2.29	533,781.34	503,880.17	456,401.20
Including: Gross loans and advances to customers	347,085.00	331,948.54	4.56	293,527.57	250,486.58	213,922.91
Net loans and advances to customers <sup>(6)</sup>	328,849.36	316,610.23	3.87	279,738.68	238,834.74	206,152.61
Total liabilities	537,679.93	528,368.12	1.76	489,810.81	464,892.34	420,373.38
Including: Deposits from customers <sup>(7)</sup>	375,001.83	356,246.25	5.26	326,324.45	305,521.02	289,042.77
Share capital	14,588.05	14,588.05	—	14,588.05	14,588.05	14,588.05
Total equity	52,306.96	48,417.91	8.03	43,970.53	38,987.83	36,027.82
<b>Asset quality indicators</b>						
Non-performing loan ratio <sup>(8)</sup>	1.72%	1.68%	0.04%	1.47%	1.15%	1.15%
Allowance coverage ratio <sup>(9)</sup>	315.98%	287.71%	28.27%	351.21%	426.41%	334.36%
Allowance to gross loans <sup>(10)</sup>	5.42%	4.83%	0.59%	5.17%	4.90%	3.84%
<b>Capital adequacy ratio indicators <sup>(11)</sup></b>						
Core tier-one capital adequacy ratio	12.24%	11.25%	0.99%	11.20%	11.79%	11.63%
Tier-one capital adequacy ratio	13.16%	12.16%	1.00%	11.91%	11.79%	11.63%
Capital adequacy ratio	14.30%	13.30%	1.00%	13.82%	13.78%	13.67%
Total equity to total assets	8.87%	8.39%	0.48%	8.24%	7.74%	7.89%
<b>Other indicators</b>						
Liquidity coverage ratio <sup>(12)</sup>	271.91%	365.70%	(93.79%)	419.41%	334.63%	289.00%
Liquidity ratio	80.98%	106.05%	(25.07%)	133.49%	112.85%	91.94%
Loan-to-deposit ratio	94.56%	95.01%	(0.45%)	91.31%	82.94%	74.63%

## Summary of Accounting Data and Financial Indicators (Continued)

*Notes:*

- (1) The percentage of net profit for the Reporting Period to the average balance of the total assets at the beginning and the end of the period.
- (2) The percentage of net profit for the Reporting Period to the average balance of total equity at the beginning and the end of the period.
- (3) Calculated by the difference between the average yield on total interest-earning assets and the average cost on total interest-bearing liabilities, on a basis of the daily average of the interest-earning assets and interest-bearing liabilities.
- (4) Calculated by dividing net interest income by average interest-earning assets, on a basis of the daily average of the interest-earning assets.
- (5) Calculated by dividing operating cost after tax and surcharges by operating income.
- (6) Net loans and advances to customers = total loans and advances to customers + accrued interest on loans and advances to customers-provision for impairment of loans and advances to customers.
- (7) Deposits from customers = principal of deposits from customers + interest payable on deposits from customers.
- (8) Calculated by dividing total non-performing loans by total loans and advances to customers.
- (9) Calculated by dividing provision for impairment loss on loan by total non-performing loans.
- (10) Calculated by dividing provision for impairment loss on loan by total loans and advances to customers.
- (11) As at 31 December 2024, indicators were calculated in accordance with the "Regulation Governing Capital of Commercial Banks" promulgated by the National Financial Regulatory Administration and as at 31 December 2023, indicators were calculated in accordance with the "Regulation Governing Capital of Commercial Banks (Provisional)" promulgated by the former China Banking Regulatory Commission.
- (12) By comprehensively analysing the market environment, the Bank proactively adjusted its asset and liability structure and appropriately sold some of its liquid assets, resulting in a decrease in the liquidity coverage ratio as compared with the previous year.

## Management Discussion and Analysis

### 4.1 ECONOMIC, FINANCIAL AND POLICY ENVIRONMENT

2024 was a crucial year for achieving the goals and tasks of the “14th Five-Year Plan”. Internationally, the world experienced accelerated changes in the century-old situation, with more intense strategic competition among major powers and a more complex and severe external environment. However, it was also important to note that the international community widely accepted the concept of a human community with a shared future and China’s “circle of friends” been expanding. Domestically, there were prominent issues with insufficient domestic demand, some enterprises were facing production and operation difficulties, and the pressure on increasing employment and income was growing. The economy was facing many challenges, but China’s economic foundation remained stable, with numerous advantages, strong resilience, and great potential, and the underlying conditions and fundamental trends supporting long-term positive development remained unchanged. From a provincial perspective, there was insufficient effective demand, with weak consumption and significant pressure to stabilize investment. Some industries faced the issue of “increased volume but stagnant revenue (增產不增收)”, with poor coordination between production and sales. Some enterprises experienced operational difficulties. However, the economic recovery trend in Guizhou was evident, with a 5.3% increase in regional GDP in 2024, surpassing the national average by 0.3 percentage point. General public budget revenue grew by 4.4%, with the industrial support role becoming more important, as value-added in large-scale industries increased by 8.2%. Landmark reform measures were being implemented more rapidly, and the basic tasks related to people’s livelihoods and security were being firmly maintained. From an industry perspective, under the policy backdrop of the financial sector continuously increasing fee reductions and profit concessions to support the real economy, commercial banks faced greater pressure from narrowing interest rate spreads and the need for capital replenishment. Meanwhile, with the rapid development of financial technology, new technologies such as mobile internet, big data, and artificial intelligence were constantly being updated, accelerating the digital transformation of the banking industry. The deepening of financial opening up both domestically and internationally has led to heightened competition in the banking sector, further intensifying the industry’s competitive landscape. Overall, opportunities and challenges coexist in the banking industry. Adhering to prudent operations, deepening reform and innovation, enhancing the ability to serve the real economy, and accelerating digital transformation will be crucial pathways for the banking industry to achieve high-quality development.

## Management Discussion and Analysis (Continued)

## 4.2 ANALYSIS OF OPERATION PERFORMANCE

### 4.2.1 Development strategies and future development prospects

With high-quality development as the guiding principle, the Bank adheres to the service concept of “bank with heart”, consolidates and strengthens its urban business and vigorously expands the rural market, striving to become the most heartfelt top-notch regional bank in China. Looking ahead, the Bank will, under the guidance of Xi Jinping’s Thought on Socialism with Chinese Characteristics for a New Era, thoroughly implement the spirit of the Central Economic Working Conference and the Central Financial Work Conference, adhere to the market positioning of “serving urban and rural residents, serving small and medium-sized enterprises, and serving the local economy”, insist on the political and people-oriented nature of financial work, accelerate the cultivation of new productive forces in finance, make efforts in “five major articles”, lead the transformation of development models, business structures, operational capabilities and management methods by means of digital transformation, and strive to build itself into a digital regional bank that serves customers intelligently, provides products agilely, and possesses an abundant cooperative ecosystem, precise risk prevention and control, and safe and efficient operation, and plays a significant role in promoting high-quality economic and social development in Guizhou.

- I. The Bank will make efforts in “major article” of technology finance, thoroughly implement the requirements of regulatory bodies on technology finance-related work, establish and improve the financing system and mechanism for science-and-technology enterprises, and increase the support for science- and-technology enterprises in terms of product innovation, credit policy, approval authority, credit process, etc.
- II. The Bank will make efforts in “major article” of green finance, strive to promote the systematic development of green finance, and continuously optimize and improve the system and mechanism in six aspects, including increasing investment, innovating products, improving management, optimizing structure, managing and controlling risks, and expanding influence, so as to strengthen the brand of green bank.
- III. The Bank will make efforts in “major article” of inclusive finance, implement earnestly the Implementation Opinions on Promoting the High-quality Development of Inclusive Finance, formulate the Bank’s inclusive finance implementation plan in the light of the actual situation, further improve the long-term mechanism of dare, willing, able and sure to lend (敢貸、願貸、能貸、會貸) for inclusive small and micro-enterprises, and continue to consolidate and improve the quality and efficiency of our work.

## Management Discussion and Analysis (Continued)

- IV. The Bank will make efforts in “major article” of pension finance, and enrich the financial products for elderly services, with the diversified demands for financial services in the field of pension as the starting point, to help the development of the pension industry. We will intensify efforts to carry out elderly-oriented modification work in online and offline service channels and accelerate the optimization and upgrade of elderly-oriented services.
- V. The Bank will make efforts in “major article” of digital finance, uphold the connotation and goal of business transformation driven by data elements and digital technology, continue to improve the data governance system, and make breakthroughs in the transformation of key businesses in the five areas including connection, data, intelligence, platform, and ecology, so as to constantly forge and enhance our core competitiveness.
- VI. The Bank will boost the development of the real economy, focus on key projects, characteristic industries and high-quality customers of the “Four-zations” construction in Guizhou, and continue to increase our financial support for the construction of the modern industrial system in Guizhou. We will vigorously expand the rural market, continuously improve the construction of the rural service outlets, and increase credit investment in rural areas to help rural revitalization.
- VII. The Bank will solidify the foundation of comprehensive risk management, strictly adhere to the relevant regulatory requirements outlined in comprehensive risk management guidelines, establish a robust risk management system covering all risk categories, spanning the first, second, and third lines of defense, and extending from the board of directors to branch offices in a top-down manner. It will also deepen its digital capabilities to drive empowerment, utilize scientific quantitative techniques to enhance risk quantification analysis capabilities, and strengthen the creation of value through risk management.
- VIII. The Bank will earnestly implement the new capital regulations, focus on giving play to the role of capital in guiding and promoting the business development of the whole bank, and improve the level of refined capital management. We will actively broaden capital replenishment channels and enrich the usage of capital replenishment tools to provide strong support for the development of the Bank.

### 4.2.2 Analysis of overall operation performance

In 2024, faced with the increasingly complex and severe situation of external pressures, internal difficulties, and multiple constraints, we closely followed the decision-making arrangements of the Party Central Committee and the provincial government, adhered to high-quality development as the overarching goal, and made every effort to stabilize growth, adjusted structure, prevented risks, and achieved new results in high-quality development.

**Business scale grew steadily.** As of the end of the Reporting Period, the Bank recorded total assets of RMB589.987 billion, representing an increase of RMB13.201 billion or 2.29% from the beginning of the year; total loans and advances to customers of RMB347.085 billion, representing an increase of RMB15.136 billion or 4.56% from the beginning of the year; total liabilities of RMB537.680 billion, representing an increase of RMB9.312 billion or 1.76% from the beginning of the year; deposits from customers of RMB375.002 billion, representing an increase of RMB18.756 billion or 5.26% from the beginning of the year.



## Management Discussion and Analysis (Continued)

**Operating efficiency stabilised.** The Bank's revenue and net profit increased, reversing the negative growth trend. During the Reporting Period, the Bank recorded operating income of RMB12.418 billion, representing a year-on-year increase of RMB1.073 billion or 9.46%; net profit of RMB3.779 billion, representing a year-on-year increase of RMB125 million or 3.43%.

**Risk management and control were generally sound.** The Bank's key regulatory indicators of liquidity risk, credit risk, market risk, capital adequacy and profitability continued to meet regulatory requirements. As of the end of the Reporting Period, the Bank recorded non-performing loan ratio of 1.72%, and allowance coverage ratio of 315.98%, which were better than the average level of city commercial banks nationwide, and the risk offsetting capacity of the Bank as a whole remained sound.

**Capital and debt structure continued to be optimized.** As at the end of the Reporting Period, loans accounted for 58.83% of the Bank's assets, representing an increase of 1.28 percentage points over the beginning of the year, with the proportion of loans continuing to rise. The Bank's deposits from customers accounted for 69.74% of liabilities, representing an increase of 2.32 percentage points from the beginning of the year, with the dependence on interbank liabilities steadily declining and the quality of liabilities improving in an orderly manner while keeping the growth in the proportion of deposits from customers.

**Customer base continued to be strengthened.** As at the end of the Reporting Period, the Bank had 115,900 corporate customers, an increase of 7,000 or 6.38% over the beginning of the year. Individual customers were 12,168,500, an increase of 489,500 or 4.19% over the beginning of the year. Retail loan customers were 768,700, an increase of 62,700 or 8.88% from the beginning of the year. The peak of monthly active customers of Mobile Banking exceeded one million, and the average monthly active customers for the whole year were 953,200, an increase of 167,300, or 21.29% compared with the beginning of the year.

### 4.2.3 Business summary

#### I. *Status of developing the "Five major articles"*

##### (i) *Technology Finance*

The Bank has innovated financial products and built a full-cycle service matrix, making every effort to solve the financing difficulties faced by technology-based enterprises with "light assets". We have actively built a differentiated policy toolbox, gradually creating a dual-driven development pattern of "policy + service" through a combination of strategies such as lowering FTP prices, reducing entry thresholds, increasing tolerance for non-performing loans, and opening up green approval channels. In the joint self-evaluation of financial services for technological innovation led by the Guizhou Branch of People's Bank of China and the Guizhou Financial Regulatory Bureau, we ranked first among all city commercial banks in the province. As of the end of the Reporting Period, the balance of our technology financial loans reached RMB8.071 billion, an increase of RMB3.095 billion or 62.2% from the beginning of the year, injecting strong financial momentum into the growth of technology innovation enterprises.

## Management Discussion and Analysis (Continued)

### (II) *Green Finance*

Leveraging green finance as the starting point, the Bank vigorously assisted the transformation and upgrade of ecological value and industries, formulated and refined a work plan in relation to “major articles of green finance”, actively participated in the research of the People’s Bank of China’s transformation regarding financial planning, and established a “green credit + transformation finance” dual-track driving model, providing more accurate services for the green transformation and development of local economies and societies by utilizing products such as forest rights mortgage loans, green construction loans, and ecological and environmental infrastructure loans. With outstanding performance in the field of green and low-carbon transformation finance, our green finance practices were selected as the “Best Practice Cases” of GF60 Green Finance, the annual green finance model case for the Chinese banking and insurance media industry, and the green finance innovation case for Wall Street News ESG. As of the end of the Reporting Period, the balance of our green loans<sup>(1)</sup> registered RMB57.858 billion, an increase of RMB5.664 billion or 10.85% from the beginning of the year, injecting green financial vitality into the low-carbon transformation of the economy and society.

### (III) *Inclusive Finance*

With the objective of “continuous improvements relating to inclusive financial services’ coverage, availability, and satisfaction”, the Bank strengthened credit distribution, increased the technological capabilities, and enhanced compliance awareness, consistently improving the organizational structure of inclusive finance and striving to establish the long-term mechanism for the development of inclusive finance. During the Reporting Period, the Bank provided better, more convenient, and efficient financial services for pivotal fields such as small and micro-enterprises, “Sannong”, new citizens, and specialized and innovative industries in the province, boosting the provincial inclusive financial supply-side structural reforms to take new steps forward, and endeavoring to write a beneficial article on “inclusive finance”. As of the end of the Reporting Period, the Bank’s balance of inclusive loans amounted to RMB61.676 billion and 121,800 households, representing an increase of RMB8.658 billion and 25,200 households over the beginning of the year.

*Note:* The statistical calibre of the Bank’s green credit is calculated with reference to the “Guiding List of Green Industries (2019)” (《綠色產業指導目錄 (2019年版)》)

## Management Discussion and Analysis (Continued)

### (IV) *Pension Finance*

The Bank has regarded pension finance as a key area of focus for annual credit policies and has built a specialized financial service system based on the “elderly economy”. We have developed a special work implementation plan to systematically lay out financial services for the pension industry and issued the first phase of a pension-oriented wealth management product “Hengli Qian Guiying of Bank of Guizhou (貴銀恒利黔貴盈)”. Through risk-controlled and stable-income product design, we have met the wealth management needs of elderly customers. The Bank has successfully passed the certification of the National Financial Technology Certification Center and has become the first bank and financial institution in Guizhou to obtain the certification for pension services. We are committed to creating “barrier-free” financial service scenarios for elderly customers. As of the end of the Reporting Period, the total balance of pension financial loans supported by the Bank reached RMB1.359 billion, an increase of RMB1.066 billion or 363.82% from the beginning of the year.

### (V) *Digital Finance*

The Bank has been reshaping its development momentum through digital transformation, using a dual-track approach of “digital technology + data elements” to deeply integrate data, technology, and business, and build an agile and efficient smart engine, creating a new model of digital finance. In the field of inclusive finance, we have achieved online and intelligent loan extensions, term adjustments, borrowing and repayment, and loan restructuring for small and micro customers, and have also built a grid marketing and whole-village credit scenario for small and micro customers, improving the scattered, non-concentrated, and low-efficient service of small and micro line customers, alleviating the risk of farm household loans, and reducing the marketing costs of single customers. The Bank has deepened its efforts in scenario-based finance, and has successively launched projects such as the liquor dealer purchase finance, tea platform, etc., breaking through data islands in the industrial chain, and integrating financial service capabilities into the business ecology of partners. The second phase of the medicine procurement and financing project has been launched, expanding service coverage to the whole province. We have also strengthened data governance, established 15,200 data verification rules, improved the classified and graded security system, and strengthened the data security line of defense. In terms of talent development, we have initially established three teams of digital professionals, including data analysts, business demand review experts and business acceptance test teams, and have provided intellectual support for the implementation of our digital strategy.

## Management Discussion and Analysis (Continued)

### **II. Corporate Banking Business**

The Bank closely followed the overall economic development of the province, continuously invested credit capital in the real economy, provided strong support for stable economic growth, structural adjustment, and transformation of momentum, and actively promotes the modernization of the province. As of the end of the Reporting Period, the total balance of financing for the real economy reached RMB230.483 billion, an increase of RMB25.879 billion or 12.65% from the beginning of the year. In terms of supporting the high-quality development of the province's "Four-zations", the Bank actively connects with projects, provides comprehensive service solutions and credit strategies, and has cumulatively issued RMB70.983 billion in "Four-zations" loans, with a balance of RMB228.687 billion, an increase of RMB7.905 billion from the beginning of the year.

### **III. Transaction Banking Business**

The Bank uses data credit as a link to build a smart supply chain financial ecosystem, deeply embedding financial services into the industrial chain transaction scene, and building a digital bridge between the industrial demand side and the capital supply side. Through the "industry + digital + finance" Internet Plus model, we have innovatively launched self-service, online, and intelligent supply chain financial services for liquor distributors, realizing full-process online operations and promoting the high-quality upgrade of the core enterprise production and finance ecosystem. As of the end of the Reporting Period, the trade financing balance reached RMB10.869 billion, with a cumulative investment of RMB12.281 billion during the Reporting Period, of which nearly 90% of the funds were accurately irrigated to small and micro enterprises, effectively solving the financing difficulties of small and micro enterprises.

The Bank fully utilizes the geographical advantages of regional city commercial banks and tailor-made "consulting + technology + finance" treasury construction plans for state-owned enterprises, building a financial management system that integrates account penetration management, centralized fund dispatch, intelligent budget decision-making, and dynamic risk control. As of the end of the Reporting Period, there were 2,129 cash management customers, an increase of 12.53% from the beginning of the year; the annual transaction volume exceeded RMB160 billion, a year-on-year increase of 60.26%.

## Management Discussion and Analysis (Continued)

### **IV. Rural Revitalization Business**

The Bank deeply cultivated the fertile land of characteristic agricultural industries, activated resource endowments through market-oriented operations, cultivated industrial momentum through specialized services, and guided development paths with a focus on green development. We provide precise “diagnosis” for the 12 major agricultural advantage industries in the province. Through in-depth studies on the beef cattle industry, ecological fishing industry, and bamboo industry, the Bank has gradually established a service system of “industry research + ecological cultivation”, customized financial products for deep processing of agricultural products (food), and cumulatively invested RMB559 million in credit funds, continuously improving our ability and level of rural revitalization through financial services. Focusing on the “basket of vegetables” for the Guangdong-Hong Kong-Macao Greater Bay Area in Guizhou Province, we have accurately formulated financial plans and issued loans of RMB424 million, helping Guizhou’s products go out of the province.

### **V. Institutional Business**

The Bank has vigorously created a new ecosystem of institutional financial services, and restructured our customer management model with a digital mindset. We have taken the lead in breaking through in the field of medical and health care, cooperating with the Provincial Medical Insurance Bureau to launch the “Medical Insurance Wallet” business. We are the first financial institution in the province to obtain this qualification, laying a solid foundation for managing cross-regional medical insurance funds and gaining a large number of customers in batches, and opening a new chapter in our bank’s technology-driven financial services in the medical field. As of the end of the Reporting Period, the Bank’s institutional deposits reached RMB79.419 billion, an increase of RMB11.225 billion or 16.46% from the beginning of the year; the number of institutional accounts reached 21,246, with an increase of 985 or 4.86% from the beginning of the year.

### **VI. Personal Business**

The Bank used a digital smart engine to empower its customer management ecosystem, comprehensively using BI intelligent systems to support various business scenarios such as customer insights, business analysis, and customer operation. We accurately identified the characteristics of high-income, low-retention customers and implemented scenario-based marketing strategies, promoting an increase of RMB1,692 in the average deposit for union card holders from the beginning of the year, further establishing a new benchmark for customer value improvement. As of the end of the Reporting Period, the Bank’s total personal deposits reached RMB189.689 billion, an increase of RMB16.327 billion or 9.42% from the beginning of the year; personal deposits accounted for 50.58% of the Bank’s total deposits, a year-on-year increase of 1.92 percentage points; and the number of personal deposit customers reached 12.1336 million, an increase of 454.6 thousand or 3.89% from the beginning of the year.



## Management Discussion and Analysis (Continued)

### **VII. Consumer Finance Business**

The Bank accurately implemented policies to safeguard people's livelihood and housing, and actively implemented the policy of adjusting the downpayment ratio and stock interest rate for personal housing mortgage loans. The Bank successfully launched the first cultural and creative-themed credit card "Flying Gragon Card", deeply integrating traditional cultural IP with financial services. We also launched the mortgage consumer loan product "Qian Urban Loan" which can be fully processed online. We deepened our data-driven approach to key customer management, and the asset scale of consumer finance loans achieved steady growth. As of the end of the Reporting Period, the asset scale reached RMB35.609 billion, an increase of RMB3.03 billion or 9.3% from the beginning of the year; serving 768,700 customers, an increase of 62,700 or 8.9% from the beginning of the year.

### **VIII. Micro and Small Business**

The Bank closely followed the development goal of inclusive finance of "expanding coverage, improving quality, and increasing efficiency", and accurately served the micro and small market entities through strengthening credit lending, digital empowerment, and compliance construction. The Bank innovatively combined online with offline services, continuously improved the inclusive financial service system of "precise policy transmission, digitalized service modes, and intelligent risk control", and implemented big data risk control technology to materially shorten the approval process and time, effectively providing small and micro enterprises with "precise drip irrigation"-style financial services. As of the end of the Reporting Period, the balance of loans for inclusive micro and small enterprises reached RMB52.940 billion, an increase of RMB5.512 billion or 11.62% from the beginning of the year; the number of customers served reached 66,500, with an increase of 7,400 or 12.48% from the beginning of the year, achieving dual growth in scale and quality.

### **IX. Financial Market Business**

The Bank strengthened its analysis and judgment over the macroeconomic policies and market conditions, seized opportunities in the bond market, and adhered to a strategy that prioritizes safety and liquidity while also considering profitability. By dynamically adjusting its asset portfolio and capitalizing on trading opportunities, the Bank has achieved significant profit growth. It continued to deepen and broaden its participation in the interbank market, diversifying its business offerings and rapidly enhancing its trading capabilities, thereby further increasing market activity. The Bank actively responds to national macroeconomic control policies, diligently fulfills its underwriting responsibilities, and maintains a stable scale of government bond underwriting. It was commended by the Guizhou Provincial Department of Finance for its underwriting of local government bonds in Guizhou Province and has been awarded multiple times for its underwriting of China Development Bank bonds, further enhancing its market influence. The Bank continues to expand its network of peer relationships, significantly improving the breadth and depth of peer cooperation, and steadily solidifying the foundation for peer collaboration.

## Management Discussion and Analysis (Continued)

### **X. Asset Management Business**

The Bank has continuously strengthened its investment research capabilities in wealth management business, adhering to the development direction of diversified asset allocation and consistently enriching asset categories to mitigate investment risks. During the Reporting Period, the Bank's asset management business has been anchored in fixed-income assets, upholding the principle of balancing stability with innovation. It actively implements a diversified asset allocation strategy, deepens the "fixed-income+" asset layout, and continuously enriches the income sources of wealth management assets. The Bank has also enhanced its market timing and analysis capabilities, effectively improving the resilience of its asset portfolio against market risks, thereby supporting the province's initiative to "increase the property income of urban residents." As of the end of the Reporting Period, all of the Bank's existing wealth management products are net-value-based, covering a variety of categories such as periodic open-end, regular open-end, closed-end net-value, and cash management products, with durations ranging from 1 day to 2 years, catering to the short-, medium-, and long-term wealth management investment needs of customers.

### **XI. Network Financial Business**

The Bank has established a "digital + scenario-based" dual-driven smart financial ecosystem, solidifying its channel support system. During the Reporting Period, electronic channels accounted for 99.32% of financial transactions, completing 716 million transactions, a year-on-year increase of 17.02%. The number of mobile banking customers surpassed 7 million, with an addition of 533,500 new customers within the year, earning the Bank the 2024 Best Accessibility Service Award for Mobile Banking. The construction of the scenario-based ecosystem has covered six major fields including education, healthcare, and government affairs, with customized services integrated into multiple scenarios. The Bank has vigorously promoted the intelligent upgrade of its branches, deploying smart devices in 211 outlets, achieving a business substitution rate of 81.38%. The acquiring business has experienced leapfrog development, with 211 million merchant transactions processed throughout the year, amounting to RMB41.741 billion, representing year-on-year growth of 53.27% and 36.68% respectively, and a significant increase in merchant deposit balances. The Bank has deepened cooperation with payment institutions, enabling "one-click multi-binding" across six payment channels including Alipay and WeChat, continuously enhancing its comprehensive service capabilities.

## Management Discussion and Analysis (Continued)

## 4.3 ANALYSIS OF PROFIT STATEMENTS

In 2024, the Bank recorded operating income of RMB12,418 million; profit before tax of RMB4,154 million; net profit of RMB3,779 million, representing an increase of 3.43% as compared with the corresponding period of the previous year.

	For the year ended 31 December			
	2024	2023	Change	Rate of change (%)
	<i>(Expressed in millions of RMB, unless otherwise stated)</i>			
Interest income	21,843.06	22,178.62	(335.56)	(1.51)
Interest expense	(12,681.01)	(13,428.60)	747.59	(5.57)
<b>Interest income</b>	9,162.05	8,750.02	412.03	4.71
Fee and commission income	546.36	548.91	(2.55)	(0.46)
Fee and commission expense	(245.35)	(210.66)	(34.69)	16.47
<b>Net fee and commission income</b>	301.01	338.25	(37.24)	(11.01)
Net trading gains	904.86	938.25	(33.39)	(3.56)
Net gains arising from investment securities	2,016.79	1,111.99	904.80	81.37
Other operating income	32.95	206.18	(173.23)	(84.02)
<b>Operating income</b>	12,417.66	11,344.69	1,072.97	9.46
Operating expenses	(3,711.02)	(3,969.75)	258.73	(6.52)
Impairment losses on assets	(4,542.83)	(3,324.10)	(1,218.73)	36.66
Share of losses of associates	(9.77)	(13.36)	3.59	(26.87)
<b>Profit before tax</b>	4,154.04	4,037.48	116.56	2.89
Income tax expense	(375.53)	(384.15)	8.62	(2.24)
<b>Net profit</b>	3,778.51	3,653.33	125.18	3.43

## Management Discussion and Analysis (Continued)

## 4.3.1 Net interest income, net interest spread and net interest margin

In 2024, the Bank's net interest income amounted to RMB9,162 million, accounting for 73.78% of the operating income.

The following tables set forth, for the periods indicated, the average balance of the Bank's interest-earning assets and interest-bearing liabilities, interest income and expense from these assets and liabilities, and the average yield of these interest-earning assets and the average cost of these interest-bearing liabilities.

	For the year ended 31 December					
	2024			2023		
	Average balance	Interest income/expense	Average yield/cost <sup>(1)</sup> (%)	Average balance	Interest income/expense	Average yield/cost <sup>(1)</sup> (%)
<i>(Expressed in millions of RMB, unless otherwise stated)</i>						
<b>Assets</b>						
Total loans and advances to customers	344,485.98	16,335.03	4.74	317,388.01	16,379.85	5.16
Financial investments <sup>(2)</sup>	130,693.86	4,801.26	3.67	134,627.01	5,085.01	3.78
Deposits with the central bank	20,030.94	301.46	1.51	19,614.67	293.40	1.50
Deposits with banks and other financial institutions	5,226.14	85.29	1.63	3,351.07	49.56	1.48
Financial assets held under resale agreements	17,598.58	320.01	1.82	20,677.60	370.80	1.79
<b>Total interest-earning assets</b>	<b>518,035.50</b>	<b>21,843.06</b>	<b>4.22</b>	<b>495,658.36</b>	<b>22,178.62</b>	<b>4.47</b>
<b>Liabilities</b>						
Deposits from customers	356,556.93	8,408.94	2.36	345,901.53	8,997.32	2.60
Deposits from banks and other financial institutions	24,985.45	656.16	2.63	23,060.02	601.70	2.61
Borrowings from the central bank	43,036.94	1,033.77	2.40	38,638.69	1,013.61	2.62
Placements from banks and other financial institutions	4,395.98	104.73	2.38	5,386.51	146.09	2.71
Financial assets sold under repurchase agreements	6,367.78	108.45	1.70	7,240.52	112.69	1.56
Debt securities issued	91,899.41	2,368.96	2.58	94,466.49	2,557.19	2.71
<b>Total interest-bearing liabilities</b>	<b>527,242.49</b>	<b>12,681.01</b>	<b>2.41</b>	<b>514,693.76</b>	<b>13,428.60</b>	<b>2.61</b>
Net interest income		9,162.05			8,750.02	
Net interest spread <sup>(3)</sup>		1.81%			1.86%	
Net interest margin <sup>(4)</sup>		1.77%			1.77%	

## Notes:

- (1) Calculated by dividing interest income or expense by average balance.
- (2) Financial investments include financial investments at amortised cost and financial investments at fair value through other comprehensive income.
- (3) Calculated based on the difference between the average yield on total interest-earning assets and the average cost of total interest-bearing liabilities.
- (4) Calculated by dividing net interest income by the average balance of total interest-earning assets.

## Management Discussion and Analysis (Continued)

The following table sets out, for the periods indicated, the changes in the Bank's interest income and interest expense attributable to changes in volume and interest rate. Changes in volume are measured by the change in average balance of interest-earning assets and interest-bearing liabilities, while changes in interest rates are measured by changes in the average interest rates of interest-earning assets and interest-bearing liabilities. Changes caused by both volume and interest rate have been allocated to changes in interest rate.

Item	For the year ended 31 December 2024 compared to 2023 Increase/(decrease) as a result of		
	Scale <sup>(1)</sup>	Interest rate <sup>(2)</sup>	Net increase/ (decrease) <sup>(3)</sup>
<i>(Expressed in millions of RMB, unless otherwise stated)</i>			
<b>Interest-earning assets</b>			
Total loans and advances to customers	1,284.95	(1,329.77)	(44.82)
Financial investments	(144.49)	(139.26)	(283.75)
Deposits with the central bank	6.31	3.76	8.06
Deposits with banks and other financial institutions	30.60	5.13	35.73
Financial assets held under resale agreements	(55.99)	5.20	(50.79)
<b>Changes in interest income</b>	<u>943.54</u>	<u>(1,279.10)</u>	<u>(335.56)</u>
<b>Interest-bearing liabilities</b>			
Deposits from customers	251.29	(839.67)	(588.38)
Deposits from banks and other financial institutions	50.57	3.89	54.46
Borrowings from central bank	105.65	(85.49)	20.16
Placements from banks and other financial institutions	(23.60)	(17.76)	(41.36)
Financial assets sold under repurchase agreements	(14.86)	10.62	(4.24)
Debts securities issued	(66.17)	(122.06)	(188.23)
<b>Changes in interest expenses</b>	<u>301.82</u>	<u>(1,049.41)</u>	<u>(747.59)</u>
<b>Changes in net interest income</b>	<u>641.72</u>	<u>(229.69)</u>	<u>412.03</u>

Notes:

- (1) Represents the average balance for the period minus the average balance for the previous period, multiplied by the average yield/cost for the period.
- (2) Represents the average yield/cost for the period minus the average yield/cost for the previous period, multiplied by the average balance for the previous period.
- (3) Represents interest income/expense for the period minus interest income/expense for the previous period.

## Management Discussion and Analysis (Continued)

## 4.3.2 Analysis on interest income

In 2024, the Bank realized interest income of RMB21,843 million, representing a year-on-year decrease of RMB336 million or 1.51%.

**I. Interest income from loans and advances to customers**

In 2024, the Bank's interest income from loans to customers was RMB16,335 million, representing a year-on-year decrease of RMB45 million or 0.27%.

The following table sets forth, for the period indicated, the average balance, interest income and average yield for each component of our loans to customers.

	For the year ended 31 December					
	Average balance	2024 Interest income	Average yield (%)	Average balance	2023 Interest income	Average yield (%)
<i>(Expressed in millions of RMB, unless otherwise stated)</i>						
Corporate loans and advances	282,884.40	14,137.05	5.00	266,260.31	14,260.38	5.36
Personal loans and advances	48,579.31	2,035.04	4.19	43,206.09	1,982.45	4.59
Discounted bills	13,022.27	162.94	1.25	7,921.61	137.02	1.73
<b>Total loans and advances to customers</b>	<b>344,485.98</b>	<b>16,335.03</b>	<b>4.74</b>	<b>317,388.01</b>	<b>16,379.85</b>	<b>5.16</b>

**II. Interest income from financial investments**

In 2024, the Bank's interest income from financial investments was RMB4,801 million, representing a year-on-year decrease of RMB284 million or 5.58%.

**III. Interest income from deposits with the Central Bank**

In 2024, the Bank's interest income from deposits with the central bank amounted to RMB301 million, representing a year-on-year increase of RMB8 million or 2.75%.

**IV. Interest income from deposits with banks and other financial institutions**

In 2024, the Bank's interest income from deposits with banks and other financial institutions was RMB85 million, representing a year-on-year increase of RMB36 million or 72.10%.

**V. Interest income from financial assets held under resale agreements**

In 2024, the Bank's interest income from financial assets held under resale agreements was RMB320 million, representing a year-on-year decrease of RMB51 million or 13.7%.



## Management Discussion and Analysis (Continued)

### 4.3.3 Analysis on interest expenses

In 2024, the Bank's interest expense amounted to RMB12,681 million, representing a year-on-year decrease of RMB748 million or 5.57%.

***I. Interest expense on deposits from customers***

In 2024, the Bank's interest expense on deposits from customers amounted to RMB8,409 million, representing a year-on-year decrease of RMB588 million or 6.54%.

***II. Interest expense on deposits from banks and other financial institutions***

In 2024, the Bank's interest expense on deposits from banks and other financial institutions amounted to RMB656 million, representing a year-on-year increase of RMB54 million or 9.05%.

***III. Interest expense on financial assets sold under repurchase agreements***

In 2024, the Bank's interest expense on financial assets sold under repurchase agreements was RMB108 million, representing a year-on-year decrease of RMB4 million or 3.76%.

***IV. Interest expense on debt securities issued***

In 2024, the Bank's interest expense on debt securities issued was RMB2,369 million, representing a year-on-year decrease of RMB188 million or 7.36%.

***V. Interest expense on borrowings from Central Bank***

In 2024, the Bank's interest expense on borrowings from central bank amounted to RMB1,034 million, representing a year-on-year increase of RMB20 million or 1.99%.

***VI. Interest expenses on placements from banks and other financial institutions***

In 2024, the interest expenses on placements from banks and other financial institutions was RMB105 million, representing a year-on-year decrease of RMB41 million or 28.31%.

## Management Discussion and Analysis (Continued)

## 4.3.4 Analysis on non-interest income

**I. Fee and commission income**

In 2024, the Bank's net fee and commission income amounted to RMB301 million, representing a year-on-year decrease of RMB37 million or 11.01%.

The following table sets forth each component of fee and commission income in the period indicated.

	For the year ended 31 December			Rate of change (%)
	2024	2023	Change	
(Expressed in millions of RMB, unless otherwise stated)				
Acceptance and guarantee services fees	201.40	238.86	(37.46)	(15.68)
Agency services fees	216.26	153.61	62.65	40.78
Settlement and clearing fees	33.83	39.57	(5.74)	(14.51)
Fund supervision and consultancy services fees	12.47	21.49	(9.03)	(42.00)
Bank card services fees	82.41	95.38	(12.98)	(13.60)
<b>Fee and commission income</b>	<b>546.36</b>	<b>548.91</b>	<b>(2.55)</b>	<b>(0.47)</b>
Bank card services expenses	(131.10)	(110.95)	(20.15)	18.16
Other services fee and commission expenses	(114.25)	(99.71)	(14.54)	14.59
<b>Fee and commission expenses</b>	<b>(245.35)</b>	<b>(210.66)</b>	<b>(34.69)</b>	<b>16.47</b>
<b>Net fee and commission income</b>	<b>301.01</b>	<b>338.25</b>	<b>(37.24)</b>	<b>(11.01)</b>

**II. Net trading gains**

In 2024, the Bank's net trading gains amounted to RMB905 million, representing a year-on-year decrease of RMB33 million or 3.56%.

**III. Net gains arising from investment securities**

In 2024, the Bank's net gains arising from investment securities amounted to RMB2,017 million, representing a year-on-year increase of RMB905 million or 81.37%.

**IV. Other operating income**

In 2024, the Bank's other operating income was RMB33 million, representing a year-on-year decrease of RMB173 million or 84.02%, mainly due to a decrease in the receipt of additional policy incentives compared to the same period of the previous year.

## Management Discussion and Analysis (Continued)

## 4.3.5 Analysis on operating expenses

In 2024, the Bank's operating expenses amounted to RMB3,711 million, representing a year-on-year decrease of RMB259 million or 6.52%.

The following table sets forth, for the periods indicated, the amount, amount of change and rate of changes for each component of our operating expenses.

	For the year ended 31 December			Rate of change
	2024	2023	Change	
	(Expressed in millions of RMB, unless otherwise stated)			
Staff costs	2,244.36	2,450.47	(206.11)	(8.41)
Depreciation and amortization	380.19	399.62	(19.43)	(4.86)
Rental and property management expenses	37.95	42.44	(4.49)	(10.58)
Taxes and surcharges	165.73	168.74	(3.01)	(1.78)
Depreciation of right-of-use assets	121.59	124.87	(3.28)	(2.63)
Interest expense on lease liabilities	10.26	11.60	(1.35)	(11.59)
Other general and administrative fees	750.95	772.01	(21.06)	(2.73)
<b>Total operating expenses</b>	<b>3,711.02</b>	<b>3,969.75</b>	<b>(258.73)</b>	<b>(6.52)</b>

## Management Discussion and Analysis (Continued)

## 4.3.6 Impairment losses on assets

In 2024, the Bank's impairment loss amounted to RMB4,543 million, representing a year-on-year increase of RMB1,219 million or 36.66%. The increase in impairment losses on assets was mainly due to the Bank's increased impairment charges from a prudent management perspective.

The following table sets forth, for the period indicated, the amount, amount of change and rate of changes for each component of impairment loss of the Bank.

	For the year ended 31 December			Rate of
	2024	2023	Change	change(%)
	(Expressed in millions of RMB, unless otherwise stated)			
Loans and advances to customers	4,904.24	2,820.10	2,084.14	73.90
Financial investments	(431.72)	703.73	(1,135.45)	(161.35)
Credit commitments	(28.94)	(142.88)	113.94	(79.75)
Deposit with banks and other financial institutions	6.17	2.53	3.64	143.87
Financial assets held under resale agreements	(0.58)	0.60	(1.18)	(196.67)
Others	93.66	(59.98)	153.64	(256.15)
Total	4,542.83	3,324.10	1,218.73	36.66

## 4.3.7 Income tax

In 2024, the Bank's income tax amounted to RMB376 million, representing a year-on-year decrease of RMB9 million or 2.24%.

The following table sets forth, for the periods indicated, the amount, amount of change and rate of changes for each component of the Bank's income tax expenses.

Item	For the year ended 31 December			
	2024	2023	Change	Rate of change(%)
	(Expressed in millions of RMB, unless otherwise stated)			
Current income tax expense	1,356.52	1,141.46	215.06	18.84
Deferred income tax expense	<u>(980.99)</u>	<u>(757.31)</u>	<u>(223.68)</u>	<u>29.54</u>
Income tax	<u>375.53</u>	<u>384.15</u>	<u>(8.62)</u>	<u>(2.24)</u>

## Management Discussion and Analysis (Continued)

## 4.4 ANALYSIS ON MAJOR ITEMS IN THE BALANCE SHEET

## 4.4.1 Assets

As at 31 December 2024, the Bank's total assets amounted to RMB589,987 million, representing an increase of RMB13,201 million or 2.29% as compared to the end of last year.

The following table sets forth, as at the dates indicated, each component of total assets of the Bank.

	As at 31 December 2024		As at 31 December 2023	
	Amount	Percentage (%)	Amount	Percentage (%)
(Expressed in millions of RMB, unless otherwise stated)				
Gross loans and advances to customers	347,085.00	58.83	331,948.54	57.55
Add: Accrued interest	589.49	0.10	680.04	0.11
Less: allowance for impairment losses on assets	(18,825.13)	(3.19)	(16,018.35)	(2.78)
Net loans and advances to customers	328,849.36	55.74	316,610.23	54.88
Financial investments	203,298.36	34.46	211,956.90	36.75
Cash and deposits with the central bank	18,923.13	3.21	29,750.84	5.16
Deposits with banks and other financial institutions	7,501.94	1.27	5,974.25	1.04
Financial assets held under resale agreements	20,447.04	3.47	1,651.24	0.29
Other assets <sup>(1)</sup>	10,967.06	1.85	10,842.57	1.88
<b>Total assets</b>	<b>589,986.89</b>	<b>100.00</b>	<b>576,786.03</b>	<b>100.00</b>

Note:

(1) Consists primarily of interests in associates, property and equipment, deferred income tax assets and other assets.

## Management Discussion and Analysis (Continued)

**1. Loans and advances to customers**

As at 31 December 2024, the Bank's total loans and advances to customers amounted to RMB347,085 million, representing an increase of RMB15,136 million or 4.56% as compared to the end of last year. The following table sets out, at the dates indicated, a breakdown of the Bank's loans by business lines.

	As at 31 December 2024		As at 31 December 2023	
	Amount	Percentage (%)	Amount	Percentage (%)
	<i>(Expressed in millions of RMB, unless otherwise stated)</i>			
<b>Loans and advances to customers measured at amortised cost</b>				
Corporate loans and advances	288,392.92	83.09	272,961.14	82.23
Personal loans and advances	50,181.90	14.46	47,529.87	14.32
<b>Sub-total</b>	<u>338,574.82</u>	<u>97.55</u>	<u>320,491.01</u>	<u>96.55</u>
<b>Loans and advances to customers measured at fair value through other comprehensive income</b>				
Discounted bills	8,510.18	2.45	11,457.53	3.45
<b>Sub-total</b>	<u>8,510.18</u>	<u>2.45</u>	<u>11,457.53</u>	<u>3.45</u>
<b>Total loans and advances to customers</b>	<u>347,085.00</u>	<u>100.00</u>	<u>331,948.54</u>	<u>100.00</u>

**(1) Corporate loans and advances measured at amortised cost**

As at 31 December 2024, the Bank's corporate loans amounted to RMB288,393 million, representing an increase of RMB15,432 million or 5.65% as compared with the end of last year.

**(2) Personal loans and advances measured at amortised cost**

As at 31 December 2024, the Bank's personal loans amounted to RMB50,182 million, representing an increase of RMB2,652 million or 5.58% as compared to the end of last year.



## Management Discussion and Analysis (Continued)

**2. Investment securities and other financial assets**

As at 31 December 2024, the Bank's investment securities and other financial assets amounted to RMB203,298 million, representing a decrease of RMB8,659 million or 4.09% as compared to the end of last year.

The following table sets forth, at the dates indicated, the components of our investment securities and other financial assets by our investment intention.

	As at 31 December 2024		As at 31 December 2023	
	Amount	Percentage (%)	Amount	Percentage (%)
<i>(Expressed in millions of RMB, unless otherwise stated)</i>				
<b>Financial investments</b>				
Financial investments at fair value through profit or loss	72,271.37	35.55	80,406.91	37.93
Financial investments at fair value through other comprehensive income	55,201.71	27.15	57,880.29	27.31
Financial investments at amortised cost	75,825.28	37.30	73,669.70	34.76
<b>Net financial investments</b>	<u>203,298.36</u>	<u>100.00</u>	<u>211,956.90</u>	<u>100.00</u>

## Management Discussion and Analysis (Continued)

The following table sets forth, at the dates indicated, the distribution of our investment securities and other financial assets.

	As at 31 December 2024		As at 31 December 2023	
	Amount	Percentage (%)	Amount	Percentage (%)
Distribution of financial investments	(Expressed in millions of RMB, unless otherwise stated)			
<b>Bonds</b>				
Debt securities issued by central and local governments	90,750.77	44.64	81,481.46	38.44
Debt securities issued by policy banks	30,755.49	15.13	37,418.02	17.65
Debt securities issued by banks and other financial institutions	3,378.55	1.66	7,980.62	3.77
Debt securities issued by enterprises	25,392.65	12.49	28,372.46	13.39
<b>Sub-total</b>	<u>150,277.46</u>	<u>73.92</u>	<u>155,252.56</u>	<u>73.25</u>
<b>Other financial assets</b>				
Asset-backed securities	376.02	0.18	383.78	0.18
Structured notes issued by securities companies	–	–	303.82	0.14
Investment funds managed by mutual fund managers <sup>(1)</sup>	43,605.80	21.45	43,485.88	20.52
Equity investments	37.75	0.02	37.75	0.02
Investment management products managed by asset management companies and trust plans	6,378.91	3.14	8,437.45	3.98
Private debt financing plans	–	–	90.00	0.04
Other debt investments	2,697.14	1.33	4,097.44	1.93
<b>Sub-total</b>	<u>53,095.62</u>	<u>26.12</u>	<u>56,836.12</u>	<u>26.81</u>
<b>Accrued interest</b>	1,834.66	0.90	2,158.36	1.02
<b>Allowance for impairment losses on assets</b>	<u>(1,909.38)</u>	<u>(0.94)</u>	<u>(2,290.14)</u>	<u>(1.08)</u>
<b>Net financial investments</b>	<u>203,298.36</u>	<u>100.00</u>	<u>211,956.90</u>	<u>100.00</u>

Notes:

- (1) Mainly include monetary funds and bond funds.
- (2) As at the end of the Reporting Period, the financial investments of the Bank were all financial markets business within the scope of operation approved by the National Financial Regulatory Administration. The Bank has conducted a review according to the disclosure requirements for material investments as set out in Appendix D2 to the Hong Kong Listing Rules, and to the best knowledge of the Bank, there is no book value of the above investments accounting for 5% or more of the Bank's total assets as at 31 December 2024.

## Management Discussion and Analysis (Continued)

## 4.4.2 Liabilities

As at 31 December 2024, the Bank's total liabilities amounted to RMB537,680 million, representing an increase of RMB9,312 million or 1.76% as compared to the end of last year.

The following table sets forth, at the dates indicated, each component of total liabilities of the Bank.

	As at 31 December 2024		As at 31 December 2023	
	Amount	Percentage (%)	Amount	Percentage (%)
<i>(Expressed in millions of RMB, unless otherwise stated)</i>				
Borrowings from the central bank	41,196.54	7.66	43,458.07	8.22
Deposits from customers	375,001.83	69.74	356,246.25	67.42
Deposits from banks and other financial institutions	22,788.16	4.24	25,382.49	4.80
Placements from banks and other financial institutions	3,707.48	0.69	4,944.63	0.94
Financial assets sold under repurchase agreements	—	—	—	—
Debt securities issued	90,085.65	16.75	94,267.80	17.84
Other liabilities <sup>(1)</sup>	4,900.27	0.92	4,068.88	0.78
<b>Total liabilities</b>	<b>537,679.93</b>	<b>100.00</b>	<b>528,368.12</b>	<b>100.00</b>

Note:

(1) Including primarily other payables, wages payable and taxes payable, etc.

## Management Discussion and Analysis (Continued)

**I. Deposits from customers**

As at 31 December 2024, deposits from customers of the Bank amounted to RMB375,002 million, representing an increase of RMB18,756 million or 5.26% as compared with the end of last year.

The following table sets forth, at the dates indicated, deposits from customers of the Bank by product type and maturity.

	As at 31 December 2024		As at 31 December 2023	
	Amount	Percentage (%)	Amount	Percentage (%)
	<i>(Expressed in millions of RMB, unless otherwise stated)</i>			
<b>Demand deposits</b>				
– Corporate deposits	85,340.37	22.76	85,981.14	24.14
– Individual deposits	46,208.57	12.32	41,856.63	11.75
<b>Sub-total</b>	<u>131,548.94</u>	<u>35.08</u>	<u>127,837.77</u>	<u>35.89</u>
<b>Time deposits</b>				
– Corporate deposits	84,353.45	22.49	82,250.76	23.09
– Individual deposits	143,480.20	38.26	131,505.38	36.91
<b>Sub-total</b>	<u>227,833.65</u>	<u>60.75</u>	<u>213,756.14</u>	<u>60.00</u>
Pledged deposits	5,464.18	1.46	7,123.04	2.00
Fiscal deposits	1,933.93	0.52	142.21	0.04
Inward and outward remittances	258.54	0.07	519.42	0.15
<b>Sub-total</b>	<u>7,656.65</u>	<u>2.05</u>	<u>7,784.67</u>	<u>2.19</u>
<b>Accrued interest</b>	<u>7,962.59</u>	<u>2.12</u>	<u>6,867.67</u>	<u>1.92</u>
<b>Total deposits from customers</b>	<u><b>375,001.83</b></u>	<u><b>100.00</b></u>	<u><b>356,246.25</b></u>	<u><b>100.00</b></u>

## Management Discussion and Analysis (Continued)

### II. Deposits from banks and other financial institutions

As at 31 December 2024, the Bank's deposits from banks and other financial institutions amounted to RMB22,788 million, representing a decrease of RMB2,594 million or 10.22% as compared to the end of last year.

### III. Debt securities issued

As at 31 December 2024, the Bank's debt securities issued amounted to RMB90,086 million, representing a decrease of RMB4,182 million or 4.44% as compared to the end of last year.

## 4.4.3 Equity

As at 31 December 2024, the total shareholders' equity of the Bank amounted to RMB52,307 million, representing an increase of RMB3,889 million or 8.03% as compared to the end of last year.

The following table sets forth, as of the dates indicated, the components of our shareholders' equity.

	As at 31 December 2024		As at 31 December 2023	
	Amount	Percentage (%)	Amount	Percentage (%)
	<i>(Expressed in millions of RMB, unless otherwise stated)</i>			
Share capital	14,588.05	27.89	14,588.05	30.13
Other equity instruments	3,499.48	6.69	3,499.48	7.23
Capital reserve	8,670.09	16.58	8,670.09	17.91
Surplus reserve	3,354.83	6.41	2,976.98	6.15
General reserve	6,150.00	11.76	5,590.00	11.55
Fair value reserve	1,081.88	2.07	17.26	0.04
Impairment reserve	397.77	0.76	435.53	0.90
Deficit on remeasurement of net defined benefit liability	(65.80)	(0.13)	(40.70)	(0.08)
Retained earnings	14,630.66	27.97	12,681.22	26.17
<b>Total equity</b>	<b>52,306.96</b>	<b>100.00</b>	<b>48,417.91</b>	<b>100.00</b>

## Management Discussion and Analysis (Continued)

## 4.5 OFF-BALANCE SHEET CREDIT COMMITMENTS AND CONTINGENT LIABILITIES

The following table sets forth, as at the dates indicated, the amount of the Bank's off-balance sheet commitments.

	As at 31 December 2024	As at 31 December 2023
	<i>(Expressed in millions of RMB, unless otherwise stated)</i>	
Acceptances	5,870.99	9,627.07
Letters of credit	621.73	899.88
Credit card commitments	14,070.19	12,891.29
Letters of guarantee	1,151.12	894.40
<b>Total</b>	<b>21,714.03</b>	<b>24,312.64</b>

## 4.6 ANALYSIS ON LOANS QUALITY

### 4.6.1 Loan distribution by the five-category classification

Five-category classification	As at 31 December 2024		As at 31 December 2023	
	Amount	Percentage (%)	Amount	Percentage (%)
	<i>(Expressed in millions of RMB, unless otherwise stated)</i>			
Normal	330,459.80	95.21	316,684.74	95.40
Special mention	10,667.41	3.07	9,696.18	2.92
Substandard	1,928.47	0.56	989.60	0.30
Doubtful	1,286.95	0.37	999.70	0.30
Loss	2,742.37	0.79	3,578.32	1.08
<b>Gross loans and advances to customers</b>	<b>347,085.00</b>	<b>100.00</b>	<b>331,948.54</b>	<b>100.00</b>
<b>Non-performing loans and non-performing loans ratio</b>	<b>5,957.79</b>	<b>1.72</b>	<b>5,567.62</b>	<b>1.68</b>

During the Reporting Period, influenced by multiple factors including the external economic environment, the balance and proportion of non-performing loans and special mention loans of the Bank increased from the beginning of the year. As of the end of the Reporting Period, the Bank's non-performing loans ratio stood at 1.72%, an increase of 0.04 percentage point from the beginning of the year; the proportion of special mention loans was 3.07%, up by 0.15 percentage point from the beginning of the year.



## Management Discussion and Analysis (Continued)

## 4.6 ANALYSIS ON LOANS QUALITY

## 4.6.2 Distribution of loans and non-performing loans by product type

Item	As at 31 December 2024				As at 31 December 2023			
	Loan amount	Percentage (%)	Amount of non-performing loans	Non-performing loan ratio (%)	Loan amount	Percentage (%)	Amount of non-performing loans	Non-performing loan ratio (%)
<i>(Expressed in millions of RMB, unless otherwise stated)</i>								
<b>Loans and advances to customers measured at amortised cost:</b>								
Corporate loans and advances	288,392.92	83.09	3,415.96	1.18	272,961.14	82.23	4,346.55	1.59
Personal loans and advances	50,181.90	14.46	2,541.83	5.07	47,529.87	14.32	1,221.07	2.57
<b>Loans and advances to customers measured at fair value through other comprehensive income:</b>								
Discounted bills	8,510.18	2.45	–	–	11,457.53	3.45	–	–
<b>Total</b>	<b>347,085.00</b>	<b>100.00</b>	<b>5,957.79</b>	<b>1.72</b>	<b>331,948.54</b>	<b>100.00</b>	<b>5,567.62</b>	<b>1.68</b>

During the Reporting Period, the Bank focused on completing the “five major articles” and continued to enhance financial support for the real economy, resulting in steady growth in credit scale. As of the end of the Reporting Period, the Bank’s aggregate loans and advances amounted to RMB347,085 million, an increase of RMB15,136 million or 4.56% from the beginning of the year, of which: corporate loans and advances accounted for 83.09%, up by 0.86 percentage point from the beginning of the year; personal loans and advances accounted for 14.46%, up by 0.14 percentage point from the beginning of the year; bill discounts accounted for 2.45%, down by 1 percentage point from the beginning of the year.

## Management Discussion and Analysis (Continued)

## 4.6.3 Distribution of loans and non-performing loans by industry

Industry	As at 31 December 2024				As at 31 December 2023			
	Loan amount	Percentage (%)	Amount of non-performing loans	Non-performing loan ratio (%)	Loan amount	Percentage (%)	Amount of non-performing loans	Non-performing loan ratio (%)
<i>(Expressed in millions of RMB, unless otherwise stated)</i>								
Leasing and commercial services	114,315.55	32.94	474.70	0.42	117,769.57	35.47	621.80	0.53
Wholesale and retail trade	50,697.70	14.61	645.89	1.27	38,401.73	11.57	273.39	0.71
Water resources, environment and public facilities management	21,049.69	6.06	63.84	0.30	22,134.21	6.67	69.87	0.32
Construction	15,725.02	4.53	142.78	0.91	16,031.88	4.83	165.26	1.03
Real estate <sup>(1)</sup>	8,813.68	2.54	1,020.45	11.58	7,541.16	2.27	3,046.19	40.39
Education	7,739.66	2.23	8.72	0.11	9,497.36	2.86	4.69	0.05
Transportation, storage and postal services	10,172.46	2.93	12.01	0.12	10,551.47	3.18	3.79	0.04
Agriculture, forestry, animal husbandry and fishery	9,462.84	2.73	104.96	1.11	9,667.14	2.91	49.89	0.52
Manufacturing	22,935.86	6.61	188.60	0.82	13,819.07	4.16	47.94	0.35
Others	27,480.46	7.92	754.01	2.74	27,547.55	8.30	63.73	0.02
<b>Corporate loans and advances</b>	288,392.92	83.09	3,415.96	1.18	272,961.14	82.23	4,346.55	1.59
<b>Personal loans</b>	50,181.90	14.46	2,541.83	5.07	47,529.87	14.32	1,221.07	2.57
<b>Discounted bills</b>	8,510.18	2.45	–	–	11,457.53	3.45	–	–
<b>Total</b>	<b>347,085.00</b>	<b>100.00</b>	<b>5,957.79</b>	<b>1.72</b>	<b>331,948.54</b>	<b>100.00</b>	<b>5,567.62</b>	<b>1.68</b>

Note:

- (1) During the Reporting Period, the Bank continued to intensify efforts in the collection and disposal of non-performing real estate loans, and the balance and non-performing loan ratio of non-performing real estate loans showed a significant downward trend. As the Bank has included individual real estate development enterprise loans under non-performing management, and the scale of the total amount of loans to the real estate was small, resulting in the relatively higher non-performing loan ratio of real estate.

## Management Discussion and Analysis (Continued)

## 4.6.4 Distribution of loans and non-performing loans by security type

Item	As at 31 December 2024				As at 31 December 2023			
	Loan amount	Percentage (%)	Amount of non-performing loans	Non-performing loan ratio (%)	Loan amount	Percentage (%)	Amount of non-performing loans	Non-performing loan ratio (%)
<i>(Expressed in millions of RMB, unless otherwise stated)</i>								
Unsecured loans	60,648.61	17.47	1,720.73	2.84	54,906.01	16.54	636.17	1.16
Guaranteed loans	196,895.08	56.73	2,046.25	1.04	184,257.87	55.51	1,124.51	0.61
Collateralised loans	55,593.31	16.02	2,041.30	3.67	52,216.10	15.73	3,708.06	7.10
Pledged loans	33,948.00	9.78	149.51	0.44	40,568.56	12.22	98.88	0.24
<b>Total</b>	<b>347,085.00</b>	<b>100.00</b>	<b>5,957.79</b>	<b>1.72</b>	<b>331,948.54</b>	<b>100.00</b>	<b>5,567.62</b>	<b>1.68</b>

As of the end of the Reporting Period, the Bank's pledged loan balance amounted to RMB33,948 million, a decrease of RMB6,621 million from the beginning of the year, accounting for 9.78% of total loans, down by 2.44 percentage points from the beginning of the year. The balances and proportions of unsecured loans, collateralised loans, and guaranteed loans showed slight increases compared to the beginning of the year. In terms of non-performing loan ratios, the non-performing loan ratios for unsecured loans and guaranteed loans increased by 1.68 percentage points and 0.43 percentage point, respectively, from the beginning of the year; the non-performing loan ratios for collateralised loans and pledged loans decreased by 3.43 percentage points and increased by 0.2 percentage point, respectively, from the beginning of the year.

## Management Discussion and Analysis (Continued)

## 4.6.5 Distribution of loans by overdue period

Category	As at 31 December 2024		As at 31 December 2023	
	Amount	Percentage (%)	Amount	Percentage (%)
<i>(Expressed in millions of RMB, unless otherwise stated)</i>				
<b>Loans not past due</b>	341,298.63	98.33	325,502.69	98.06
<b>Overdue loans</b>				
Within 3 months	1,234.69	0.36	2,130.51	0.64
Over 3 months but within 1 year	2,264.66	0.65	3,099.91	0.93
Over 1 year but within 3 years	1,911.03	0.55	1,045.90	0.32
Over 3 years	375.99	0.11	169.53	0.05
<b>Overdue loans and overdue ratio</b>	5,786.37	1.67	6,445.85	1.94
<b>Total loans</b>	347,085.00	100.00	331,948.54	100.00

During the Reporting Period, the Bank intensified efforts to collect overdue loans while strictly managing near-due credit, resulting in a decrease in both the balance and proportion of overdue loans compared to the beginning of the year. As of the end of the Reporting Period, the Bank's overdue loan balance stood at RMB5,786 million, a decrease of RMB659 million from the beginning of the year, and the loan overdue rate was 1.67%, down by 0.27 percentage point from the beginning of the year.

## Management Discussion and Analysis (Continued)

## 4.6.6 Loan concentration

Industry	As at 31 December 2024			Five-category classification
	Balance	Percentage of total loans (%)	Percentage of net capital (%)	
	<i>(Expressed in millions of RMB, unless otherwise stated)</i>			
Manufacturing	3,601.53	1.04	6.68	Normal
Wholesale and Retail trade	3,600.00	1.04	6.68	Normal
Leasing and commercial services	3,206.29	0.92	5.95	Normal
Leasing and commercial services	2,847.00	0.82	5.28	Normal
Leasing and commercial services	2,411.78	0.69	4.47	Normal
Leasing and commercial services	2,396.30	0.69	4.44	Normal
Wholesale and Retail trade	2,074.10	0.60	3.85	Normal
Construction	2,062.40	0.59	3.82	Normal
Leasing and commercial services	2,029.25	0.58	3.76	Normal
Water resources environment and public utility management	1,711.12	0.49	3.17	Normal
<b>Total</b>	25,939.77	7.46	48.10	

As of the end of the Reporting Period, the Bank's largest single borrower loan balance was RMB3,602 million, accounting for 1.04% of the total loans and 6.68% of the net capital; and the aggregate loan balance of the top ten borrowers amounted to RMB25,940 million, accounting for 7.46% of the total loans and 48.1% of the net capital, which complies with the regulatory requirements for loan concentration.

## Management Discussion and Analysis (Continued)

## 4.7 SEGMENT REPORTING

The following table sets forth, for the periods indicated, our operating results of main operating segments:

Item	For the year ended 31 December 2024				Total
	Corporate Banking	Retail Banking	Financial Markets	Others <sup>(1)</sup>	
	(Expressed in millions of RMB, unless otherwise stated)				
External net interest income/(expense) <sup>(2)</sup>	11,112.60	(2,570.89)	620.34	–	9,162.05
Inter-segment net interest (expense)/income <sup>(3)</sup>	(4,362.07)	5,012.03	(649.96)	–	–
<b>Net interest income</b>	6,750.53	2,441.14	(29.62)	–	9,162.05
Net fee and commission income/(expense)	120.82	(21.05)	201.24	–	301.01
Net trading gains	–	–	904.86	–	904.86
Net gains arising from investment securities	–	–	2,016.79	–	2,016.79
Other operating income/(expense)	17.12	(0.60)	(0.80)	17.23	32.95
<b>Operating income</b>	6,888.47	2,419.49	3,092.47	17.23	12,417.66
Operating expenses	(2,027.59)	(730.85)	(914.15)	(38.43)	(3,711.02)
Impairment (losses)/release on assets	(4,076.09)	(724.25)	257.51	–	(4,542.83)
Share of losses of associates	–	–	–	(9.77)	(9.77)
<b>Profit before tax</b>	784.79	964.39	2,435.83	(30.97)	4,154.04



## Management Discussion and Analysis (Continued)

Item	For the year ended 31 December 2023				Total
	Corporate Banking	Retail Banking	Financial Markets	Others <sup>(1)</sup>	
	<i>(Expressed in millions of RMB, unless otherwise stated)</i>				
External net interest income/(expense) <sup>(2)</sup>	10,853.97	(2,688.65)	584.70	–	8,750.02
Inter-segment net interest (expense)/income <sup>(3)</sup>	(5,026.70)	4,707.99	318.71	–	–
<b>Net interest income</b>	5,827.27	2,019.34	903.41	–	8,750.02
Net fee and commission income	189.90	14.95	133.40	–	338.25
Net trading gains	–	–	938.25	–	938.25
Net gains arising from investment securities	–	–	1,111.99	–	1,111.99
Other operating income/(expense)	193.83	2.54	3.52	6.29	206.18
<b>Operating income</b>	6,211.00	2,036.83	3,090.57	6.29	11,344.69
Operating expenses	(2,193.92)	(741.33)	(1,002.45)	(32.05)	(3,969.75)
Impairment losses on assets	(2,170.58)	(376.98)	(776.54)	–	(3,324.10)
Share of losses of associates	–	–	–	(13.36)	(13.36)
<b>Profit before tax</b>	1,846.50	918.52	1,311.58	(39.12)	4,037.48

Notes:

- (1) Consists primarily of income and expenses that are not directly attributable to a segment.
- (2) Includes net interest income/expense from external customers or activities.
- (3) Includes net interest income/expense attributable to transactions with other segments.

The following table sets forth, for the periods indicated, our operating income by business segment and as a percentage of total operating income:

	For the year ended 31 December 2024		For the year ended 31 December 2023	
	Amount	Percent of total amount	Amount	Percent of total amount
<i>(Expressed in millions of RMB, unless otherwise stated)</i>				
<b>Corporate Banking</b>	6,888.47	55.47	6,211.00	54.75
<b>Retail Banking</b>	2,419.49	19.48	2,036.83	17.95
<b>Financial Markets</b>	3,092.47	24.90	3,090.57	27.24
<b>Others <sup>(1)</sup></b>	17.23	0.15	6.29	0.06
<b>Total</b>	12,417.66	100.00	11,344.69	100.00

Note:

- (1) Consists primarily of income and expenses that are not directly attributable to a segment.

## Management Discussion and Analysis (Continued)

## 4.8 CAPITAL COMPOSITION

As at 31 December 2024, the Bank's core tier-one capital adequacy ratio was 12.24%, the Bank's tier-one capital adequacy ratio was 13.16%, and the Bank's capital adequacy ratio was 14.30%.

	As at 31 December 2024	As at 31 December 2023
<i>(Expressed in millions of RMB, unless otherwise stated)</i>		
<b>Total core tier-one capital</b>		
Share capital	14,588.05	14,588.05
Qualifying portion of capital reserve	8,670.09	8,670.09
Other comprehensive income	1,413.85	412.09
Surplus reserve	3,354.83	2,976.98
General reserve	6,150.00	5,590.00
Retained earnings	14,630.67	12,681.22
<b>Core tier-one capital</b>	48,807.49	44,918.43
<b>Core tier-one capital deductions</b>	(2,655.91)	(1,724.59)
<b>Net core tier-one capital</b>	46,151.58	43,193.84
<b>Net other tier-one capital</b>	3,499.48	3,499.48
<b>Tier-two capital</b>		
Surplus provision for loan impairment	4,272.87	4,373.00
<b>Net tier-two capital</b>	4,272.87	4,373.00
<b>Total net capital</b>	53,923.93	51,066.32
<b>Total risk-weighted assets</b>	377,203.30	383,889.98
<b>Core tier-one capital adequacy ratio</b>	12.24%	11.25%
<b>Tier-one capital adequacy ratio</b>	13.16%	12.16%
<b>Capital adequacy ratio</b>	14.30%	13.30%

Note: In accordance with the "Regulation Governing Capital of Commercial Banks" (《商業銀行資本管理辦法》), the information concerning the main characteristics of the capital instrument of the Bank will be published in the Regulatory Capital column of the Investor Relationship section of the Bank's official website (www.bgzchina.com), and please log in for relevant information.

## Management Discussion and Analysis (Continued)

### 4.9 RISK MANAGEMENT

#### 4.9.1 Credit risk management

Credit risk represents the risk of economic loss to the Bank arising from the failure of a debtor or counterparty to meet its contractual obligation or changes in its credit quality. The credit risk of the Bank arises primarily from loans, bonds and other investments, interbank operations and other on-balance sheet businesses, as well as bill acceptance, letters of credit, letters of guarantee and other off-balance sheet businesses.

The Board is the Bank's highest decision-making body for credit risk management, which undertakes the ultimate responsibility of credit risk management; senior management is responsible for the implementation of credit risk management strategies set by the Board, putting into practice credit risk appetite and limit, formulating risk management policies, and optimizing the credit risk management system. The Credit Risk Management Committee established under the senior management has centralized the decision-making, coordination and management in respect of credit risk management of the Bank within their authorization. The Bank has established "three lines of defense" comprising of business departments, Risk Compliance Management Department and Audit Department, each of which performs its own duties to realize mutual supervision and to jointly carry out credit risk management in collaboration.

During the Reporting Period, the Bank focused on promoting various aspects of credit risk management around the theme of high-quality development, resolutely defended the bottom line of systemic risk, strictly adhered to the "steady and balanced" overall risk appetite, clarified risk management policies and credit guidelines, optimized credit management processes, improved credit management systems, strengthened the organizational structure of credit risk management, continuously enhanced the credit risk management system, and constantly improved the comprehensive management level of credit risk identification, monitoring, measurement, and disposal. During the Reporting Period, the Bank's asset quality remained stable, and overall credit risk was under control.

#### 4.9.2 Market risk management

Market risk refers to the risk of loss on the Bank's on-and-off-balance sheet businesses due to the adverse changes in interest rates, foreign exchange rates, stock prices and commodity prices. The Bank has, in accordance with the requirements of the regulatory guidelines, set up a market risk management framework covering the directors, supervisors and senior management, with mutual checks and balances among the front, middle and back offices, and established a market risk management policy system covering market risk identification, measurement, monitoring and control. The Bank mainly quantifies market risks by adopting historical simulation method, in which it identifies, measures, monitors and controls market risks through various methods such as Value at Risk (VaR), sensitivity analysis, active monitoring of the market with stoploss orders (町市止損), and price divergence to improve the level of market risk management. The target of market risk management of the Bank is to control market risk within the tolerable range and maximize shareholders' returns based on its risk appetite.

## Management Discussion and Analysis (Continued)

The Bank's market risk arises from trading book, and the market risk it faces is mainly the interest rate risk of trading book. In 2024, the Bank's comprehensive risk management policies clarified market risk appetite and policy requirements, risk management objectives, trading and investment access standards, asset portfolio allocation orientation, and acceptable risk tolerance and risk limits. Adhering to a steady and balanced risk appetite, the Bank continued to strengthen the supervision of representative accreditation in response to financial market risks, and the centralized management of market risks continued to show results. During the Reporting Period, on the basis of the risk quantification management system under the new Capital Accord and the requirements of the new regulations of the "Regulation Governing Capital of Commercial Banks" (《商業銀行資本管理辦法》), the Bank continued to improve its market risk identification, quantitative analysis, limit management, stress testing, capital measurement and other functions, monitoring, forewarning and emergency response became more timely, and the market risk appetite was transmitted and implemented while reported more smoothly. As at the end of the Reporting Period, indicators of market risk such as Value at Risk (VaR) in the trading book and mark-to-market profit and loss showed some increase in volatility, the trading book maintained profitability, and overall market risk remained manageable.

The adverse impacts from the current external environment have intensified. China's economy performance still faces challenges such as insufficient domestic demand, operational difficulties for some enterprises, pressure on increasing employment and income and a multitude of remaining risks. Bond yields are currently at historically low levels, leading to heightened volatility in the bond market overall. It is necessary to pay attention to the risk of low-level fluctuations in bond yields and continue to strengthen the market risk management and control.

### 4.9.3 Information technology risk management

Information technology risks refer to the operational risk, legal risk, reputational risk, and other types of risks caused by natural or human factors, technical leaks and management defects during the application of information technology by the Bank.

The Board and senior management of the Bank fully recognize the risks of information technology and have established and implemented a cyber-security responsibility system with clear ideas and plans for information technology risk governance. The Bank has established a relatively sound "three lines of defense" governance system for information technology risks. The Bank continued to carry out information technology risk management, including the identification, measurement, monitoring, evaluation and control over the information technology risks to effectively promote the safe, continuous and stable operation of the Bank's business. During the Reporting Period, the Bank completed the construction and relocation of Guanshanhu new data center, to enhance the disaster tolerance capabilities, further improve business continuity management and emergency response capabilities, and strengthen the regulation and control of data security. The Bank carried out network security and data security inspection and information technology risk assessment, and effectively improved the comprehensive capability and level of information technology risk management.

During the Reporting Period, the Bank did not have any material events involving information technology risks or substantial operational suspension as stipulated in the "Guidelines on the Information Technology Risk Management of Commercial Banks" (《商業銀行信息科技風險管理指引》) and the "Regulatory Guidelines on the Business Continuity of Commercial Banks" (《商業銀行業務連續性監管指引》).

## Management Discussion and Analysis (Continued)

### 4.9.4 Operational risk management

Operational risk is the risk of losses due to problems with internal procedures, personnel and information systems, or external events.

The Board is ultimately responsible for our operational risk management and the senior management leads our day-to-day operational risk management. The Bank has established “three lines of defence” against operational risk. The first line of defense is formed by various business and management departments, as well as the operating institutions, directly managing and assuming operational risk and being responsible for operational risk management in their respective areas. The second line of defense is formed by the lead departments at all levels responsible for operational risk management and measurement, supervising and guiding the management of operational risk in the first line of defense. The third line of defense is formed by the internal audit department at all levels, supervising and evaluating the performance of our operational risk management in the first and second lines of defense and their effectiveness.

During the Reporting Period, the Bank clarified the operational risk management policy, improved the operational risk management system, actively promoted the digital transformation of operational risk, and incrementally improved operational risk management tools, effectively enhancing the quality and efficiency of the Bank’s operational risk management. Firstly, the Bank implemented the new requirements for operational risk management of regulators and revised the “Operational Risk Management Measures of Bank of Guizhou” (《貴州銀行操作風險管理辦法》). Secondly, the Bank continued to conduct post-assessment of the system, promptly optimized system processes, and refined the system of rules and regulations. Thirdly, the Bank completed the transformation of the measurement of operational risk-weighted assets within the information system in accordance with Regulation Governing Capital of Commercial Banks to meet the needs of regulatory reporting under the new standard law. Fourthly, the Bank comprehensively re-examined and improved two management systems for dealing with employees’ violations of rules and minor non-compliance points, reinforcing employee behavioral management. Fifthly, the Bank actively explored the digital transformation in the field of operational risk and formulated the “Implementation Plan for Intelligent Transformation of Operational Risk and Compliance Risk Management” (《操作風險與合規風險管理智能化轉型實施方案》), outlining the direction and objectives of the transformation. Sixthly, the Bank utilized the three major tools of operational risk to conduct regular identification, monitoring, and forewarning of such risk, and completed the “2024 Stress Test for Operational Risk of the Bank”. Seventhly, the Bank organized training on new operational risk regulations. Eighthly, the Bank advanced the transformation and upgrade of information technology application innovation (XC) (信創) of the operational risk system. Ninthly, the Bank continuously enhanced the effectiveness of external fraud risk prevention and control, further safeguarding the crucial risk control support role of anti-fraud application systems across the entire transaction chain and all transaction scenarios. Tenthly, the Bank conducted regular inspections of IT manpower outsourcing service and continued to deepen outsourcing risk management.

During the Reporting Period, the Bank managed and controlled operational risk in strict accordance with the “Operational Risk Management Measures in Banking and Insurance Institutions” (《銀行保險機構操作風險管理辦法》) and the “Operational Risk Management Measures of Bank of Guizhou” (《貴州銀行操作風險管理辦法》) and the overall operational risk was controllable.

## Management Discussion and Analysis (Continued)

### 4.9.5 Money laundering risk management

Money laundering risk refers to the risk of legal sanctions, regulatory penalties, significant financial losses, reputational losses and internal control deficiencies resulting from a financial institution's failure to strictly fulfill its legal obligations and duties of anti-money laundering. The Bank has built an organizational structure for anti-money laundering management consisting of the Board, the Board of Supervisors, senior management and anti-money laundering leading group, various functional departments of the head office and institutions at all levels. The Board assumes the ultimate responsibility for money laundering risk management, the Board of Supervisors assumes the supervisory responsibility for money laundering risk management, and the senior management assumes the implementary responsibility for money laundering risk management. The Bank adheres to the risk-based money laundering risk management philosophy, incorporates money laundering risk management into the comprehensive risk management system, reinforces the awareness of money laundering risk management into all aspects of operation and management, and proactively and effectively prevents money laundering risks.

During the Reporting Period, the Bank continued to improve the internal control system, enhanced the use of anti-money laundering technology, intensified the supervision and inspection, actively submitted suspicious transaction reports to help combat money laundering crimes, and effectively improved the quality and efficiency of anti-money laundering. Firstly, the Bank continued to improve the internal control system and further standardized the monitoring of suspicious transactions and the management of employees to improve the system day by day. Secondly, the Bank organized and carried out money laundering risk investigation of business products and adopted strengthened control measures to effectively prevent money laundering risks. Thirdly, the Bank increased anti-money laundering supervision and inspection, and supervised branches to make efforts in anti-money laundering related work. Fourthly, the Bank strengthened anti-money laundering education and training and organized and carried out training on business topics to continue to enhance the professional ability of employees in performing their duties. Fifthly, the Bank continued to enhance the level of anti-money laundering intelligence, optimized system functions and processes, and improved data collection to enhance the effectiveness of system monitoring. Sixthly, the Bank gave full play to the joint mechanism of money laundering risk prevention and control and actively submitted suspicious transaction reports.

During the Reporting Period, the Bank's overall money laundering risk was under control and no significant money laundering incidents occurred.

## Management Discussion and Analysis (Continued)

### 4.9.6 Legal risk management

Legal risk refers to the possibility of negative legal consequences for the Bank due to changes in the legal environment outside the Bank in the course of implementation of laws, or due to the Bank's failure to exercise its rights and fulfill its obligations in accordance with legal provisions or contractual agreements. The Legal Compliance Department of the Bank and the Risk and Legal Compliance Department of the branches are responsible for managing the legal risks of the Bank.

During the Reporting Period, the Bank endeavoured to improve the quality and effectiveness of legal risk management and control, which provided strong legal support and guarantee for operation and management. Firstly, the Bank strictly implemented the legal review system. It conducted legal review on the bank-wide contracts for all types of business and various rules and systems, and focused on the review of consumer rights and interests protection. It carried out legal risk assessment and argumentation on significant operation and management and risk resolution matters, and provided legal opinions or risk prevention programs to ensure the legality of the operation and management activities of the Bank. Secondly, the Bank consistently formulated formatted contract texts system. It formulated formatted contract texts for online business and frequent offline business activities based on business operation and management needs and continuously supplemented and amended them based on regulatory requirements and business demands to improve the database of formatted contract texts and effectively prevent systematic legal risks. Thirdly, the Bank effectively conducted litigation cases management. For litigations cases, it conducted feasibility and necessity analysis and argumentation and prepared lawsuit plans before the litigation based on management requirements. It strictly went through approval procedures in terms of authority to enhance the management and handling ability on litigations and effectively safeguard the legitimate rights of the Bank. Fourthly, the Bank conducted a bank-wide examination on the knowledge and understanding of rules and regulations to promote the mastery and strict implementation of rules and regulations by employees in various positions. Fifthly, the Bank enhanced legal advocacy and training. Based on the requirements on the 8th Five-Year Plan of Legal Popularization, the Bank carried on legal advocacy through on-site publicity at various branches, publishing learning materials on laws and regulations on the website of the Bank, timely delivery of newly issued laws and regulations and other means. It organized legal training through centralized training, consultancy and guidance and online law learning and examining to enhance the employees' legal and prevention of legal risk awareness.

### 4.9.7 Compliance risk management

Compliance risk refers to the risk of legal sanctions, regulatory penalties, significant financial losses or reputational damage due to the Bank's failure to comply with laws, rules and guidelines and internal regulations.

The objective of the Bank's compliance risk management is to achieve effective identification, assessment and prevention of compliance risks through the establishment of a sound compliance risk management mechanism, promoting the construction of a comprehensive risk management system and ensuring compliance operation in accordance with the law.



## Management Discussion and Analysis (Continued)

The Bank earnestly benchmarked against regulatory requirements, strengthened compliance risk management in a comprehensive manner in accordance with the working requirements of “establishing rules, serious implementation and supervision and strict accountability”; paid close attention to the implementation of inspection and rectification; continuously improved the corporate governance mechanism; established and conscientiously implemented the post-evaluation mechanism of rules and regulations and continued to improve the system of rules and regulations; formulated the approach to due diligence and supervision of the performance of duties, reinforced the supervision of the performance of duties by the “three lines of defense”, and performed well on coordination of supervision and auditing; reinforced the connection between the enforcement of rules and disciplinary actions, further improved the system of internal accountability and carried out its implementation properly; and intensified the disposal and warnings and education of non-compliance, and adopted the management and control measures of “proactive prevention, focused control and comprehensive management (主動防、重點抓、全面管)” by carrying out the special rectification activities for operational risk inspections, “turmoil” of credits, repeated offenders and lending field, aiming to enhance the awareness of compliance, the professional competence of compliance management, and the level of compliance management among all staff members, and the compliance with laws, regulations, and supervisory provisions, as well as the implementation of the rules and regulations within the Bank.

### 4.9.8 Reputational risk management

Reputational risk refers to the risk of negative comments to the banking institutions by relevant stakeholders, the public and the media as a result of the actions of the banking institutions, the behavior of their practitioners or external events, which may damage their brand value, adversely affect their normal operation, or even affect market stability and social stability.

The Bank incorporates reputational risk management into the corporate governance and comprehensive risk management system, and conscientiously adheres to the principles of foresight, alignment, comprehensiveness, and effectiveness to effectively enhance the quality and efficiency of reputational risk management. The Bank comprehensively strengthens the whole-process management, enhances reputational risk assessment and analysis, improves emergency response plans to effectively address sensitive public opinion. The Bank comprehensively strengthens the normalization of reputational risk management, conducts reputational risk training and drills, and enhances the reputational risk prevention and control capabilities of various functional departments and branch offices. The Bank comprehensively strengthens positive publicity, focusing on the Bank’s political and people-oriented practices in financial work, earnestly carries out “five major articles” in finance, and promotes publicity such as serving the real economy, supporting small and micro-enterprises, and contributing to rural revitalization, to accumulate the reputational capital of Bank of Guizhou and enhance the brand image of “bank with heart”.

During the Reporting Period, no major reputational risk events occurred in the Bank.

## Management Discussion and Analysis (Continued)

### 4.9.9 Strategic risk management

Strategic risk refers to the risk caused by changes in the external environment or improper operation policies during the formulation and implementation of strategies, which may have negative effects on the current or future capital, reputation or market position of the Bank as a whole. The strategic risk management is an integral part of the Bank's corporate governance and comprehensive risk management system, which aims to enhance the effectiveness of strategic risk management and support the Bank's high-quality development through a sound governance structure and effective management procedures.

The Bank has established a relatively complete strategic risk governance structure. The Board is responsible for approving the strategic risk management policies, supervising the senior management in fulfilling various responsibilities in strategic risk management, and keeping abreast of the changes in strategic risk status and the problems identified in the management process through consideration or review of relevant reports on a regular basis. The senior management assumes the responsibility for the implementation of strategic risk management, and is responsible for establishing the organizational structure for strategic risk management and organizing the implementation of strategic plan, tracking and monitoring and strategic risk management. The office of the Board is the competent authority for strategic risk, and is responsible for coordinating internal and external resources with the Board and the senior management, completing the drafting and revision of the Bank's strategic plan, supervising the implementation, adjustment and evaluation of the strategic plan, and promoting the implementation of the relevant system of strategic risk management by the senior management and functional departments; the risk management department of the head office is responsible for incorporating the strategic risk management into the Bank's comprehensive risk management system; the relevant departments and branches of the head office are responsible for cooperating in the implementation of strategic risk management.

During the Reporting Period, the Bank pushed forward the implementation of the "2022–2024 Plan of Development Strategies of Bank of Guizhou" in an orderly manner, and executed strategic risk management procedures strictly in accordance with the "Management Measures for Strategic Risks of Bank of Guizhou (Provisional)", with an overall stable level of strategic risk, good control and no major strategic risk events.

### 4.9.10 Exchange rate risk management

Exchange rate risk refers to the possibility of economic loss to the Bank due to changes in the value of claims or liabilities denominated in foreign currencies as a result of changes in exchange rates. The Bank's foreign currency assets and liabilities are denominated mainly in US dollars and Euros.

The Bank consistently upholds the principles of prudence and caution, having established a robust risk management framework and formulated a clear foreign exchange risk management system. Firstly, the Bank conducts real-time monitoring of foreign exchange exposure positions, precisely measures and analyzes these exposure to ensure the timely and accurate identification of potential risk points. Secondly, the Bank effectively avoids exchange losses arising from exchange rate fluctuations through settlement and sales of foreign exchange in a timely manner under a prudent foreign exchange transaction strategy to retain the cumulative foreign exchange exposure position indicators held by the Bank within the regulatory limits.

During the Reporting Period, faced with a complex and volatile foreign exchange market environment, the Bank actively managed its exchange rate risk exposure to keep it within the set risk limits, which effectively reduced the impact of exchange rate fluctuations on the Bank's financial condition and main business.

## Management Discussion and Analysis (Continued)

### 4.9.11 Interest rate risk management of banking book

Interest rate risk in the banking book refers to the risk of loss in the economic value and overall income of the banking book due to adverse changes in interest rate level, term structure and other elements, mainly including gap risk, basis risk and optionality risk.

The Bank primarily adopts methods such as repricing gap analysis, stress testing, net interest income analysis, economic value analysis and limit management to identify, measure, monitor, control and report interest rate risks in banking book. During the Reporting Period, the Bank continuously strengthened the management of interest rate risk of banking book based on factors such as the risk preference of interest rate of banking book, risk profile, macroeconomic and market changes. The Bank continuously improved the governance system of interest rate risk of banking book, optimized management tools, and steadily reinforced the mechanism for managing interest rate risk of banking book. The Bank continued to improve the feedback mechanism for monitoring interest rate risk of banking book, regularly monitor the re-pricing gap and realize the active management of gap by adjusting the scale, structure, and term of assets and liabilities to stabilize income value. The Bank regularly conducted scenario analysis and stress testing, constrained the fluctuation range of interest rate risk indicators of banking book, and achieved continued improvement in management effectiveness to ensure the safe and stable operation of income and value under controllable interest rate risk, effectively enhancing the level of risk prevention.

During the Reporting Period, the Bank's interest rate risk of banking book remained stable and overall controllable.

### 4.9.12 Liquidity risk management

Liquidity risk refers to the risk of failure to obtain adequate funds in time at a reasonable cost to repay debts when they are due, perform other payment obligations and meet other capital requirements in the ordinary course of business. Factors affecting liquidity risk include external factors and internal factors. External factors include domestic and international financial and economic conditions, macroeconomic control policies, the depth and breadth of the development of financial markets and the competitive landscape of the banking industry; internal factors include the maturity and business structure of assets and liabilities, stability of deposits, market financing capability and various unexpected events.

The Bank established a relatively sound liquidity risk management and organization system. The Board is ultimately responsible for the management of liquidity risks; the senior management undertakes the organization work in respect of liquidity risk management and is responsible for the implementation of liquidity risk management, the establishment of organization, the promotion of systems and policies in relation to liquidity risk management; the Board of Supervisors is responsible for overseeing and assessing the performance of duties by the Board and the senior management in respect of liquidity risk management; the Planning and Finance Department of the head office is responsible for providing leadership for risk management and implementing specific work in relation to liquidity risk management and various departments under the head office and branches and sub-branches of the Banks provide assistance for liquidity risk management pursuant to their respective duties.

During the Reporting Period, the Bank continued to implement the "steady, compliant, prudent" liquidity risk management appetite. Taking into account the Bank's strategic development objectives, the Bank continued to strengthen asset and liability management, accelerated bond issuance, further increased deposit organisation, effectively mitigated the mismatch of asset and liability maturities and insisted on the bottom line of safe operation of liquidity risk management.

Management Discussion and Analysis (Continued)

The Bank has established a relatively complete liquidity risk management system. During the Reporting Period, the Bank had no liquidity risk event occurred and the liquidity indicators continued to meet the regulatory requirements. Meanwhile, the Bank ensured that liquidity risks were generally manageable through a series of control and management measures. Firstly, the Bank effectively identified, measured, monitored, controlled and reported liquidity risks through cash flow assessment and analysis, and established scientific and sound liquidity risk management systems. Secondly, the Bank determined limit of liquidity risks based on business nature, scale, complexity, risk appetite, development of external market and risk tolerance and made capital arrangements according to its own liquidity situation to improve the pro-activeness and foresight of liquidity management. Thirdly, the Bank enhanced the application of results from the liquidity risk pressure tests, based on the results of which it identified weaknesses in the liquidity risk management of the Bank and made adjustments to the liquidity risk management strategies. Fourthly, the Bank implemented centralized fund management, and fund position was managed by designated persons who were especially responsible for this, to maintain reasonable and sufficient intraday liquidity and meet customers’ payment and settlement needs. Fifthly, the Bank strengthened the management of matured initiative debt and balanced the mature time of initiative debt on the basis of maintaining reasonable liability in the industry to ease the pressure of concentrated maturity of initiative debt and ensure sufficient liquidity for the Bank. Sixthly, the Bank improved the liquidity risk emergency plan, regularly carried out liquidity risk emergency drills, and effectively improved the applicability of the plan and the emergency handling ability of managers.

During the Reporting Period, our liquidity pressure tests involved significant loss of corporate and retail deposits, the material drop of liquidity of current assets, the decrease of availability of corporate and retail financing, the past due status of balance sheet and off-balance sheet asset business and other aspects. Based on the analysis of the test results, the Bank had relatively sufficient high-quality current assets and better liquidity pressure tolerance and the shortest period of survival was over 30 days.

As at the end of the Reporting Period, the Bank’s liquidity coverage ratio was 271.91%; the qualified current assets amounted to RMB54,346 million; the net cash outflow for the next 30 days was RMB19,987 million; the current ratio was 80.98%; and the net stable funding ratio was set out in the table below:

Net Stable Funding Ratio			
Unit: RMB100 million, %			
No.	Item	December 2024	September 2024
1	Stable funding available	3,893.96	3,774.56
2	Stable funding needed	3,514.13	3,510.89
3	Net stable funding ratio (%)	110.81	107.51

## Management Discussion and Analysis (Continued)

**4.10 LIABILITY QUALITY ANALYSIS**

The Bank attaches great importance to liability quality management and has formulated the “Management Measures on Liability Quality of the Bank of Guizhou” (《貴州銀行負債質量管理辦法》) in accordance with the “Liability Quality Management Measures for Commercial Banks” (《商業銀行負債質量管理辦法》) issued by the former CBIRC (National Financial Regulatory Administration) (CBIRC Office Fa [2021] No. 35). The Bank has established a liability quality management system that matches the scale of liabilities and complexity of operation of the entire Bank in accordance with its strategic objectives and the development status of its liability business. The Board assumes the ultimate responsibility for liability quality management while the specific management works falls on the senior management.

The Bank strengthened the quality management of liabilities in terms of structure, cost, stability and authenticity of liabilities. Firstly, insisting on the management of the balance of quantity and price of deposit business, promoting the steady growth of deposit scale and consolidating the foundation of liabilities. Secondly, strengthening the role of active liability regulation to maintain reasonable and sufficient liquidity level for the whole Bank and stabilize the cost of liabilities for the whole Bank. Thirdly, insisting on the combination of liability quality management and liquidity management, and making dynamic adjustments to the total amount, structure and pricing strategies of liability business by improving the pro-activeness and foresight of management and pre-judging the changes of external policies and the competitive situation of the same industry.

In 2024, the Bank's businesses developed steadily, and the quality of liabilities remained safe and sound. At the end of 2024, the Bank had net stable funding ratio of 110.81%, and the liquidity coverage ratio of 271.91%, which were all in line with the regulatory requirements; and the average interest-bearing liabilities cost ratio was 2.41%, a decrease of 20 basis points year-on-year compared to 2023.

Management Discussion and Analysis (Continued)

4.11 CONSUMER RIGHTS PROTECTION

During the Reporting Period, the Bank has developed the “2024 Assessment Measures of Bank of Guizhou on High-quality Development Performance Assessment for Consumer Rights and Interests Protection” (《貴州銀行2024年高質量發展績效考核消費者權益保護考核辦法》) and the “Assessment Measures of Bank of Guizhou for Consumer Rights and Interests Protection Work” (《貴州銀行消費者權益保護工作考核辦法》) to further strengthen assessment efforts, regulate and manage consumer protection actions of relevant departments at the head office and branches and sub-branches, and focus on enhancing the overall consumer protection capabilities of the Bank to ensure consumer protection work “covering all functional departments and entities of all levels (縱向到底，橫向到邊)”.

The Bank continued to prioritize reducing complaints as a key initiative in consumer rights protection efforts. During the Reporting Period, the Bank received a total of 998 complaints, marking a decrease of 87 complaints or 8.02% compared to the same period last year.

From the perspective of business types:

Business type	Number (cases)	Proportion
Bank card	609	61.02%
Loans	231	23.15%
Settlement and clearing	71	7.11%
Savings (RMB)	54	5.41%
Other	33	3.31%
<b>Total</b>	<b>998</b>	<b>100.00%</b>

From the perspective of reasons:

Reason	Number (cases)	Proportion
Caused by service attitude and quality	268	26.85%
Caused by the management system, business rules and procedures of financial institutions	585	58.62%
Caused by pricing charges	78	7.82%
Caused by the service facilities, equipment and business system of financial institutions	22	2.20%
Other	45	4.51%
<b>Total</b>	<b>998</b>	<b>100.00%</b>

## Management Discussion and Analysis (Continued)

Complaints by region:

Region	Number	Proportion
Head Office	411	41.18%
Guiyang	155	15.53%
Zunyi	175	17.54%
Liupanshui	53	5.31%
Bijie	44	4.41%
Anshun	56	5.61%
Qiannan Prefecture	22	2.20%
Tongren	25	2.51%
Qiandongnan Prefecture	33	3.31%
Qianxinan Prefecture	24	2.40%
<b>Total</b>	<b>998</b>	<b>100.00%</b>

## 4.12 INFORMATION TECHNOLOGY DEVELOPMENT

The Bank has actively built a digital foundation characterized by “self-control, security, reliability, and innovation empowerment”. During the Reporting Period, the Bank successfully completed the construction of the Guanshanhu Data Center and the migration of all systems, creating a “dual-active data center” based on private cloud and domestic distributed databases, which was a successful case of relocation of the “main data center based on private cloud and domestic distributed databases” in the banking industry of China, and its disaster recovery capabilities was significantly improved. Through cloud platform online switching drills and full-scenario business continuity testing, the Bank has established a “guaranteed opening” emergency response system, achieving a production system availability rate over 99.99%. In the People’s Bank of China’s surprise drills, the Bank was highly recognized for its emergency response efficiency.

The Bank has vigorously built a cyber-security system characterized by “active defense + intelligent monitoring.” The Bank achieved “zero breaches” in the Ministry of Public Security’s “Wangding Cup (網鼎杯)” real-network attack and defense exercise, ranked the top among financial institutions in the province in provincial critical information infrastructure inspections, and consistently met software legalization standards for multiple years. The Bank has innovatively launched projects such as Qiancheng loan products, intelligent microcredit phase II project, a alcoholic dealer procurement financing project and a alcoholic e-commerce project, taking the expansion of scenario-based finance to the next level. In collaboration with public security authorities, the Bank has established an integrated anti-fraud platform to create an intelligent anti-fraud system and build a solid defense against financial fraud.

Throughout the year, the Bank completed the research and development of over 500 projects and demands. Among these, the launch of the “Yibacheng Chaqing Trading Platform (一把秤茶青交易平台)” marked another successful case in scenario-based finance, supporting the digital transformation of Guizhou’s distinctive agriculture. Its technological achievements have won the People’s Bank of China’s Financial Technology Development Award for three consecutive years, and the Bank remains the only institution in Guizhou Province to receive this honor since the award’s inception. The Bank’s “Digital Transformation Practice in Testing Outsourcing Management for Small and Medium-Sized Banks” and “Data-Driven One-Stop Data Middle Platform” were selected as exemplary digital finance case studies in the banking industry. The contribution of technology empowerment to business growth has continued to rise, injecting strong momentum into the Bank’s high-quality development.



## Management Discussion and Analysis (Continued)

### 4.13 DIGITAL TRANSFORMATION AND DEVELOPMENT OF DIGITAL FINANCE

During the Reporting Period, the Bank adhered to the dual-drive concept of data elements and digital technology for business transformation and development, vigorously promoted the deep integration of business, data, and technology to build a new model of digital finance, continuously created agile, efficient, and secure digital products and services with faster response times, better product experiences, and more precise risk control measures as the standard, so as to drive the Bank's high-quality transformation with digitalisation, complete the digital finance articles, and contribute significantly to the Bank's development of new productive forces.

#### I. Empowering with Digital Technology and Data Elements to Create Featured Financial Services

The Bank adhered to customer-centric digital transformation, and further promoted new businesses, products, and services through digitalisation and intelligence, achieving new breakthroughs in digital finance from point to surface. **Deeply ploughing into the local market to innovate scenario-based finance.** The Bank continuously enriched the digital ecosystem of financial services across all scenarios and chains, and facilitated the rapid implementation of financing businesses for distributors of renowned liquor companies in Guizhou, ensuring the secure and efficient flow of business information and funds, thereby forming a closed loop. During the Reporting Period, the cumulative invoicing exceeded RMB1.25 billion. The "Tea Green Platform (茶青平台)" was put into production, providing unified management for tea merchants and farmers as well as digital management of the whole chain from tea picking, price assessment to transaction settlement, laying a solid foundation for the digital transformation of the tea industry. The "pharmaceutical procurement loan (藥採貸)", a representative product in the "pilot basis supply chain loans (脫核鏈貸)", has expanded from a single enterprise to widespread promotion across the entire industry on the basis of the pilot success at the Bank of Guizhou Guiyang Branch, thereby further broadening the regional coverage of industrial digital finance. The Bank established a grid-based marketing approach for small and micro customers along with a whole-village credit granting model, improving the previously scattered and inefficient service conditions for small and micro customers and mitigating loan risks for farmers, while reducing marketing costs per household. **Evolving customer service from "available" to "excellent".** The Bank enhanced the efficiency and coverage of financial services, and enabled quick payment services for mobile banking with mainstream payment platforms through "one-click multi-binding (一鍵多綁)", further improving the convenience of financial services for mobile banking. The number of new mobile banking customers and average monthly active users has significantly increased. The processes for extending small and micro customer loan products, term adjustment, borrowing for repayment, and loan restructuring have transitioned from offline to online, reaching and servicing inclusive small and micro customers through the most convenient and efficient channels. Additionally, the Bank implemented a project to process rare Chinese characters, resulting in the successful processing of 116 systems for these characters, eliminating operational barriers for customers dealing with rare characters in various financial service processes such as account opening and closing, depositing and withdrawing funds, and transferring. **Advancing to the level of digital operation and management.** The Bank achieved full online processing for personal credit inquiries, significantly shortening the business processing time from two days to a few minutes, thus enhancing both information security and business efficiency.

## Management Discussion and Analysis (Continued)

**II. Continuous Improvement of Systematic Data Infrastructure to Refine Digital Productivity**

The Bank continued to enhance its data infrastructure and capabilities, using to promote governance and creating a new paradigm of data empowerment. **Driving business decisions with data.** The Bank vigorously promoted the empowerment of business through data production elements, with Business Intelligence (BI) becoming one of the primary means of data empowerment. During the Reporting Period, the Bank leveraged the BI platform to comprehensively advance precise marketing, decision support, problem-solving, and scenario innovation, with BI usage exceeding 266,800 times, representing an increase of 157.7% from the previous year. The number of active users has grown exponentially, while traditional data retrieval has significantly decreased by 56.2%, significantly improving the effectiveness of data-driven business decision-making. **Solidly implementing data governance.** The Bank reshaped the data standard system, established an enterprise-level data verification rules database, formed a mechanism for data asset inheritance with 15,200 data standard records, moved data governance to the demand analysis phase, and addressed data collection irregularities at the source, ensuring that data standards play a supportive, guiding, and constraining role in business requirement design. **Strengthening data quality control.** The Bank carefully studied new capital regulations, compared them with old internal capital measurement rules, analysed and assessed the difference between the old and new business measurement of RWA, market risk and operational risk, and completed the measurement and reporting of off-site regulatory reports under new capital regulations, achieving maximum precision in measurement and capital savings. The Bank took the initiative to carry out cross-system verification for nine regulatory reporting modules, including 1104, EAST and large centralisation, significantly enhancing the quality of regulatory data. **Building a data security system.** The Bank established a robust data laboratory that ensures secure usage of non-sensitive production data by business departments. A security assessment mechanism has been established for data retrieval, proposing different security protection requirements based on data classification and protection levels, making data retrieval more secure.

**III. Continuous Optimization of Transformation Mechanisms and Systems to Ensure Stable and Sustainable Digital Finance**

The Bank continued to play a coordinating role in promoting digital finance, and accelerated business transformation through mechanism innovation. **Comprehensively laying out the work for all stages of digital finance.** The Bank developed the "Implementation Plan for Digital Finance Articles of Bank of Guizhou" (《貴州銀行數字金融大文章工作實施方案》), which specifies the direction and measures for digital finance work from 2024 to 2026, effectively planning the development direction of digital finance to ensure it is targeted. **Solidifying the foundation for transformation.** A data management committee has been established to further improve the top-level architecture of data governance. The Bank formulated 11 systems and standards, including "Administrative Measures for Data Security" (《數據安全管理辦法》) and "Demand Management and UAT Testing Management Measures" (《需求管理及UAT測試管理辦法》) to solidify the compliance foundation for digital finance, and published the "Catalogue of External Data Assets of Bank of Guizhou" (《貴州銀行外部數據資產目錄》) to achieve unified introduction and sharing of external data assets. **Continuously improving the talent cultivation mechanism for digital finance.** The Bank formed three professional teams: data analysts, business requirement review experts, and business acceptance testing teams, thereby further strengthening the support for digital transformation talent. By combining systematic training with colleges and universities and the practical operation of big data analysis labs, the Bank nurtured 30 seed talents in data analysis, further enriching the data talent guarantee. High-quality digital finance lectures and digital night schools have been successfully held, continuously improving employees' digital literacy.

## Management Discussion and Analysis (Continued)

### 4.14 SOCIAL RESPONSIBILITIES

#### I. Dedicated Support for Rural Revitalization

The Bank has innovatively established a “bank + company + outlet manager” tripartite co-construction model, deploying 2,219 rural service stations across the province to create “Rural Neighborhood Stations (鄉鄰小站)” that integrate financial services, and livelihood services. Through smart terminal devices, the Bank provides rural residents with comprehensive services such as small deposits and withdrawals, transfers mobile banking sign-ups, social and medical insurance payments, and utility bill payments. 1.2988 million transactions were processed by service terminals for rural residents, with a transaction value of RMB2.772 billion, representing year-on-year growth of 72.92% and 88.19% respectively over the beginning of the year. The Bank actively cooperated with courier logistics, e-commerce and public service platforms to provide varieties of financial and non-financial services for rural customers. During the Reporting Period, the Bank conducted over 3,000 financial knowledge lectures, dispatched four cadres to serve as first secretaries in Danzhai County’s rural areas, and donated RMB2.4 million to support infrastructure construction and industrial development in assisted villages, forming a comprehensive rural revitalization service system combining “station services + village assistance + public welfare donations”.

#### II. Devoted Services for Private and Small-Micro Enterprises

The Bank has remained committed to serving the real economy, establishing a long-term mechanism of “daring to lend, willing to lend, able to lend, and skilled in lending (敢貸、願貸、能貸、會貸)”. Through the “Thousands of Enterprises and Households Outreach” initiative and the “Hundred Presidents Entering Commerce” special program, the Bank deepened collaboration among banks, governments, and enterprises, continuously enhancing quality and effectiveness of inclusive financial services, constantly injecting financial vitality into the high-quality development of the real economy, as well as boosting the Bank’s loan balance to inclusive small and micro enterprises over RMB52.94 billion, with an increase of 11.62% over the beginning of the year; the customer base expanding to 66,500 households, with 7,400 new customers added during the year, representing an increase of 12.48%.

#### III. Dedicated to Green Development

The Bank actively implemented the national strategy of “dual carbon”, focused on writing a “‘major article’ of green finance”, and focused on the “3533” industrial cluster to increase green finance support for new quality productivity projects such as “Precision Development for Rich Mines (富礦精開)” and “Electric Guizhou (電動貴州)”, assisting the province’s ecological advantages into economic advantages. As of the end of the Reporting Period, the green credit balance has reached RMB 57.858 billion, resulting in the annual CO<sub>2</sub> emission reduction of 702,000 tonnes, comprehensively promoting the transformation of the province’s green mountains and waters into “happy real estate (幸福不動產)” and “green ATM (綠色提款機)”. The Bank actively implemented green management, endeavoured to build an efficient and sound green office platform, vigorously promoted online meetings, advocated low-carbon travel for employees, and fully implemented energy-saving and carbon reduction initiatives.

## Management Discussion and Analysis (Continued)

### IV. Diligent Protection of Consumer Rights

The Bank has continuously strengthened the construction of its consumer rights protection system, establishing a suitability management mechanism that covers the entire process. The Bank has conducted specialized training sessions on the “dual recording” standards for agency sales businesses, standardizing the procedures for audio and video recording to ensure precise matching between product sales and customers’ risk tolerance. Simultaneously, the Bank has built a multi-dimensional “online + offline” education network and formulated an annual financial literacy promotion plan. During the Reporting Period, the Bank has carried out 3,967 themed promotional activities, such as “3 · 15” and “Financial Knowledge Campaign (金融知識萬裏行)”, reaching 2.2021 million consumers. The Bank has established a closed-loop management mechanism of “hierarchical response + traceability and rectification”. By optimizing the intelligent response system of its customer service hotline and adding online complaint channels, the Bank has improved the efficiency of complaint handling. During the Reporting Period, the total number of complaints was 998, representing a decrease of 87 or 8.02% compared to the same period last year, and the satisfaction rate for complaint resolution reached 84.37%.

### V. Wholehearted Fulfillment of Social Responsibilities

The Bank always keeps in mind its original intention of serving the people through finance, actively fulfilling its social responsibilities. During the Reporting Period, the Bank actively carried out various public welfare activities such as promoting legal awareness and rights protection for female workers, promoting family education and sending cooling gifts for the summer. The Bank also called on all employees to participate in consumer assistance, helping to sell over 2,500 kg of potatoes for the Matang Village in Weinan County. The Bank responded positively to the “Double Ten-Thousand” activities for caring for left-behind children in rural areas initiated by the provincial federation of trade unions and the “June 1st” Children’s Day condolences initiated by the provincial federation of trade unions’ women workers committee, and organized employees from its entire jurisdiction to carry out activities for caring and comforting left-behind children in rural areas, relocated poverty alleviation sites, schools, communities, etc. During the “3.12” tree-planting festival, the Bank organized online voluntary tree-planting fundraising activities and offline voluntary tree-planting demonstration activities under the theme of “Beautiful China, Youth Action”, consciously fulfilling its legal obligations for afforestation and forest protection. During the college entrance examination period, the Bank organized more than 1,100 people to carry out the “Braving the Wind and Waves with Dreams” voluntary service activity, providing service for nearly 10,000 candidates, parents, logistics support workers, etc. Through the “Same Heart, Same Dream, Walking with Love (同心同夢 · 與愛同行)” public welfare activity, the Bank inspired special education students to strive for progress and actively spread the cultural concept of “Heartfelt Bank, Shared Happiness”. The Bank has donated a total of RMB2.5 million to its paired assistance points, helping with rural revitalization and the construction of beautiful countryside. It has also donated RMB60,000 to support poor students, specifically for completing their university education. During the Reporting Period, the Bank has donated a total of RMB2.56 million to the public, fulfilling its responsibilities as a state-owned enterprise and continuously promoting the development of public welfare causes.

## Management Discussion and Analysis (Continued)

### VI. Dedicated Leading of Talent Development

The Bank has deepened the implementation of its talent strategy and organized a special meeting of the Party committee on talent work for the year 2024, to discuss and formulate the “2024–2027 Talent Development Plan of the Communist Party of China of Bank of Guizhou” (《中共貴州銀行委員會2024–2027年人才發展工作規劃》). The Bank has detailed the goals and tasks for talent development in 2024, and implemented specific measures. The Bank has also formulated and issued the “Implementation Measures for Personnel Recruitment (Transfer) of Bank of Guizhou” (《貴州銀行人員招錄(調用)工作實施辦法》), improving the mechanism for open, fair, competitive, and merit-based personnel recruitment (transfer). The Bank has completed the tasks of hiring high-level talents, targeted trainees, and spring recruitment, and has successively introduced around 200 professionals in areas such as marketing and information technology. The age and knowledge structure of the talent team has been further optimized, and the size of the talent team has continued to grow. The Bank has also revised and issued the “Management Measures for Professional Sequence and Rank of Bank of Guizhou” (《貴州銀行專業序列職級管理辦法》), further optimizing the evaluation process for professional sequence and rank, organizing the completion of the evaluation work, and continuously smoothing the channel for talent growth. The Bank has earnestly implemented the system of Party committee contacting and serving expert talents and the mechanism of talent service commissioners, formulated the implementation plan for “Talent Day” in 2024, and actively listened to the opinions and suggestions of talents through activities such as talent visits, interviews, and “family visits”. The Bank has also provided services for talents such as applying for “talent quick pass” and applying for professional titles, implemented care and incentive measures, and continuously stimulated the vitality of talent innovation and creation.

## Changes in Share Capital and Information on Shareholders

### 5.1 CHANGES IN SHARE CAPITAL

As at 31 December 2024, total share capital of the Bank was 14,588,046,744, comprising 12,388,046,744 Domestic Shares and 2,200,000,000 H Shares.

Item	As at 31 December 2023		Changes in shares during the Reporting Period (share)	As at 31 December 2024	
	Number of shares (share)	Percentage (%)		Number of shares (share)	Percentage (%)
Domestic Shares	12,388,046,744	84.92	0	12,388,046,744	84.92
H Shares	2,200,000,000	15.08	0	2,200,000,000	15.08
Total number of ordinary shares	14,588,046,744	100.00	0	14,588,046,744	100.00

### 5.2 INFORMATION ON SHAREHOLDERS

#### 5.2.1 Total number of domestic shareholders

As at 31 December 2024, the Bank had 5,299 domestic shareholders in total, consisting of 10 state-owned shareholders, 62 state-owned legal person shareholders, 119 private enterprise legal person shareholders and 5,108 natural person shareholders.

## Changes in Share Capital and Information on Shareholders (Continued)

## 5.2.2 Top ten shareholders of the Domestic Shares

As at 31 December 2024, the shareholdings of top ten Domestic Shareholders of the Bank are detailed as follow:

No.	Name of shareholder	Class of share	Number of shares held (Unit: Share)	Approximate percentage of total issued share capital <sup>(Note)</sup> of the Bank as at the end of the Reporting Period (%)
1	Guizhou Provincial Finance Bureau (貴州省財政廳)	Domestic Shares	2,917,500,000	20.00
2	China Kweichow Moutai Distillery (Group) Co., Ltd. (中國貴州茅台酒廠(集團)有限責任公司)	Domestic Shares	1,750,000,001	12.00
3	Zunyi City State-owned Assets Investment and Financing Management Co., Ltd. (遵義市國有資產投融資經營管理有限責任公司)	Domestic Shares	955,477,904	6.55
4	Shenzhen Expressway Corporation Limited (深圳高速公路集團股份有限公司)	Domestic Shares	426,000,000	2.92
5	Guizhou Water Investment Water Affairs Group Co., Ltd. (貴州水投水務集團有限公司)	Domestic Shares	334,000,000	2.29
6	Guizhou Science and Technology Venture Capital Co., Ltd. (貴州省科技風險創業投資有限公司)	Domestic Shares	316,202,689	2.17
7	Guizhou Expressway Group Co., Ltd. (貴州高速公路集團有限公司)	Domestic Shares	300,000,000	2.06
8	Liupanshui Municipal Finance Bureau (六盤水市財政局)	Domestic Shares	284,067,540	1.95
9	Guizhou Water Investment Capital Management Co., Ltd. (貴州水投資本管理有限責任公司)	Domestic Shares	191,325,190	1.31
10	Guizhou Renhuai Maotai Town Hutu Liquor (Group) Co., Ltd. (貴州省仁懷市茅台鎮糊塗酒業(集團)有限公司)	Domestic Shares	188,633,460	1.29

Note: Total issued share capital includes Domestic Shares and H Shares.

## Changes in Share Capital and Information on Shareholders (Continued)

**5.2.3 Interests and short positions of substantial shareholders in Shares and underlying shares under the Regulations of Hong Kong**

As at 31 December 2024, to the best knowledge of the Bank, the following persons (other than the Bank's Directors, Supervisors and chief executives) had interests and/or short positions in the Shares or underlying shares of the Bank as recorded in the register of interests required to be kept by the Bank pursuant to Section 336 of Part XV of the SFO or, directly or indirectly, were interested in 5% or more of the nominal value of any class of the Bank's share capital:

Name of shareholder	Class of shares	Long positions/ Short positions	Nature of interests	Number of Shares (Share)	Approximate percentage of the relevant class of share capital issued of the Bank (%)	Approximate percentage of the total issued share capital of the Bank (%)
Guizhou Provincial Finance Bureau (貴州省財政廳)	Domestic Shares	Long positions	Beneficial owner	2,917,500,000	23.55	20.00
China Kweichow Moutai Distillery (Group) Co., Ltd. <sup>(1)</sup> (中國貴州茅台酒廠(集團)有限責任公司)	Domestic Shares	Long positions	Beneficial owner	1,750,000,001	14.13	12.00
State-owned Assets Supervision and Administration Commission of the People's Government of Guizhou Province <sup>(1)</sup> (貴州省人民政府國有資產監督管理委員會)	Domestic Shares	Long positions	Interest in controlled corporation	1,750,000,001	14.13	12.00
Zunyi City State-owned Assets Investment and Financing Management Co., Ltd. <sup>(2)</sup> (遵義市國有資產投融資經營管理有限責任公司)	Domestic Shares	Long positions	Beneficial owner	955,477,904	7.71	6.55
Zunyi State-owned Capital Operation Co., Ltd. <sup>(2)</sup> (遵義市國有資本運營有限公司)	Domestic Shares	Long positions	Interest in controlled corporation	955,477,904	7.71	6.55
Zunyi City Mingcheng Stateowned Assets Investment and Operation Co., Ltd. <sup>(2)</sup> (遵義市名城國有資產投資經營有限公司)	Domestic Shares	Long positions	Beneficial owner	34,065,055	0.27	0.23



## Changes in Share Capital and Information on Shareholders (Continued)

Name of shareholder	Class of shares	Long positions/ Short positions	Nature of interests	Number of Shares (Share)	Approximate percentage of the relevant class of share capital issued of the Bank (%)	Approximate percentage of the total issued share capital of the Bank (%)
State-owned Assets Supervision and Administration Commission of the People's Government of Zunyi Municipality <sup>(2)</sup> (遵義市人民政府國有資產監督管理委員會)	Domestic Shares	Long positions	Interest in controlled corporation	989,542,959	7.98	6.78
Guizhou Water Investment Water Affairs Group Co., Ltd. <sup>(3)</sup> (貴州水投水務集團有限公司)	H Shares	Long positions	Beneficial owner	314,030,000	14.27	2.15
Guizhou Water Conservancy Investment Group Co., Ltd. <sup>(3)</sup> (貴州省水利投資(集團)有限責任公司)	H Shares	Long positions	Interest in controlled corporation	314,030,000	14.27	2.15
State-owned Assets Supervision and Administration Commission of the People's Government of Guizhou Province <sup>(3)</sup> (貴州省人民政府國有資產監督管理委員會)	H Shares	Long positions	Interest in controlled corporation	314,030,000	14.27	2.15
Qianxinan Prefecture Hongsheng Capital Operation Co., Ltd. <sup>(4)</sup> (黔西南州宏升資本營運有限責任公司)	H Shares	Long positions	Beneficial owner	310,487,000	14.11	2.13
State-owned Assets Supervision and Administration Commission of the People's Government of Qianxinan Prefecture <sup>(4)</sup> (黔西南州人民政府國有資產監督管理委員會)	H Shares	Long positions	Interest in controlled corporation	310,487,000	14.11	2.13

## Changes in Share Capital and Information on Shareholders (Continued)

Name of shareholder	Class of shares	Long positions/ Short positions	Nature of interests	Number of Shares (Share)	Approximate percentage of the relevant class of share capital issued of the Bank (%)	Approximate percentage of the total issued share capital of the Bank (%)
Renhuai Sauce-flavored Liquor (Group) Co., Ltd. <sup>(5)</sup> (仁懷醬酒(集團)有限責任公司)	H Shares	Long positions	Beneficial owner	309,382,000	14.06	2.12
The People's Government of Renhuai Municipality <sup>(5)</sup> (仁懷市人民政府)	H Shares	Long positions	Interest in controlled corporation	309,382,000	14.06	2.12
Guizhou Fanjingshan Investment Holding Group Co., Ltd. <sup>(6)</sup> (貴州省梵淨山投資控股集團有限公司)	H Shares	Long positions	Beneficial owner	142,000,000	6.45	0.97
Tongren State-owned Assets Supervision and Administration Bureau <sup>(6)</sup> (銅仁市國有資產監督管理局)	H Shares	Long positions	Interest in controlled corporation	142,000,000	6.45	0.97
Changsheng Fund Management Co. Ltd-Changsheng Fund Zunyi No.1 Single Asset Management Plan <sup>(7)</sup> (長盛基金遵義1號單一資產管理計劃)	H Shares	Long positions	Investment Manager	140,000,000	6.36	0.96

## Notes:

- (1) China Kweichow Moutai Distillery (Group) Co., Ltd. is 90% owned by the State-owned Assets Supervision and Administration Commission of the People's Government of Guizhou Province (貴州省人民政府國有資產監督管理委員會). By virtue of the SFO, the State-owned Assets Supervision and Administration Commission of the People's Government of Guizhou Province is deemed to be interested in the shares of the Bank held by China Kweichow Moutai Distillery (Group) Co., Ltd.

## Changes in Share Capital and Information on Shareholders (Continued)

- (2) Zunyi City Mingcheng State-owned Assets Investment and Operation Co., Ltd. is wholly owned by State-owned Assets Supervision and Administration Commission of Zunyi Municipality. The 58.44% interests of Zunyi City State-owned Assets Investment and Financing Management Co., Ltd. is held by Zunyi State-owned Capital Operation Co., Ltd. Zunyi State-owned Capital Operation Co., Ltd. is 98% owned by the State-owned Assets Supervision and Administration Commission of Zunyi Municipality. By virtue of the SFO, Zunyi State-owned Capital Operation Co., Ltd. is deemed to be interested in the shares of the Bank held by Zunyi City State-owned Assets Investment and Financing Management Co., Ltd. State-owned Assets Supervision and Administration Commission of Zunyi Municipality is deemed to be interested in the shares of the Bank held by Zunyi City Mingcheng State-owned Assets Investment and Operation Co., Ltd. and Zunyi City State-owned Assets Investment and Financing Management Co., Ltd.
- (3) Guizhou Water Investment Water Affairs Group Co., Ltd. is 74.41% owned by Guizhou Water Conservancy Investment Group Co., Ltd. (貴州省水利投資集團有限責任公司) 82.18% interests of which is held by State-owned Assets Supervision and Administration Commission of the People's Government of Guizhou Province. By virtue of the SFO, both Guizhou Water Conservancy Investment Group Co., Ltd. and State-owned Assets Supervision and Administration Commission of the People's Government of Guizhou Province are deemed to be interested in the shares of the Bank held by Guizhou Water Investment Water Affairs Group Co., Ltd.
- (4) Qianxinan Prefecture Hongsheng Capital Operation Co., Ltd. is 73.23% owned by State-owned Assets Supervision and Administration Commission of the People's Government of Qianxinan Prefecture. By virtue of the SFO, State-owned Assets Supervision and Administration Commission of the People's Government of Qianxinan Prefecture is deemed to be interested in the shares of the Bank held by Qianxinan Prefecture Hongsheng Capital Operation Co., Ltd.
- (5) Renhuai Sauce-flavored Liquor (Group) Co., Ltd. is 92.61% owned by the People's Government of Renhuai Municipality. By virtue of the SFO, the People's Government of Renhuai Municipality is deemed to be interested in the shares of the Bank held by Renhuai Sauce-flavored Liquor (Group) Co., Ltd.
- (6) Tongren State-owned Assets Supervision and Administration Bureau holds 67.77% interests in Guizhou Fanjingshan Investment Holding Group Co., Ltd. In virtue of the SFO, Tongren State-owned Assets Supervision and Administration Bureau is deemed to be interested in the shares of the Bank held by Guizhou Fanjingshan Investment Holding Group Co., Ltd.
- (7) Changsheng Fund Management Co. Ltd is the investment manager of the asset management plan products of Changsheng Fund Zunyi No.1 Single Asset Management Plan.

Save as disclosed above, the Bank is not aware of any other person (other than the Directors, Supervisors and chief executives of the Bank) having any interests or short positions in the shares or underlying shares of the Bank as at 31 December 2024 as recorded in the register required to be kept by the Bank pursuant to Section 336 of the SFO.

## Changes in Share Capital and Information on Shareholders (Continued)

### 5.2.4 Shareholders holding 5% or more of the shares

For information on shareholders holding 5% or more of the share capital of the Bank, please refer to “Interests and short positions of substantial shareholders in Shares and underlying shares under the Regulations of Hong Kong” as described in 5.2.3 above.

### 5.2.5 Other substantial shareholders

According to the “Interim Measures for the Equity Management of Commercial Banks” (《商業銀行股權管理暫行辦法》) (formerly the CBIRC Order 2018 No. 1), substantial shareholders of a commercial bank mean shareholders who hold or control 5% or above shares or voting right of the commercial bank, or who hold less than 5% of total capital or total shares of the commercial bank but have significant impact on the operation and management of the commercial bank. The significant impact mentioned above includes but not limited to dispatching directors, supervisors or senior management to a commercial bank.

Other than Guizhou Provincial Finance Bureau, China Kweichow Moutai Distillery (Group) Co., Ltd., Zunyi City State-owned Assets Investment and Financing Management Co., Ltd. as disclosed in section 5.2.3 headed “Interests and short positions of substantial shareholders in shares and underlying shares under the Regulations of Hong Kong” under this chapter, the followings are substantial shareholders of the Bank who hold less than 5% of total capital or total shares but have nominated directors, supervisors or senior management to the Bank and those nominated candidates have been appointed:

Name of Shareholder	Class of Shares	Long positions/ Short positions	Nature of Interests	Number of shares (Share)	Approximate percentage of the total issued share capital of the Bank (%)
Shenzhen Expressway Corporation Limited <sup>(1)</sup> (深圳高速公路集團股份有限公司)	Domestic Shares	Long positions	Beneficial owner	426,000,000	2.92
	H Shares	Long positions	Interest in controlled corporation	76,207,000	0.52
Guizhou Water Investment Water Affairs Group Co., Ltd. (貴州水投水務集團有限公司)	Domestic Shares	Long positions	Beneficial owner	334,000,000	2.29
	H Shares	Long positions	Beneficial owner	314,030,000	2.15
Guizhou Water Investment Capital Management Co., Ltd. (貴州水投資本管理有限責任公司)	Domestic Shares	Long positions	Beneficial owner	191,325,190	1.31

## Changes in Share Capital and Information on Shareholders (Continued)

Name of Shareholder	Class of Shares	Long positions/ Short positions	Nature of Interests	Number of shares (Share)	Approximate percentage of the total issued share capital of the Bank (%)
Guizhou Water Conservancy Investment Group Co., Ltd. <sup>(2)</sup> (貴州省水利投資(集團)有限責任公司)	Domestic Shares	Long positions	Interest in controlled corporation	334,000,000	2.29
	Domestic Shares	Long positions	Interest in controlled corporation	191,325,190	1.31
	H Shares	Long positions	Interest in controlled corporation	314,030,000	2.15
Renhuai State-owned Assets Investment and Management Co., Ltd. (仁懷市國有資產投資經營有限責任公司)	Domestic Shares	Long positions	Beneficial owner	104,065,055	0.71

## Notes:

- (1) Mei Wah Industrial (Hong Kong) Limited is wholly-owned by Shenzhen Expressway Corporation Limited (深圳高速公路集團股份有限公司) which is deemed to hold interests in 76,207,000 shares of the Bank held by Mei Wah Industrial (Hong Kong) Limited according to the SFO.
- (2) Guizhou Water Conservancy Investment Group Co., Ltd. holds 74.41% of the shares of Guizhou Water Investment Water Affairs Group Co., Ltd. and 100% of the shares of Guizhou Water Investment Capital Management Co., Ltd., and therefore Guizhou Water Investment Water Affairs Group Co., Ltd. and Guizhou Water Investment Capital Management Co., Ltd., as related parties, hold a total of 5.75% of the shares of the Bank, and are identified as substantial shareholders of the Bank.
- (3) Guizhou Expressway Group Co., Ltd. (貴州高速公路集團有限公司) ceased to dispatch directors to the Bank on 27 June 2024 and is therefore no longer regarded as a substantial shareholder of the Bank. Qianxinan Prefecture Hongsheng Capital Operation Co., Ltd. ceased to dispatch supervisors to the Bank on 6 September 2024 and is therefore no longer regarded as a substantial shareholder of the Bank.

## Changes in Share Capital and Information on Shareholders (Continued)

**5.2.6 Related party relationships between the substantial shareholders and their controlling shareholders, actual controllers and ultimate owner**

Company Name	Registry	Registered capital (RMB'000)	Percentage of shares held in the Bank as at 31 December 2024 (including Domestic Shares and H Shares)	Percentage of shares held in the Bank as at 31 December 2023 (including Domestic Shares and H Shares)	Economic nature or type	Legal representative or person in charge
Guizhou Provincial Finance Bureau (貴州省財政廳)	Guiyang, Guizhou Province	N/A	20.00%	20.00%	Provincial government department	SHI Huaqing (石化清)
China Kweichow Moutai Distillery (Group) Co., Ltd. (中國貴州茅台酒廠(集團)有限責任公司)	Guiyang, Guizhou Province	10,000,000	12.00%	12.00%	Limited liability company (state-controlled)	ZHANG Deqin (張德芹)
Zunyi City State-owned Assets Investment and Financing Management Co., Ltd. (遵義市國有資產投融資經營管理有限責任公司)	Zunyi, Guizhou Province	8,163,400	6.55%	6.55%	Limited liability company (state-controlled)	SUN Junwei (孫俊偉)
Guizhou Water Investment Water Affairs Guiyang, Guizhou Group Co., Ltd. (貴州水投水務集團有限公司)	Guiyang, Guizhou Province	1,207,606	4.44%	4.44%	Limited liability company (state-controlled)	WANG Wencheng (王文成)
Guizhou Water Investment Capital Management Co., Ltd. (貴州水投資本管理有限責任公司)	Guiyang, Guizhou Province	5,000,000	1.31%	0.18%	Limited liability company (state-controlled)	CUI Jinbo (崔金波)
Shenzhen Expressway Corporation Limited (深圳高速公路集團股份有限公司)	Shenzhen, Guangdong Province	2,180,770	3.44%	3.44%	Joint-stock company	Xu Enli (徐恩利)
Renhuai State-owned Assets Investment Renhuai, Guizhou and Management Co., Ltd. (仁懷市國有資產投資經營有限責任公司)	Renhuai, Guizhou Province	1,130,000	0.71%	0.71%	Limited liability company (wholly state-owned)	CHEN Ce (陳策)

## Changes in Share Capital and Information on Shareholders (Continued)

**1. Guizhou Provincial Finance Bureau (貴州省財政廳)**

Guizhou Provincial Finance Bureau holds 2,917,500,000 Domestic Shares of the Bank, accounting for 20.00% of the total issued share capital of the Bank. The shares held by Guizhou Provincial Finance Bureau are state-owned shares, and the ultimate owner is Guizhou Provincial Finance Bureau.

The main businesses of Guizhou Provincial Finance Bureau are to implement the national and provincial fiscal and taxation policies and laws and regulations, and organize the drafting of local regulations and rules on finance, taxation, government procurement, state-owned asset management, asset evaluation, financial accounting, government debt management, etc.

**2. China Kweichow Moutai Distillery (Group) Co., Ltd. (中國貴州茅台酒廠(集團)有限責任公司)**

China Kweichow Moutai Distillery (Group) Co., Ltd. holds 1,750,000,001 Domestic Shares of the Bank, representing 12.00% of the total share capital of the Bank. China Kweichow Moutai Distillery (Group) Co., Ltd. is 90% owned by State-owned Assets Supervision and Administration Commission of People's Government of Guizhou Province which is its actual controller and actual beneficiary. According to the relevant regulations in the Interim Measures for the Equity Management of Commercial Banks, as at the end of the Reporting Period, the related parties of China Kweichow Moutai Distillery (Group) Co., Ltd. included Kweichow Moutai Distillery (Group) Real Estate Investment and Development Co., Ltd.\* (貴州茅台酒廠(集團)置業投資發展有限公司) and Shanghai Moutai Trading Co., Ltd. (上海茅台貿易有限公司).

The main businesses of China Kweichow Moutai Distillery (Group) Co., Ltd. include production and operation of alcoholic products as major products, production technology consulting and services of alcoholic products, production and sales of packaging materials and beverages, catering, accommodation, tourism, logistics and transportation, import and export trade business, internet industry, real estate development and lease, parking lot management, education, health and ecological agriculture.

**3. Zunyi City State-owned Assets Investment and Financing Management Co., Ltd. (遵義市國有資產投融資經營管理有限責任公司)**

Zunyi City State-owned Assets Investment and Financing Management Co., Ltd. holds 955,477,904 Domestic Shares of the Bank, representing 6.55% of the total share capital of the Bank. Zunyi State-owned Capital Operation Co., Ltd. holds 58.44% equity of Zunyi City State-owned Assets Investment and Financing Management Co., Ltd. and is 98% owned by State-owned Assets Supervision and Administration Commission of Zunyi Municipality. Therefore, State-owned Assets Supervision and Administration Commission of Zunyi Municipality is an actual controller and the ultimate beneficial owner of Zunyi City State-owned Assets Investment and Financing Management Co., Ltd. According to the relevant regulations in the Interim Measures for the Equity Management of Commercial Banks, as at the end of the Reporting Period, the related parties of Zunyi City State-owned Assets Investment and Financing Management Co., Ltd. included, among others, Zunyi State-owned Capital Operation Co., Ltd. and Zunyi State-owned Assets Investment Hotel Management Co., Ltd. (遵義市國投酒店管理有限責任公司).

The main businesses of Zunyi City State-owned Assets Investment and Financing Management Co., Ltd. are operation and management of state-owned assets and capital within the scope of authorization, foreign investment, leasing, joint venture, cooperation, share-controlling, shareholding, acquisition, merger, reorganization, and asset disposal, industrial investment, equity investment, land development and consolidation relying on the advantages of assets, resources and capital, and corporate financing services. Projects involving licensed operation shall be operated only after obtaining permission from relevant departments.

## Changes in Share Capital and Information on Shareholders (Continued)

**4. Guizhou Water Investment Water Affairs Group Co., Ltd. (貴州水投水務集團有限公司)**

Guizhou Water Investment Water Affairs Group Co., Ltd. holds 334,000,000 Domestic Shares and 314,030,000 H Shares of the Bank, with a total shareholding of 648,030,000 Shares, accounting for 4.44% of the entire share capital of the Bank. Guizhou Water Conservancy Investment Group Co., Ltd. (貴州省水利投資(集團)有限責任公司) holds 74.41% equity of Guizhou Water Investment Water Affairs Group Co., Ltd. State-owned Assets Supervision and Administration Commission of Guizhou Province holds 82.18% equity of Guizhou Water Conservancy Investment Group Co., Ltd. Therefore, the actual controller and the ultimate beneficial owner of Guizhou Water Investment Water Affairs Group Co., Ltd is State-owned Assets Supervision and Administration Commission of Guizhou Province. According to the relevant regulations in the Interim Measures for the Equity Management of Commercial Banks, as at the end of the Reporting Period, the related parties of Guizhou Water Investment Water Affairs Group Co., Ltd. included, among others, Guizhou Water Investment Water Affairs Technology Co., Ltd. (貴州水投水務科技有限公司) and Guizhou Water Affairs Co., Ltd.\* (貴州水務股份有限公司).

The main businesses of Guizhou Water Investment Water Affairs Group Co., Ltd. are investment, financing, construction and operation management of water source projects, water supply integration projects in towns and industrial parks, production and sales of drinking water in-depth development, sales, installation and maintenance of water supply and supporting equipment, development and application of new technologies, new materials and new processes for water supply projects, and construction, installation, commissioning, economic and technical cooperation, technical consultation, survey design and training of water supply investment and development projects.

**5. Guizhou Water Investment Capital Management Co., Ltd. (貴州水投資本管理有限責任公司)**

Guizhou Water Investment Water Capital Management Co., Ltd. holds 191,325,190 Domestic Shares of the Bank, accounting for 1.31% of the entire share capital of the Bank. It and its related party, Guizhou Water Investment Water Affairs Group Co., Ltd., hold 5.75% equity of the Bank in aggregate, and is therefore managed as a major shareholder of the Bank. Guizhou Water Investment Water Capital Management Co., Ltd. is a wholly-owned subsidiary of Guizhou Water Conservancy Investment Group Co., Ltd., and the State-owned Assets Supervision and Administration Commission of Guizhou Province holds 82.18% equity of Guizhou Water Conservancy Investment Group Co., Ltd. Therefore, the actual controller and the ultimate beneficial owner of Guizhou Water Investment Water Capital Management Co., Ltd. is State-owned Assets Supervision and Administration Commission of Guizhou Province. According to the relevant regulations in the Interim Measures for the Equity Management of Commercial Banks, as at the end of the Reporting Period, the related parties of Guizhou Water Investment Water Affairs Group Co., Ltd. included, among others, Guizhou Water Investment Water Affairs Technology Co., Ltd. (貴州水投水務科技有限公司) and Guizhou Water Affairs Co., Ltd.\* (貴州水務股份有限公司).

The main businesses of Guizhou Water Investment Water Capital Management Co., Ltd. include investment, capital operation; financial consultancy, investment consultancy (service); non-financing guarantee (project performance guarantee, bidding guarantee, project payment guarantee, prepayment guarantee, guarantee for final payment as promised; guarantee for credit purchase of raw materials, guarantee for installment payment of equipment, guarantee for leasing contract, guarantee for supervision of warehousing and guarantee for other economic contracts).



## Changes in Share Capital and Information on Shareholders (Continued)

**6. Shenzhen Expressway Corporation Limited  
(深圳高速公路集團股份有限公司)**

Shenzhen Expressway Corporation Limited holds 426,000,000 Domestic Shares of the Bank and its related party, Mei Wah Industrial (Hong Kong) Limited holds 76,207,000 H Shares of the Bank, with 502,207,000 Shares in aggregate, accounting for 3.44% of the total share capital of the Bank. Shenzhen Expressway Corporation Limited is an A Share and H Share listed Company. Based on its disclosed information, the actual controller and beneficial controller of Shenzhen Expressway Corporation Limited is State-owned Assets Supervision and Administration Commission of the People's Government of Shenzhen Municipality. According to the relevant regulations in the "Interim Measures for the Equity Management of Commercial Banks", as at the end of the Reporting Period, the related parties of Shenzhen Expressway Corporation Limited included, among others, Shenzhen Expressway Environment Company Limited (深圳高速環境有限公司) and Shenzhen Outer Ring Expressway Investment Company Limited (深圳市外環高速公路投資有限公司).

The businesses of Shenzhen Expressway Corporation Limited are highway and road investment, construction management, business management; import and export business (operating with qualification certificates).

**7. Renhuai City State-owned Assets Investment and Management Co., Ltd. (仁懷市國有資產投資經營有限責任公司)**

Renhuai City State-owned Assets Investment and Management Co., Ltd. holds 104,065,055 Domestic Shares of the Bank, representing 0.71% of the total share capital of the Bank. Renhuai City State-owned Assets Investment and Management Co., Ltd. is wholly owned by Renhuai People's Government which is also its actual controller and ultimate beneficial owner. Pursuant to relevant requirements of "Interim Measures for the Equity Management of Commercial Banks", as at the end of the Reporting Period, the related parties of Renhuai City State-owned Assets Investment and Management Co., Ltd. included, among others, Guizhou Xinren Industry Development and Operation Co., Ltd.\* (貴州新仁產業開發運營有限責任公司) and Guizhou Renhuai Huizhi Human Resources Development Co., Ltd. (貴州省仁懷市匯智人力資源開發有限責任公司).

The main businesses of Renhuai City State-owned Assets Investment and Management Co., Ltd. are the operation and management of state-owned assets; land development, construction and operation and management of urban infrastructure such as roads, bridges, sewage, urban water supply and greening as authorised by the municipal government, and participation in the development and construction, operation and management of commercial real estate and the operation and management of guesthouses and hotels.

## Changes in Share Capital and Information on Shareholders (Continued)

### 5.2.7 Pledge of equity by substantial shareholders

According to the “Measures on the Supervision of the Behavior of Substantial Shareholders of Banking and Insurance Institutions (Trial)” (Yin Bao Jian Fa [2021] No. 43) 《銀行保險機構大股東行為監管辦法（試行）》(銀保監發[2021]43號)), substantial shareholders refer to the shareholders of city commercial banks that meet one of the following conditions: holding more than 10% of the equity of city commercial banks, rural commercial banks and other institutions; actually holding the largest equity of a city commercial bank and holding not less than 5% (including shareholders holding the same number of shares); nominating two or more directors; having controlling influence on its own operation and management in the opinion of the board of directors of a city commercial bank; and other circumstances as determined by the CBIRC or its dispatched agencies.

As of the end of the Reporting Period, to the best knowledge of the Bank, there was no pledge on the equity of the Bank held by its substantial shareholders.

### 5.2.8 Pledge of equity by major shareholders

- I. Zunyi City State-owned Assets Investment and Financing Management Co., Ltd. holds 955,477,904 Domestic Shares of the Bank, of which 474,932,173 shares have been pledged.
- II. Renhuai City State-owned Assets Investment and Management Co., Ltd. holds 104,065,055 Domestic Shares of the Bank, of which 100,000,000 shares have been pledged.

Save as disclosed above and to the best knowledge of the Bank, as of the end of the Reporting Period, there was no other pledge on shares made by major shareholders.

### 5.2.9 Despatch of Directors and Supervisors by the shareholders

Nominator	Name of nominee	Position
Guizhou Provincial Finance Bureau	CHEN Hanqing	Non-executive Director
China Kweichow Moutai Distillery (Group) Co., Ltd. (中國貴州茅台酒廠(集團)有限責任公司)	CHEN Duohang	Non-executive Director
Shenzhen Expressway Corporation Limited	GONG Taotao	Non-executive Director
Renhuai City State-owned Assets Investment and Management Co., Ltd.	CHENG Yunlong	Shareholder Supervisor

### 5.2.10 The number of pledged shares of the Bank reaching or exceeding 20% of the issued share capital

As of the end of the Reporting Period, to the best knowledge of the Bank, there were none.

## Changes in Share Capital and Information on Shareholders (Continued)

### **5.2.11 The Bank's pledged shares being frozen, judicially auctioned, or subject to voting restriction or other restrictions under the law**

- I. As of the end of the Reporting Period, to the best knowledge of the Bank, 281,705,562 pledged shares held by 5 domestic shareholders of the Bank were involved in freezing.
- II. As of the end of the Reporting Period, to the best knowledge of the Bank, 100,000,000 pledged shares held by 1 domestic shareholder of the Bank were involved in judicial sale.
- III. According to the Articles of the Bank, when the number of shares pledged by a shareholder of the Bank reaches or exceeds 50% of the shares of the Bank held by the shareholder, the shareholder may not exercise the right to vote on the pledged part of the shares at the shareholders' general meeting during the pledge period. As of the end of the Reporting Period, to the best knowledge of the Bank, 13 domestic shareholders of the Bank have pledged equity interests reaching or exceeding 50% of their equity interests in the Bank, with a total of 898,600,093 shares of the 13 domestic shareholders subject to restrictions on voting rights, representing 6.16% of the total number of shares in the Bank.

### **5.2.12 Purchase, sale or redemption of listed securities**

During the Reporting Period, the Bank did not purchase, sell or redeem any of its listed securities (including sale of treasury shares). As of the end of the Reporting Period, the Bank did not hold treasury shares.

## Directors, Supervisors, Senior Managements, Employees and Organizations

### 6.1 DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

#### 6.1.1 Directors

As of the end of the Reporting Period, the fourth session of the Board of the Bank consists of thirteen Directors (of which the qualification of five Directors is subject to approval), including three executive Directors, five non-executive Directors, and five independent non-executive Directors. The Directors are elected for a term of three years and are subject to re-election, provided that the cumulative term of an independent non-executive Director shall not exceed six years pursuant to the relevant PRC laws and regulations. The details are as follows:

Name	Gender	Date of birth	Date of appointment	Position in the Bank
YANG Mingshang (楊明尚)	Male	November 1965	July 2021	Chairman of the Board, executive Director
WU Fan (吳帆)	Female	August 1968	January 2025	Executive Director, President
CAI Dong (蔡東)	Male	September 1966	August 2021	Executive Director
CHEN Hanqing (陳含青)	Male	February 1984	August 2021	Non-executive Director
ZHANG Yan (張硯) <sup>(1)</sup>	Female	July 1978	–	Non-executive Director
CHEN Duohang (陳多航)	Male	December 1981	July 2024	Non-executive Director
HU Yuwen (胡宇雯) <sup>(1)</sup>	Female	July 1975	–	Non-executive Director
GONG Taotao (龔濤濤)	Female	February 1973	November 2016	Non-executive Director
SUN Li (孫莉)	Female	October 1970	August 2022	Independent non-executive Director
LEE Hoey Simon (李浩然)	Male	March 1977	May 2022	Independent non-executive Director
YIN Mengbo (殷孟波) <sup>(1)</sup>	Male	October 1955	–	Independent non-executive Director
CHEN Rong (陳蓉) <sup>(1)</sup>	Female	July 1968	–	Independent non-executive Director
WANG Yao (王遙) <sup>(1)</sup>	Female	February 1975	–	Independent non-executive Director
WANG Gefan (王革凡) <sup>(2)</sup>	Male	June 1957	August 2018	Independent non-executive Director
TANG Xin (湯欣) <sup>(2)</sup>	Male	September 1971	August 2018	Independent non-executive Director
SONG Ke (宋科) <sup>(2)</sup>	Male	April 1982	August 2018	Independent non-executive Director

Notes:

- (1) As of the end of the Reporting Period, the qualifications of Ms. ZHANG Yan, Ms. HU Yuwen, Mr. YIN Mengbo, Ms. CHEN Rong and Ms. WANG Yao as Directors are subject to approval of NFRA Guizhou Office.
- (2) In order to ensure the effective operation of the Board, Mr. WANG Gefan, Mr. TANG Xin and Mr. SONG Ke, the independent non-executive Directors of the third session of the Board, will continue to perform their duties as independent non-executive Directors and members of the special committees under the Board in accordance with the relevant laws and regulations and the Articles of Association of the Bank, pending approval of the qualifications of the newly-elected independent non-executive Directors.

## Directors, Supervisors, Senior Managements, Employees and Organizations (Continued)

### 6.1.2 Supervisors

As of the end of the Reporting Period, the third session of the Board of Supervisors of the Bank consists of five Supervisors, including two employee Supervisors, one shareholder Supervisor and two external Supervisors. The term of office of each Supervisor is three years and Supervisors are eligible to be re-elected upon expiry of their terms of office, provided that the cumulative term of an external Supervisor shall not exceed six years pursuant to the relevant PRC laws and regulations. The details are as follows:

Name	Gender	Date of birth	Date of appointment	Position in the Bank
ZHANG Hui (張惠)	Female	October 1973	June 2021	Employee Supervisor
WANG Wei (王薇)	Female	February 1978	June 2022	Employee Supervisor
CHENG Yunlong (程雲龍)	Male	October 1976	June 2021	Shareholder Supervisor
YIN Xinquan (尹新全)	Male	August 1957	June 2021	External Supervisor
ZHANG Ruibin (張瑞彬)	Male	September 1972	June 2024	External Supervisor

### 6.1.3 Senior management

As at the end of the Reporting Period, the senior management of the Bank comprises a total of seven members. Details are as follows:

Name	Gender	Date of birth	Date of appointment	Position in the Bank
WU Fan (吳帆)	Female	August 1968	January 2025	President of the Bank
HU Liangpin (胡良品)	Male	September 1968	April 2018	Vice President of the Bank
AN Peng (安鵬)	Male	October 1976	October 2021	Vice President of the Bank
QIN Wei (覃偉)	Male	March 1976	February 2022	Vice President of the Bank
LI Jian (李健)	Male	January 1981	January 2025	Vice President of the Bank
ZHOU Guichang (周貴昌)	Male	August 1974	May 2019	Secretary to the Board of the Bank, Company Secretary
JIAO Zhengjun (焦正俊)	Male	September 1973	May 2022	Chief compliance officer

## Directors, Supervisors, Senior Managements, Employees and Organizations (Continued)

**6.2 CHANGES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT AS OF THE REPORTING DATE****6.2.1 Changes of Directors**

- I. On 7 March 2024, Mr. XU An resigned as an executive Director of the Bank.
- II. On 27 June 2024, the Bank convened the 2023 annual general meeting to elect the fourth session of the Board. Mr. YANG Mingshang, Ms. WU Fan and Mr. CAI Dong were elected as executive Directors of the fourth session of the Board; Mr. CHEN Hanqing, Ms. ZHANG Yan, Mr. CHEN Duohang, Mr. SUN Junwei, Ms. HU Yuwen and Ms. GONG Taotao were elected as non-executive Directors of the fourth session of the Board; Mr. LEE Hoey Simon, Ms. SUN Li, Mr. YIN Mengbo, Ms. CHEN Rong and Ms. WANG Yao were elected as independent non-executive Directors of the fourth session of the Board. Meanwhile, Mr. CHEN Jingde, Ms. YE Jiangmei and Mr. ZHAO Yong ceased to be Directors of the Bank on the date of election of the fourth session of the Board. Among them, the qualifications of Ms. ZHANG Yan, Ms. HU Yuwen, Mr. YIN Mengbo, Ms. CHEN Rong and Ms. WANG Yao for the position of Director are yet to be approved by NFRA Guizhou Office.
- III. On 15 July 2024, the qualification of Mr. CHEN Duohang as a non-executive Director of the Bank became effective upon approval by NFRA Guizhou Office, and he obtained the legal opinion referred to in Rule 3.09D of the Hong Kong Listing Rules from the Bank's Hong Kong legal adviser and confirmed that he understood his obligations as a Director on 10 July 2024.
- IV. On 6 August 2024, Mr. SUN Junwei resigned as a non-executive Director of the Bank.
- V. On 23 January 2025, the qualification of Ms. WU Fan as an executive Director of the Bank became effective upon approval by NFRA Guizhou Office, and she obtained the legal opinion referred to in Rule 3.09D of the Hong Kong Listing Rules from the Bank's Hong Kong legal adviser and confirmed that she understood her obligations as a Director on 17 January 2025.

## Directors, Supervisors, Senior Managements, Employees and Organizations (Continued)

### 6.2.2 Changes of Supervisors

- I. On 7 March 2024, Ms. WU Fan resigned as the Chairman of the Board of Supervisors and Employee Supervisor of the Bank.
- II. On 18 May 2024, Mr. SU Zhi resigned as a Supervisor of the Bank.
- III. On 27 June 2024, Mr. ZHANG Ruibin served as a Supervisor of the Bank.
- IV. On 6 September 2024, Mr. HE Xinzhang resigned as a Supervisor of the Bank.

### 6.2.3 Changes of senior management

- I. On 7 March 2024, Mr. XU An resigned as the President of the Bank.
- II. On 7 March 2024, Mr. XU Peiwen resigned as an assistant to the President of the Bank.
- III. On 30 August 2024, Mr. LI Jian was approved by the Board to serve as the Vice President of the Bank; on 23 January 2025, he officially fulfilled his duties upon approval of his qualification by NFRA Guizhou Office.
- IV. On 30 October 2024, Ms. WU Fan was approved by the Board to serve as the President of the Bank; on 23 January 2025, she officially fulfilled her duties upon approval of her qualification by NFRA Guizhou Office.

### 6.2.4 Changes in information of Directors and Supervisors

- I. Mr Li Haoran, an independent non-executive Director, has been appointed as the president of CRC Science and Technology Research Institute from February 2025.
- II. Mr. TANG Xin, an independent non-executive Director, has ceased to serve as an independent director of Wanda Film Holding Co., Ltd. (SZSE stock code: 002739) since December 2024; and has ceased to serve as an independent director of Minsheng Securities since January 2025.
- III. Mr. SONG Ke, an independent non-executive Director, has ceased to serve as the deputy director of the Academic Affairs Office of Renmin University of China since March 2024; and has been the executive vice president of the Shenzhen Research Institute and the executive director of the Institute of Advanced Social Sciences (Shenzhen) of Renmin University of China since March 2024.
- IV. Ms. ZHANG Hui, a Supervisor, resigned as the vice chairlady of the Labor Union of the Bank in June 2024.

Save as disclosed herein, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Hong Kong Listing Rules.

## Directors, Supervisors, Senior Managements, Employees and Organizations (Continued)

## 6.3 BIOGRAPHICAL DETAILS OF DIRECTORS, SUPERVISORS AND SENIOR MANagements

### 6.3.1 Biographical details of Directors

**Mr. YANG Mingshang (楊明尚)** is the secretary of the Party Committee, Chairman of the Board and executive Director of the Bank.

Mr. Yang had successively served as a member of the inspection office and general office in Agricultural Bank of China ("ABC") Guizhou Branch from July 1994 to February 1997; member of the office of legal counsel in ABC Guizhou Branch from February 1997 to July 1997; deputy chief of industrial and commercial credit division in ABC Guizhou Branch from July 1997 to November 1998; deputy chief of asset preservation division in ABC Guizhou Branch from November 1998 to March 2000; chief of credit management division and chief of corporate business division in ABC Guizhou Branch from March 2000 to June 2003; and chief of retail business division in ABC Guizhou Branch from June 2003 to January 2004; the secretary of the party committee and the president in ABC Guizhou Anshun Sub-branch from January 2004 to June 2004, a member of party committee and vice president in ABC Guizhou Branch from June 2004 to May 2014; the deputy secretary of the Party Committee, director and president of the Bank from May 2014 to December 2017; the deputy secretary of the party committee, vice chairman of the board and general manager in Guizhou Financial Holding Group Co., Ltd. (Guizhou Guimin Investment Group Co., Ltd.) (貴州金融控股集團有限責任公司(貴州貴民投資集團有限責任公司)) from December 2017 to March 2021; a non-executive Director of the Bank from August 2018 to March 2020. He has been the secretary of the Party Committee of the Bank since March 2021, and the Chairman of the Board and executive Director of the Bank since July 2021.

Mr. Yang graduated from Wuhan University (武漢大學) with a bachelor's degree in philosophy in June 1988 and from Xiamen University (廈門大學) with a master's degree in civil law in July 1994. Mr. Yang has been awarded the title of professorate senior economist and second-grade solicitor.



## Directors, Supervisors, Senior Managements, Employees and Organizations (Continued)

**Ms. WU Fan (吳帆)** is the deputy secretary of the Party Committee of the Bank, executive Director and President of the Bank.

Ms. WU worked in China Construction Bank (中國建設銀行) (“CCB”) from July 1992 to March 2013. In particular, she held a post in relation to international settlement and credit in the international business department of CCB Guizhou Branch from July 1992 to December 1994; and served as deputy manager of credit department of the international business department of CCB Guizhou Branch from December 1994 to December 1995; general manager assistant of the international business department and manager of the credit department of CCB Guizhou Branch from December 1995 to November 1996; deputy general manager of the international business department of CCB Guizhou Branch from November 1996 to May 1998; vice president of Chengbei Sub-branch directly under CCB Guizhou Branch from May 1998 to July 1999; deputy general manager of the international business department and vice president of Guiyang Jinyang Sub-branch of CCB Guizhou Branch from July 1999 to July 2001; deputy general manager of the international business department of CCB Guizhou Branch from July 2001 to February 2006; general manager of the international business department of CCB Guizhou Branch from February 2006 to June 2006; general manager of the international business department, and general manager of the corporate business department of CCB Guizhou Branch from June 2006 to January 2007; general manager of the corporate business department of CCB Guizhou Branch from January 2007 to July 2012; temporary head and secretary of Party general branch of Guiyang Chengbei sub-branch of CCB Guizhou Branch from July 2012 to August 2012; president and secretary of Party general branch of Guiyang Chengbei sub-branch of CCB Guizhou Branch from August 2012 to March 2013; marketing director of the Bank from March 2013 to January 2014; assistant to the president of the Bank from January 2014 to March 2014; assistant to the president of the Bank, and concurrently deputy secretary of the Party committee of Guiyang Management Department and general manager of the Bank from March 2014 to November 2014; assistant to the president of the Bank, and concurrently executive deputy secretary of the Party committee of Guiyang Management Department of the Bank from November 2014 to March 2016; assistant to the president of the Bank from March 2016 to March 2019; a member of the Party Committee of the Bank from March 2019 to May 2019; a member of the Party Committee and the vice president of the Bank from May 2019 to June 2021; a member of the Party Committee, Chairlady of the Board of Supervisors (the level of president) of the Bank from June 2021 to February 2024; deputy secretary of the Party Committee, Chairlady of the Board of Supervisors (the level of president) of the Bank from February 2024 to March 2024. She has been the deputy secretary of the Party Committee of the Bank since March 2024, and an executive Director and President of the Bank since January 2025.

Ms. Wu graduated with a bachelor's degree majoring in systems engineering from Shanghai Institute of Mechanical Engineering (上海機械學院) (currently known as University of Shanghai for Science and Technology (上海理工大學)) in July 1989 and a master's degree majoring in systems engineering from Shanghai Institute of Mechanical Engineering (currently known as University of Shanghai for Science and Technology) in June 1992. Ms. Wu has a title of senior economist.

## Directors, Supervisors, Senior Managements, Employees and Organizations (Continued)

**Mr. CAI Dong (蔡東)** is the deputy secretary of the Party Committee, chairman of the labor union and executive Director of the Bank.

Mr. Cai served as a technician of the inspection institute of Product Quality Supervision Center in Guizhou Province (貴州省產品質量監督中心) from August 1986 to December 1987 (during which, he joined the provincial poverty alleviation team to the Farming Zone in Weining County, Guizhou Province from January 1987 to December 1987); staff of human resource office of Quality and Technology Supervision Bureau of Guizhou Province (貴州省質量技術監督局) from December 1987 to December 1996; deputy director of the inspection institute of Product Quality Supervision Center in Guizhou Province from December 1996 to December 2000; deputy director of personnel and education division of Quality and Technology Supervision Bureau of Guizhou Province from December 2000 to May 2002; director of personnel and education division of Quality and Technology Supervision Bureau of Guizhou Province from May 2002 to December 2006; Party member and secretary of the Party committee of Guizhou Administration for Industry and Commerce (貴州省工商行政管理局) from December 2006 to August 2018 (during which, he took a temporary post as the deputy director of Direct Selling Supervision Bureau of State Administration for Industry and Commerce (國家工商總局直銷監督局) from February 2013 to January 2014 and served as the deputy secretary of the Party Committee and head of the Poverty Alleviation Work Team of Taijiang County, Qiandongnan Prefecture, Guizhou Province in 2015); deputy secretary of the Party Committee and secretary of the Party Committee of the Bank from August 2018 to October 2018; and deputy secretary of the Party Committee, chairman of the labor union and secretary of the Party Committee of the Bank from October 2018 to November 2019. He has been the deputy secretary of the Party Committee and chairman of the labor union of the Bank since November 2019; and an executive Director of the Bank since August 2021.

Mr. Cai graduated from Commercial School of Guizhou Province (貴州省商業學校) in July 1986, majoring in household appliances; studied in Guizhou Radio & TV University (貴州廣播電視大學) from September 1991 to July 1993, majoring in administrative management; studied in Party School of the Guizhou Provincial Committee from September 1999 to June 2002, majoring in law; studied the course of Advanced Training of Managerial Economic of Guizhou Province in Peking University (北京大學貴州省經濟管理高級研修班) from October 2003 to December 2003; studied in junior cadre training class of Party School of the Guizhou Provincial Committee (貴州省委黨校) from March 2006 to May 2006; studied in on-job postgraduate class of Party School of the Guizhou Provincial Committee from September 2008 to June 2011, majoring in law; studied at the National School of Administration's training programme for cadres in the western region in March 2012; and studied the course of Advanced Training of Public Administration and Management of Nanyang Technological University, Singapore from October 2017 to January 2018. Mr. Cai has been awarded the titles of engineer and senior political engineer.

## Directors, Supervisors, Senior Managements, Employees and Organizations (Continued)

**Mr. CHEN Hanqing (陳含青)** is a non-executive Director of the Bank.

Mr. Chen worked as an intern in the budget department, comprehensive department and payment centre of the Guizhou Provincial Finance Bureau from December 2007 to December 2008; and served as a clerk of the Guizhou Provincial Finance Bureau from December 2008 to June 2009; a clerk (grade 25 civil servant) of the State Treasury Payment Centre of Guizhou Provincial Finance Bureau from June 2009 to April 2010; a clerk of the non-tax revenue management department of the Guizhou Provincial Finance Bureau (registered in the Payment Centre) from April 2010 to February 2012; a deputy director of the non- tax revenue management department of the Guizhou Provincial Finance Bureau (registered in the Payment Centre) from February 2012 to August 2013; a deputy director of the budget department of the Guizhou Provincial Finance Bureau from August 2013 to May 2014. He worked in the finance department of Guizhou Guimin Investment Co., Ltd. (貴州省貴民投資有限責任公司) from May 2014 to June 2014; and served as the business executive of the finance department of Guizhou Guimin Investment Co., Ltd. from June 2014 to July 2014; the business executive of the finance department of Guizhou Guimin Investment Co., Ltd. and the director of Guizhou Guixin Ruihe Venture Capital Management Co., Ltd. (貴州省貴鑫瑞和創業投資管理有限責任公司) from July 2014 to July 2015; the business executive of the finance department of Guizhou Guimin Investment Co., Ltd. (renamed as Guizhou Guimin Development Investment Co., Ltd. (貴州省貴民發展投資有限責任公司) in December 2016), the director of Guizhou Guixin Ruihe Venture Capital Management Co., Ltd. and the director of Qianxinan Venture Capital Fund Co., Ltd. (黔西南州創業投資基金有限公司) from July 2015 to January 2017; the head of the finance department of Guizhou Guimin Investment Group Co., Ltd. (貴州省貴民投資集團有限責任公司) (renamed as Guizhou Financial Holding Group Co., Ltd. (Guizhou Guimin Investment Group Co., Ltd.) (貴州金融控股集團有限責任公司 (貴州貴民投資集團有限責任公司)) in January 2018), the director of Guizhou Guixin Ruihe Venture Capital Management Co., Ltd. and the director of Qianxinan Venture Capital Fund Co., Ltd. from January 2017 to September 2018; the head of the finance department of Guizhou Financial Holding Group Co., Ltd. (Guizhou Guimin Investment Group Co., Ltd.), the director of Guizhou Guixin Ruihe Venture Capital Management Co., Ltd. and the director of Qianxinan Venture Capital Fund Co., Ltd. from September 2018 to February 2019; the head of the finance department of Guizhou Financial Holding Group Co., Ltd. (Guizhou Guimin Investment Group Co., Ltd.) and the director of Qianxinan Venture Capital Fund Co., Ltd. from February 2019 to March 2019; the deputy director of the Finance and Economics Committee of Changshun County Committee of Qiannan Prefecture and a member of the Party Group of the County People's Government (temporary position) from June 2020 to July 2021; he served as the deputy head of the finance department of Guizhou Financial Holding Group Co., Ltd. (Guizhou Guimin Investment Group Co., Ltd.) (貴州金融控股集團有限責任公司 (貴州貴民投資集團有限責任公司)) from March 2019 to August 2022; he has been the director of Qianxinan Venture Capital Fund Co., Ltd. (renamed as Qianxinan Venture Project Management Co., Ltd.\* (黔西南州創業項目管理有限公 司) in January 2024) since March 2019; he has been a member of the Party Committee and deputy general manager of Guizhou Financing Guarantee Co., Ltd. (貴州省融資擔保有限責任公司) (renamed as Guizhou Province Credit Improvement Limited (貴州省信用增進有限公司) in March 2023) since August 2022; he has been a non-executive Director of the Bank since August 2021.

Mr. Chen graduated from Jiangxi University of Finance and Economics in July 2006 with a bachelor's degree in accounting for specialization of certified public accountants, and graduated from Guizhou University in July 2012 with a master's degree in business administration. Mr. Chen has obtained the fund practice qualification and is a senior accountant, an associate constructor and an intermediate economist.

## Directors, Supervisors, Senior Managements, Employees and Organizations (Continued)

**Mr. CHEN Duohang (陳多航)** is a non-executive Director of the Bank.

Mr. Chen worked in the finance office of China Kweichow Moutai Distillery (Group) Co., Ltd. from September 2006 to September 2018 (during which he took a temporary post in the Financial Supervision and Revenue Management Division under Guizhou SASAC from March 2015 to January 2016); served as a trainee assistant in the finance office of China Kweichow Moutai Distillery (Group) Co., Ltd. from September 2018 to November 2019; served as the deputy chief of accounting section in the finance office of China Kweichow Moutai Distillery (Group) Co., Ltd. from November 2019 to September 2021; on-the-job studied in the Statistical Evaluation and State-owned Capital Operation Budget Division under State-owned Assets Supervision and Administration Commission of the State Council of Guizhou Province from November 2018 to January 2020; served as a director of Kweichow Moutai Distillery (Group) Health Liquor Co., Ltd. (貴州茅台酒廠(集團)保健酒業有限公司) from August 2021 to January 2023; served as the deputy head of accounting office in the financial department of China Kweichow Moutai Distillery (Group) Co., Ltd. from September 2021 to January 2022; served as the head of accounting office in the financial department of China Kweichow Moutai Distillery (Group) Co., Ltd., as well as a director and member of the investment decision committee of Moutai Jianxin (Guizhou) Investment Fund Management Co., Ltd. (茅台建信(貴州)投資基金管理有限公司) from January 2022 to April 2022; served as the head of accounting office in the financial department of China Kweichow Moutai Distillery (Group) Co., Ltd., as well as a director, the convenor of external directors and a member of the investment decision committee of Moutai Jianxin (Guizhou) Investment Fund Management Co., Ltd. from April 2022 to November 2022; served as the head of accounting office in the financial management department of China Kweichow Moutai Distillery (Group) Co., Ltd., as well as a director, the convenor of external directors and a member of the investment decision committee of Moutai Jianxin (Guizhou) Investment Fund Management Co., Ltd. from November 2022 to January 2023; served as the head of accounting office in the financial management department of China Kweichow Moutai Distillery (Group) Co., Ltd., a director, the convenor of external directors and a member of the investment decision committee of Moutai (Guizhou) Private Equity Fund Management Co., Ltd. (茅台(貴州)私募基金管理有限公司), as well as a director and the convenor of external directors of Kweichow Moutai Distillery (Group) Health Liquor Co., Ltd. from January 2023 to October 2023; he has been the head of accounting office in the financial management department of China Kweichow Moutai Distillery (Group) Co., Ltd. director and the convenor of external directors of Kweichow Moutai Distillery (Group) Health Liquor Co., Ltd. since October 2023, and a non-executive Director of the Bank since July 2024.

From September 2002 to July 2004, Mr. Chen studied at Commercial College of Guizhou majoring in financial accounting; from September 2004 to July 2006, he studied at Guizhou University majoring in financial management.

## Directors, Supervisors, Senior Managements, Employees and Organizations (Continued)

**Ms. GONG Taotao (龔濤濤)** is a non-executive Director of the Bank.

Ms. Gong worked in Shenzhen Expressway Corporation Limited (深圳高速公路集團股份有限公司) (SEHK stock code: 0548; SSE stock code: 600548) from July 1999 to November 2002, serving successively as deputy manager of the financial department and manager of the audit department; and the finance director of Shenzhen Expressway Corporation Limited from November 2002 to September 2018, during which she acted as executive director of the company from January 2018 to September 2018. She has been the vice president of Shenzhen Expressway Corporation Limited from September 2018 to December 2021. She served as the secretary of the board of directors and joint company secretary of the company from August 2019 to March 2022, and has been a member of the Party committee of the company since October 2011. Ms. Gong has been a non-executive Director of our Bank since November 2016.

Ms. Gong graduated from the Department of Accounting of Shanghai University of Finance and Economics (上海財經大學), majoring in audit, and was conferred a bachelor's degree in economics in July 1994; she graduated from Fudan University (復旦大學), majoring in business administration, and was conferred an MBA degree in July 2000. Ms. Gong has CPA and Certified Public Valuer qualifications.

**Mr. Lee Hoey Simon (李浩然)**, MH, JP, is an independent non-executive Director of the Bank.

Mr. Lee was a visiting researcher of School of Law, Tsinghua University from September 2004 to August 2006; the consultant of the Research Center of International Financial Systems of Harvard Law School, USA from August 2006 to February 2014; the deputy director general of the Justice Bureau of Xifeng County, Guizhou Province from July 2009 to November 2009 (taking a provisional post); the assistant of the county chief of Xifeng county, Guizhou province from March 2010 to July 2012 (taking a provisional post); the director of Hong Kong and Macao Studies Center of Strategy Research Center of CR from November 2012 to October 2014; the deputy executive director of Our Hong Kong Foundation from November 2014 to January 2017; the office director and secretary of the Guangdong-Hong Kong-Macau Greater Bay Area of CR, the managing director of CR Capital from May 2017 to February 2021; a member of 12th session of the Chinese People's Political Consultative Conference of Guizhou Province, the deputy director of the Hong Kong, Macao and Taiwan Overseas Chinese and Foreign Affairs Committee from January 2018 to January 2023; the consultant of Department of Economics and Finance of College of Business of City University of Hong Kong since September 2018; the chief strategy officer of the Guangdong-Hong Kong-Macau Greater Bay Area of CR, the managing director of CR Capital from March 2021 to December 2021; and has been the consultant of School of Business Administration of Hong Kong Baptist University since September 2021; the chief strategy officer of the Guangdong-Hong Kong-Macau Greater Bay Area of CR, the managing director of CR Capital, and the director of China Resources Enterprise, Limited from December 2021 to July 2022; the chief strategy officer of the Guangdong-Hong Kong-Macau Greater Bay Area of CR and the director and vice president of China Resources Enterprise, Limited since July 2022. He has been a member of the Seventh Legislative Council of the Hong Kong Special Administrative Region since 1 January 2022. Since January 2023, he has been a member of the 14th session of Beijing Municipal Committee of the Chinese People's Political

## Directors, Supervisors, Senior Managements, Employees and Organizations (Continued)

Consultative Conference. Since June 2023, he has been a member of the Hong Kong Basic Law Committee of the Standing Committee of the National People's Congress. He has been the president of CRC Science and Technology Research Institute since February 2025. Since May 2022, he has been an independent non-executive Director of the Bank.

Mr. Lee graduated from Hong Kong Baptist University in Politics and International Relations in June 1999 with a bachelor's degree in arts with honours in Social Sciences and Literature; graduated from School of Oriental and African Studies of University of London in December 2000, with a master's degree in political science majored in politics, society and development; he graduated from Tsinghua University in January 2004 with a bachelor's degree in law; he graduated from Department of Government and Public Administration of The Chinese University of Hong Kong in December 2004 and obtained a master's degree in philosophy; and graduated from Tsinghua University in June 2012 with a doctorate in law.

**Ms. SUN Li (孫莉)** is an independent non-executive Director of the Bank.

Ms. Sun served as the manager of China International Futures Brokerage Co., Ltd. from September 1994 to September 1998; manager and partner of Ruihua Certified Public Accountants from September 1998 to December 2019; partner of Baker Tilly International (天職國際會計師事務所) from December 2019 to December 2021. Ms. Sun has been a partner of Union Power Certified Public Accountants since January 2022 and has been an independent non-executive Director of the Bank since August 2022.

Ms. SUN graduated from Renmin University of China with a bachelor's degree in finance in September 1994 and a master's degree in accounting in September 2000. She obtained a master's degree in EMBA from China Europe International Business School in November 2014. Ms. SUN is a certified public accountant and certified tax agent.

## Directors, Supervisors, Senior Managements, Employees and Organizations (Continued)

**Mr. WANG Gefan (王革凡)** is an independent non-executive Director of the Bank.

Mr. Wang served as a vice director of International Finance Department of China Development Bank (國家開發銀行) ("CDB") in 1997; successively served as the president of Guizhou Branch of CDB, the director of Project Appraisal Department I and the director of Global Cooperation Department of CDB since 2002; served as the operating director of CDB from 2013 to 2017, during which he concurrently served as the director of International Finance Department. Mr. Wang has been an independent non-executive Director of our Bank since August 2018.

Mr. Wang graduated with a doctor's degree in geology and mineralogy in Science Department in July 1988 from Kyoto University in Japan (日本京都大學).

**Mr. TANG Xin (湯欣)** is an independent non-executive Director of the Bank.

Mr. Tang has successively conducted post-doctoral research in law major at Peking University Law School from July 1998 to June 2000; and has been teaching in Tsinghua University School of Law since 2000; was promoted to Associate Professor of Tsinghua University School of Law in February 2001, was promoted to Professor of Tsinghua University School of Law in January 2015 and served as the director of the Research Center of Commercial Law of Tsinghua University since January 2021. Mr. Tang served as a member of 4th and 5th session of the listing committee of the SSE since from August 2012 to November 2023, the head of 1st and 2nd session of the committee of independent directors of the China Association for Public Companies (中國上市公司協會) from September 2014 to March 2023, an independent director of Harvest Fund Management Co., Ltd. (嘉實基金管理有限公司) since October 2017, and a member of 1st and 2nd session of the Legal Professional Advisory Committee of SZSE (深交所法律專業諮詢委員會) since December 2020. He served as an independent director of Minsheng Securities from May 2022 to January 2025 and served as an independent director of Wanda Film Holding Co., Ltd. (萬達電影股份有限公司) (SZSE stock code: 002739) from June 2023 to December 2024. Mr. Tang has been an independent non-executive Director of our Bank since August 2018.

Mr. Tang graduated and obtained his bachelor's, master's and doctor's degree in economic law, civil law and civil law from Renmin University of China (中國人民大學) in June 1992, July 1995 and June 1998, respectively.

## Directors, Supervisors, Senior Managements, Employees and Organizations (Continued)

**Mr. SONG Ke (宋科)** is an independent non-executive Director of the Bank.

Mr. Song has successively served as the secretary of the communist youth league committee of the School of Finance of Renmin University of China from July 2004 to September 2009; engaged in post-doctoral research in the School of Statistics of Renmin University of China from July 2012 to July 2015; served as a deputy head of International Monetary Institute of Renmin University of China since January 2014; served as a teacher of Department of Money and Finance of the School of Finance of Renmin University of China since September 2015; served as a deputy secretary of the Party committee of the School of Finance of Renmin University of China from April 2019 to July 2022; Mr. Song has been an independent director of Bank of Zhengzhou Co., Ltd. (SEHK stock code: 6196; SZSE stock code: 002936) since January 2022; he served as the deputy director of the Academic Affairs Office of Renmin University of China from July 2022 to March 2024. He has been the executive vice president of the Shenzhen Research Institute and the executive director of the Institute of Advanced Social Sciences (Shenzhen) of Renmin University of China since March 2024; and has been an independent non-executive Director of our Bank since August 2018.

Mr. Song graduated as a bachelor of economics majoring in finance from the School of Finance of Renmin University of China in July 2004; and he graduated as the doctor of economics majoring in finance from the School of Finance of Renmin University of China in July 2012.



## Directors, Supervisors, Senior Managements, Employees and Organizations (Continued)

### 6.3.2 Biographical details of Supervisors

**Ms. ZHANG Hui (張惠)** is an employee Supervisor of the Bank.

Ms. Zhang worked in CCB from July 1994 to December 2012. In particular, she served as a clerk of CCB Qiandongnan Centre Sub-branch from July 1994 to December 2001; a deputy director clerk of the accounting section of CCB Qiandongnan Centre Sub-branch from December 2001 to May 2003; deputy manager of the finance and accounting department of CCB Qiandongnan Centre Sub-branch from May 2003 to January 2005; a clerk of the comprehensive section of the corporate department of CCB Guizhou Branch from January 2005 to February 2006; deputy manager of the comprehensive section of the corporate department of CCB Guizhou Branch from February 2006 to January 2008; manager of the comprehensive section of the corporate department of CCB Guizhou Branch from November 2008 to March 2009; manager of the business management section of the corporate department of CCB Guizhou Branch from March 2009 to January 2010; and assistant to general manager of the corporate department of CCB Guizhou Branch from January 2010 to November 2012. Ms. Zhang worked in the Bank since November 2012. In particular, she served as the deputy general manager of the Planning and Finance Department of the Bank from November 2012 to September 2015; deputy general manager of the Accounting and Settlement Department of the Bank from September 2015 to March 2018; the general manager of the Accounting and Settlement Department of the Bank from March 2018 to July 2021; and has been the general manager of the Operation Management Department of the Bank since July 2021; the deputy Chairlady of the labor union of the Bank from May 2021 to June 2024; and an employee Supervisor of the Bank since June 2021.

Ms. Zhang graduated from Harbin Investment College (哈爾濱投資高等專科學校) in July 1994 majoring in CCB accounting, and graduated from Central Radio & TV University (中央廣播電視大學) in July 2003 with a bachelor's degree in business administration.

## Directors, Supervisors, Senior Managements, Employees and Organizations (Continued)

**Ms. WANG Wei (王薇)** is an employee Supervisor of the Bank.

Ms. Wang served as a member of the Bank Card Center of the Retail Business Department of Bank of China Guizhou Branch from November 2001 to June 2003; a member of the Savings Fund Management Section of the Retail Business Department of Bank of China Guizhou Branch from June 2003 to June 2005; the business manager of the channel management team of Bank of China Guizhou Branch from June 2005 to February 2008; the wealth management manager of the wealth management team of Bank of China Guizhou Branch from February 2008 to November 2009; the director of the channel management team of Bank of China Guizhou Branch from November 2009 to June 2013; the director of the Retail, Operation and Protection Department of the head office of Bank of Guizhou from June 2013 to July 2014; the director of the Retail Banking Department of the head office of Bank of Guizhou from July 2014 to March 2018; the deputy general manager of the Personal Business Department of Bank of Guizhou from March 2018 to May 2019; the deputy director of the Organization Department of the Party Committee/deputy general manager of the Human Resources Department of Bank of Guizhou from May 2019 to August 2022; the vice general manager (presiding work) of Human Resource Department and the deputy director (part-time) of the Organization Department of the Party Committee of Bank of Guizhou from August 2022 to October 2022; and has been the general manager of Human Resource Department of Bank of Guizhou since October 2022. She has been an employee Supervisor of the Bank since June 2022.

In July 2001, Ms. Wang graduated from Guizhou Finance and Economics College majoring in Trade and Economics and obtained a bachelor's degree in Management. She obtained a master's degree in Business Management from Guizhou University in December 2014. Ms. Wang holds ICBRR (銀行風險與監管國際證書) granted by Global Association of Risk Professionals (全球風險管理專業人士協會) and IPMA-Certified Professional granted by International Public Management Association for Human Resources (國際人力資源公共管理協會).

## Directors, Supervisors, Senior Managements, Employees and Organizations (Continued)

**Mr. CHENG Yunlong (程雲龍)** is a shareholder Supervisor of the Bank.

Mr. Cheng worked in the Daba Town Government of Renhuai City from December 1998 to April 2003; worked in the Housing and Urban-Rural Development Bureau of Renhuai City from April 2003 to January 2017, during which he served as the head of the village station, head of the safety supervision station, member of the Party group, law enforcement team leader and concurrently served as the chairman of the labor union, and deputy secretary of the Party committee of the Housing and Urban-rural Development Bureau; served as the general manager of Renhuai Southern New City Construction Investment Development Co., Ltd. (仁懷市南部新城建設投資開發有限責任公司) from January 2017 to January 2018; served as the general manager of Renhuai Famous Wine Industrial Park Investment and Development Co., Ltd. (仁懷名酒工業園區投資開發有限責任公司), and concurrently served as the general manager of Renhuai Southern New City Construction Investment Development Co., Ltd. from January 2018 to April 2019; served as the deputy general manager of Renhuai City Urban Development Construction Investment Management Co., Ltd., and general manager of Renhuai Southern New City Construction Investment Development Co., Ltd. from April 2019 to August 2020; the general manager of Renhuai State-owned Assets Investment and Operation Co., Ltd. (仁懷市國有資產投資經營有限責任公司) from August 2020 to December 2021; a director of Renhuai State-owned Assets Investment and Operation Co., Ltd. from December 2021 to November 2022; and has been a full-time external director of Renhuai Urban Development and Construction Investment and Operation Co., Ltd. (仁懷市城市開發建設投資經營有限責任公司), Renhuai Water Investment and Development Co., Ltd. (仁懷市水務投資開發有限責任公司) and Renhuai Economic Development Zone Investment Co., Ltd. (仁懷經濟開發區投資有限責任公司) since November 2022; and has been a shareholder Supervisor of the Bank since June 2021.

Mr. Cheng graduated from Wuhan Electric Power Vocational and Technical College (武漢電力職業技術學院) with a bachelor's degree in July 1998, and graduated with a master's degree in public management from the Party School of Chongqing Municipal Committee of the Communist Party of China in July 2016.

## Directors, Supervisors, Senior Managements, Employees and Organizations (Continued)

**Mr. YIN Xinquan (尹新全)** is an external Supervisor of the Bank.

Mr. Yin worked for Guizhou Panjiang Investment Holding (Group) Co., Ltd. (貴州盤江投資控股(集團)有限公司) and its subsidiaries from July 1978 to February 2018. In particular, he worked in the Finance Section of Huopu Mine of Panjiang Mining Bureau from July 1978 to December 1981; in the Finance Department of Panjiang Mining Bureau from January 1982 to July 1985; studied in Guizhou Finance and Economics College from August 1985 to July 1987; worked in the Finance Department of Guizhou Panjiang Coal and Electricity Refco Group Ltd. (formerly known as the Finance Department of Panjiang Mining Bureau) (盤江煤電(集團)公司財務部(原盤江礦務局財務處)) from August 1987 to June 2005; served as deputy chief from February 1989, chief accountant of the Finance Department from August 1995, deputy director of the Finance Department from March 2000 and director of the Finance Department from January 2001. He served as deputy chief accountant and director of the Finance Department of Guizhou Panjiang Coal and Electricity Refco Group Ltd. from July 2005 to February 2007; a member of the Party Committee and chief accountant of Panjiang Investment Holding (Group) Co., Ltd. from February 2007 to February 2018; chairman of the supervisory committee of Guizhou Panjiang Fine Coal Co., Ltd. (貴州盤江精煤股份有限公司) from May 2010 to February 2018. He retired in February 2018; and has been an external Supervisor of the Bank since June 2021.

Mr. Yin graduated from Guizhou Finance and Economics College (貴州財經學院) with a college degree and the title of senior accountant.

**Mr. ZHANG Ruibin (張瑞彬)** is an external Supervisor of the Bank.

Mr. Zhang worked at the audit department of the head office of Shenzhen Development Bank from July 1998 to May 2000; worked at the Shenzhen Stock Exchange as a post-doctoral fellow from May 2000 to May 2002; successively served as the director of the research institute, the assistant to the general manager and the deputy general manager of Xinjiang Securities Company Limited (新疆證券有限責任公司) from May 2002 to August 2006; worked at the Institute of Finance of the People's Bank of China as a post-doctoral fellow from August 2006 to January 2008; has served as a teacher at the Guizhou University of Finance and Economics since January 2008, during which he was a senior visiting scholar at the Guanghua School of Management of Peking University from September 2011 to June 2013; has served as an external director of China Kweichow Moutai Distillery (Group) Co., Ltd. (中國貴州茅台酒廠(集團)有限責任公司) since March 2009; served as an independent non-executive director of Kontafarma China Holdings Limited (HKSE stock code: 1312) from July 2014 to June 2024; served as an independent director of China Zhenhua (Group) Science & Technology Co., Ltd. (中國振華(集團)科技股份有限公司) (SZSE stock code: 000733) from June 2015 to December 2021; served as an independent director of Poly Union Chemical Holding Group Co., Ltd. (保利聯合化工控股集團股份有限公司) (SZSE: 002037) from March 2016 to June 2022; has served as an external director of Guiyang City Construction Investment Group Co., Ltd. (貴陽市城市建設投資集團有限公司) since May 2022; served as an independent director of Guizhou Huaxi Rural Commercial Bank Co., Ltd. (貴州花溪農村商業銀行股份有限公司) from May 2023 to July 2024; has been an independent director of Guizhou Gas Group Corporation Limited (貴州燃氣集團股份有限公司) (SSE stock code: 600903) since August 2023; an independent director of Shenzhen Rural Commercial Bank Limited (深圳農村商業銀行股份有限公司) since July 2024; and an external supervisor of the Bank since June 2024.

Mr. Zhang graduated from Harbin University of Science and Technology in July 1993 with a bachelor's degree in Computer and Applications, Department of Computer Science, and graduated from Xiamen University in July 1998 with a doctorate degree in Statistics (postgraduate and doctoral program of study), Department of Planning Statistics. Mr. Zhang holds the titles of researcher and senior economist and is qualified as a certified public accountant and a certified treasury professional.

## Directors, Supervisors, Senior Managements, Employees and Organizations (Continued)

### 6.3.3 Biographical details of senior management

**Ms. WU Fan (吳帆)** is the deputy secretary of the Party Committee of the Bank, executive Director and President of the Bank.

Please refer to section 6.3.1 Biographical details of Directors for her biography.

**Mr. HU Liangpin (胡良品)** is a member of the Party committee and Vice President of the Bank.

Mr. Hu served as a credit officer of Yuezhao Credit Cooperative in Shuicheng County of Guizhou Province from December 1986 to December 1987; served as cashier, bookkeeper and credit officer in Rural Credit Cooperative of Shuicheng County of Guizhou Province from December 1987 to May 1995; served as the business clerk and auditor of the Rural Credit Cooperative of Zhongshan District, Liupanshui City, Guizhou Province from May 1995 to October 1995; served as deputy chief (presiding work) and chief of the Auditing Section of Rural Credit Cooperative of Zhongshan District, Liupanshui City, Guizhou Province from October 1995 to May 1997; served as the chief of the Credit Section of the Rural Credit Cooperative of Zhongshan District, Liupanshui City, Guizhou Province, the assistant director and the organization member of the Party branch of the association from May 1997 to December 1998; served as the deputy director and Party branch secretary of the Rural Credit Cooperative of Zhongshan District, Liupanshui City, Guizhou Province from December 1998 to August 2001; served as acting chairman and deputy director (presiding work) of Liuzhi Special District Rural Credit Cooperative in Guizhou Province from August 2001 to April 2004; served as chairman and director of Shuicheng County Rural Credit Cooperative in Guizhou Province and council member of Guizhou Rural Credit Union from April 2004 to August 2005; served as the deputy director of Liupanshui Office of Guizhou Rural Credit Cooperative and the chairman, director and Party branch secretary of Shuicheng County Rural Credit Cooperative from August 2005 to September 2005. From September 2005 to September 2013, Mr. Hu worked in Guizhou Rural Credit Union where he successively served in several positions in the human resources division and Anshun Office, including cadre of human resources division, deputy director of Anshun Office, director of Anshun Office, deputy secretary of the Party branch, of which, he concurrently served as deputy secretary of the Zhenning County Party Committee and deputy county magistrate, Guizhou Province, secretary of the Party committee of Anshun Financial Service Center for Migrant Workers (安順市農民工金融服務中心), deputy secretary of the Party general branch in Financial Service Center for Migrant Workers of Guizhou Rural Credit Union (貴州省農村信用聯社農民工金融服務中心) from August 2011 to September 2013; assistant of the director of Guizhou Rural Credit Union from September 2013 to November 2016; concurrently the head and the secretary of the Party Working Committee of the Qiannan Branch from January 2014 to February 2015; member of the Party committee of the Bank since November 2016, Chairman of the Board of Supervisors of the Bank from January 2017 to January 2018; and Vice President of the Bank since April 2018.

Mr. Hu graduated from the Party School of Guizhou Provincial Party Committee with a major in law in January 2004; and graduated with a correspondence college diploma as a major in finance from the Economic Management Department of Yunnan University in July 2010. Mr. Hu won the honor of "Advanced Individual for Peasant-worker Financial Services in Guizhou Province" (貴州省農民工金融服務先進個人) from the then CBIRC Guizhou Office in April 2010; and the honor of the 10th National "Venture Star" (創業之星) in May 2012.

## Directors, Supervisors, Senior Managements, Employees and Organizations (Continued)

**Mr. AN Peng (安鵬)** is a member of the Party committee and Vice President of the Bank.

Mr. An served as a staff of Dejiang County Credit Cooperative in Guizhou Province (貴州省德江縣信用合作聯社) from August 1999 to August 2002. He successively served as a staff of Cooperative Financial Institution Regulation Department of CBRC Guizhou Office (貴州銀監局合作金融機構監管處) from July 2005 to June 2006; deputy director clerk at Cooperative Financial Institution Regulation Department of CBRC Guizhou Office from June 2006 to August 2007; section chief of Cooperative Financial Institution Regulation Department of CBRC Guizhou Office from August 2007 to November 2008; section chief of the Third On-site Inspection Department of CBRC Guizhou Office (貴州銀監局現場檢查三處) from November 2008 to January 2011; regulatory deputy researcher of the Third On-site Inspection Department of CBRC Guizhou Office from January 2011 to December 2012; regulatory deputy researcher of Rural Small and Medium-sized Financial Institutions On-site Inspection Department of CBRC Guizhou Office (貴州銀監局農村中小金融機構現場檢查處) from December 2012 to January 2013; deputy chief of Rural Small and Medium-sized Financial Institutions On-site Inspection Department of CBRC Guizhou Office from January 2013 to November 2013; deputy director of CBRC Guizhou Office (Party committee office) from November 2013 to October 2016; secretary of the Party committee and director of Qiannan Sub-office of China Banking and Insurance Regulatory Commission (中國銀行業監督管理委員會黔南監管分局) from October 2016 to November 2018; leader of the preparatory group of Qiannan Sub-office of China Banking and Insurance Regulatory Commission from November 2018 to April 2019; secretary of the Party committee and director of Qiannan Sub-office of China Banking and Insurance Regulatory Commission from April 2019 to December 2019; secretary of the Party committee, director and first-class researcher of Qiannan Sub-office of China Banking and Insurance Regulatory Commission from December 2019 to July 2020; head of the organization department of Party committee, chief of human resource office and first-class researcher of China Banking and Insurance Regulatory Commission Guizhou Office from July 2020 to May 2021. He has been a member of the Party committee of the Bank since May 2021 and the Vice President of the Bank since October 2021. He served as the secretary of the Party committee and president of Guiyang Branch of the Bank from May 2023 to February 2025.

Mr. An graduated from Shaanxi University of Finance and Economics majoring in Economics and Information Management in July 1999, with a bachelor's degree in Economics, and graduated from Xi'an Jiaotong University with a master's degree in Western Economics in July 2005.

## Directors, Supervisors, Senior Managements, Employees and Organizations (Continued)

**Mr. QIN Wei (覃偉)** is a member of the Party Committee and Vice President of the Bank.

Mr. Qin worked at Anshun Qianzhong Urban Credit Cooperative (安順黔中城市信用社) from January 1997 to March 1999; served as a deputy chief of Credit Section of Anshun Xixiu Urban Credit Cooperative (安順西秀城市信用社) from March 1999 to April 2001; worked at Construction Office of Anshun Urban Credit Cooperative (安順城市信用社) from April 2001 to December 2002; successively served as the deputy director of Manpower and Mass Work Department, the deputy manager of Xinxing Sector and the manager of Business Department of Anshun Urban Credit Cooperative from December 2002 to September 2007, the vice general manager of Anshun Urban Credit Cooperative from September 2007 to February 2009; a director of Anshun City Credit Cooperative from March 2008 to February 2009; vice president of Anshun City Commercial Bank from February 2009 to October 2012; the vice president of the Anshun Branch of the Bank from October 2012 to September 2013; member of the Party committee and vice president of Anshun sub-branch of the Bank from September 2013 to May 2015; deputy secretary (presiding work) of Party committee and temporary principal of Bijie Dujuan sub-branch of the Bank from May 2015 to August 2015; vice president (presiding work) of Bijie Dujuan sub-branch of the Bank from July 2015 to April 2018; deputy secretary of the Party committee of Bijie Dujuan sub-branch of the Bank from September 2015 to April 2018; secretary of the Party committee and general manager of Guiyang Management Department of the Bank from April 2018 to February 2022. He has been a member of the Party Committee of the Bank since November 2021 and the Vice President of the Bank since February 2022.

Mr. Qin graduated from China Central Radio & TV University with a major of Administration Management in July 2006 and graduated from the University of International Business and Economics in December 2012 with an EMBA degree.

**Mr. LI Jian (李健)** is a member of the Party Committee and Vice President of the Bank.

Mr. Li worked at office of Shuicheng sub-branch, Liupanshui branch of Industrial and Commercial Bank of China ("ICBC") from July 2003 to November 2004; post-credit supervision and inspection center, credit management department, Liupanshui branch of ICBC from November 2004 to March 2009; credit approval department, Guizhou branch of ICBC from March 2009 to November 2012, during which, he was seconded to comprehensive management division, credit approval department, head office of ICBC from September 2011 to June 2012. He served as the head of credit approval department, Guizhou branch of ICBC from November 2012 to March 2013; vice president of Pan County sub-branch of Liupanshui branch of ICBC from March 2013 to July 2013; vice president and deputy secretary of Party general branch (presiding work) of Pan County sub-branch of Liupanshui branch of ICBC from July 2013 to April 2014; president of Pan County sub-branch of Liupanshui branch of ICBC from April 2014 to October 2016; member of the Party Committee of Zunyi branch of ICBC in Guizhou Province from October 2016 to April 2017; vice president and member of the Party Committee of Zunyi branch of ICBC in Guizhou Province from April 2017 to April 2021; vice president and secretary of the Party Committee (acting as president of Tongren branch) of Tongren branch of ICBC in Guizhou Province from April 2021 to August 2021; president and secretary of the Party Committee of Tongren branch of ICBC in Guizhou Province from August 2021 to January 2024; president and secretary of the Party Committee of Xingyi branch of ICBC in Guizhou Province from January 2024 to July 2024. He has been a member of the Party Committee of the Bank since July 2024 and the Vice President of the Bank since January 2025.

Mr. Li graduated as a bachelor in Law from Guizhou University of Technology in September 1999; and graduated from the Party School of the Guizhou Provincial Committee of the Communist Party of China with a major in Law in June 2024. Mr. Li is professionally qualified in law.



## Directors, Supervisors, Senior Managements, Employees and Organizations (Continued)

**Mr. ZHOU Guichang (周貴昌)** is the secretary to the Board and the company secretary of the Bank.

Mr. Zhou served as an accountant and cashier in Beijing Road department of Zunyi Honghuagang Sub-Branch of Agricultural Bank of China from July 1997 to July 1998; served as a secretary of the general office in Zunyi Development Region Sub-Branch of ABC from July 1998 to July 1999; served as a secretary of the general office of the Zunyi Branch of ABC from July 1999 to June 2003; served as a secretary of the general office of Guizhou Branch of ABC from June 2003 to February 2004; served as a principal staff member of the general office of Guizhou Branch of ABC from February 2004 to April 2005; served as an assistant of the director of general office of Guizhou Branch of ABC from April 2005 to August 2006; served as the vice director of the Office of Party Committee, deputy head of the Party promotion department and vice director of general office of Guizhou Branch of ABC from August 2006 to September 2007; served as a member of the Party committee and vice president of Liupanshui Branch of ABC from September 2007 to May 2012; and served as a vice general manager of the corporate/small business department and the key customer department of Guizhou Branch of ABC from May 2012 to August 2012. Mr. Zhou participated in the preparatory group work of the establishment of our Bank from August 2012 and worked in our Bank from October 2012. He served as the temporary principal of the Board office, office of the Board of Supervisors and the general office of our Bank from December 2012 to December 2013; served as the vice director of general office of our Bank (temporary principal) from December 2013 to March 2014; served as the vice director of the Office of Party Committee of our Bank (presiding work) and vice director of General Office (temporary principal) from March 2014 to March 2018; served as the director of the Office of Party Committee/General Office of our Bank from March 2018 to June 2020; Mr. Zhou has been the secretary to the Board of the Bank since May 2019 and the company secretary of the Bank since March 2023.

Mr. Zhou graduated as a bachelor in journalism from the department of Chinese literature of Guizhou University (貴州大學) in July 1997; and graduated as a master in business administration from the school of management of Guizhou University in July 2014. Mr. Zhou has a title of senior economist.

**Mr. JIAO Zhengjun (焦正俊)** is the chief compliance officer of the Bank.

Mr. Jiao served as a trainee staff member and a clerk of ABC Xiaohe Sub-branch in Guiyang from July 1999 to June 2003; a clerk and deputy director clerk of the legal affairs division of ABC Guizhou Branch from July 2003 to July 2006; a director clerk and section chief of the legal and compliance division of ABC Guizhou Branch from July 2006 to July 2008; assistant to division chief of the legal division of ABC Guizhou Branch from July 2008 to March 2009; assistant to general manager of the legal affairs department of ABC Guizhou Branch from March 2009 to December 2009; deputy general manager of the legal affairs department of ABC Guizhou Branch from December 2009 to April 2012; deputy general manager of the credit card centre of ABC Guizhou Branch from April 2012 to March 2013; deputy general manager of the Legal Compliance Department of the Bank from March 2013 to August 2013; deputy general manager of the Legal Compliance Department and the Asset Protection Department of the Bank from August 2013 to October 2014; deputy general manager (general manager level) of the Asset Protection and Legal Affairs Department of the Bank from October 2014 to March 2018; and general manager of the Legal Compliance Department of the Bank from March 2018 to August 2024. He has been the chief compliance officer of the Bank since May 2022.

Mr. Jiao graduated from the Law Department of Guizhou Minzu College (貴州民族學院) with a bachelor's degree in Law. In December 2011, he graduated from Guizhou University with a MPM degree, majoring in joint school-running project of MPM with the University of Quebec at Chicoutimi, Canada.



## Directors, Supervisors, Senior Managements, Employees and Organizations (Continued)

### 6.3.4 Biographical details of company secretary

**Mr. ZHOU Guichang (周貴昌)** is the company secretary of the Bank. See “Biographical details of Directors, Supervisors and Senior Managements – Biographical details of Senior Managements” for his biography.

## 6.4 INFORMATION OF EMPLOYEES

### 6.4.1 Composition of employees

As of the end of the Reporting Period, the Bank had 5,604 contracted employees, the composition of whom is set out as follows:

#### (I) **By age**

The Bank had 1,562 employees aged 30 or under, accounting for 27.87% of the total number of employees; 2,368 employees aged between 31 and 40, accounting for 42.26% of the total number of employees; 931 employees aged between 41 and 50, accounting for 16.61% of the total number of employees; and 743 employees aged over 50, accounting for 13.26% of the total number of employees.

#### (II) **By gender**

The Bank has a total of 2,764 male employees, accounting for 49.32%, and 2,840 female employees, accounting for 50.68%.

#### (III) **By education**

The Bank has 5,004 employees with a bachelor's degree or above, accounting for 89.29% of the total number of employees. Among them, 6 employees have a doctor's degree, 410 employees have a master's degree, and 600 employees have a college degree or below, accounting for 10.71% of the total number of employees.

## Directors, Supervisors, Senior Managements, Employees and Organizations (Continued)

### 6.4.2 Employee training

During the Reporting Period, the Bank conducted an in-depth study on education, training and examination of professional qualifications, formulated the annual plan for education, training and examination of professional qualifications, organized and promoted more than 2,600 training courses on marketing, compliance and digital transformation, and conducted more than 20 examinations of professional qualifications, with more than 4,700 people obtaining professional qualification certificates, thus improving the comprehensive quality and professional ability of the talent team. The Bank continuously built the “Spark Plan” training brand, innovated teaching methods and established a multi-dimensional evaluation system, effectively enhancing the training effectiveness and attractiveness for new employees. The Bank researched and formulated the “Internal Trainer Evaluation Plan of Bank of Guizhou” (《貴州銀行內訓師評審方案》), carried out the selection and evaluation of internal trainers, and conducted specialized training for more than 100 selected internal trainers to improve the teaching level and course development capability. The Bank formulated and issued the “Online Learning Platform Management Regulations of Bank of Guizhou” (《貴州銀行在線學習平台管理辦法》) to launch more than 20 online learning courses such as the Party and government classroom and product marketing, so as to promote the informatization and digitization of education and training, and continuously enhance the awareness of cadres and employees of self-learning.

### 6.4.3 Remuneration policy, employee remuneration and welfare

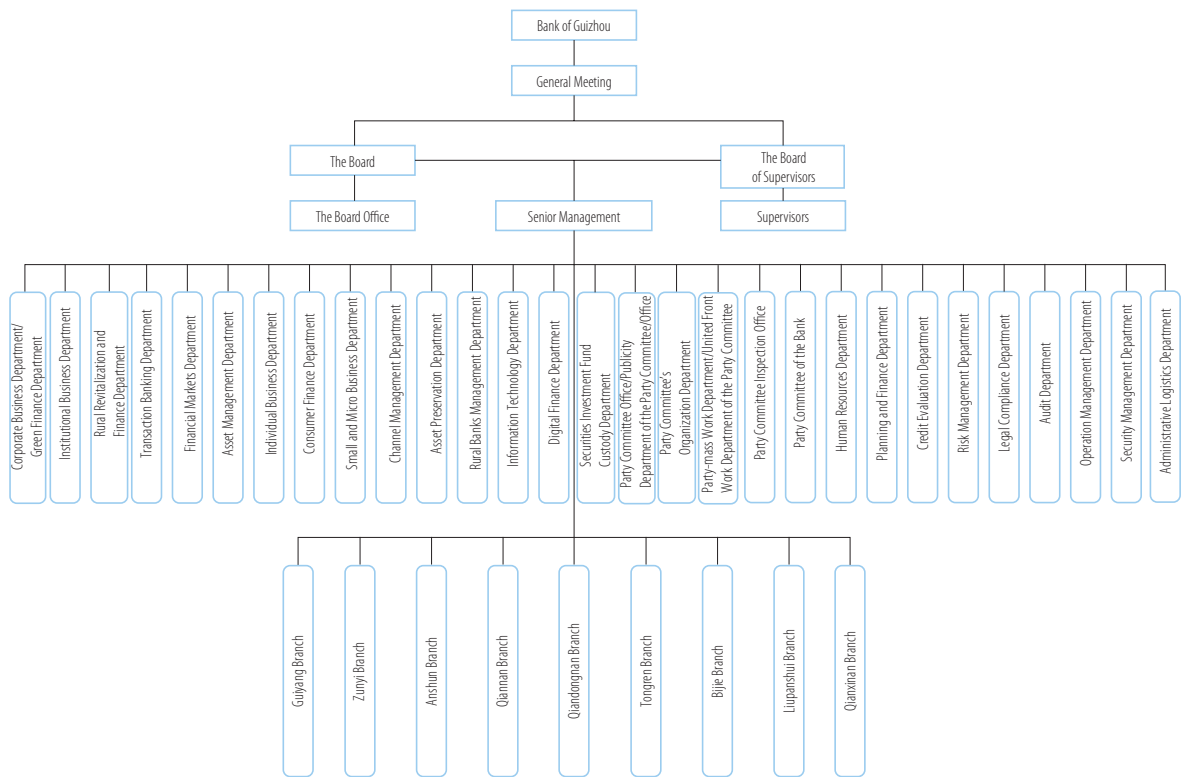
The Bank’s remuneration policy is highly consistent with its strategic development objectives and corporate governance requirements, and is compatible with its market value positioning and risk management requirements. During the Reporting Period, the Bank further optimized the structure of remuneration distribution, solidly promoted the reform of the remuneration distribution system of the Bank, adhered to the principles of compliance with laws and regulations, supporting the low and limiting the high, and performance orientation, and revised and issued the “Administrative Measures on Remuneration of Bank of Guizhou” in accordance with the relevant provisions of the “Supervisory Guidelines on Sound Compensation in Commercial Banks” and “Guidelines for the Distribution of Internal Remuneration for State-owned Enterprises”, taking into account the actual situation of the Bank.

The Bank’s total compensation is closely linked to the fulfillment of annual operating indicators and the economic efficiency of the enterprise. The total budget and implementation of liquidation are filed with the institutions performing the contributor’s duties. The total compensation of the Bank’s institutions at all levels is linked to operating efficiency, performance appraisal results, and the completion of key tasks. Performance appraisals include efficiency indicators, risk indicators and development transformation indicators, comprehensively reflecting long-term performance and risk situation.

To fully leverage the guiding role of remuneration in corporate governance and risk control of commercial banks, in accordance with the regulatory requirements, the Bank has implemented deferred payment of performance-based remuneration for senior management as well as key personnel with direct or significant impact on operational risks, and established and improved a mechanism for recovery and deduction of performance-based remuneration, balancing the relationship between current and long-term, income and risk, ensuring that the incentives for remuneration are commensurate with the risk-adjusted performance, preventing aggressive business practices and illegal and unethical behavior, and continuously promoting the Bank’s sound operation and sustainable development. Employees who are subject to disciplinary or other actions due to violation of regulations and dereliction of duty shall have their remuneration deducted in accordance with relevant regulations.

Directors, Supervisors, Senior Managements, Employees and Organizations (Continued)

6.5 ORGANIZATIONAL STRUCTURE



## Corporate Governance Report

The Bank is of the view that, the enhancement of corporate governance is currently an objective requirement of commercial banks to adapt to the regulatory rules, a significant measure to prevent operational risks, an inevitable requirement to consolidate the management foundation and a solid guarantee for the Bank to achieve quality development. During the Reporting Period, the Bank continued to improve the governance structure in accordance with the regulatory requirements of the Company Law of the People's Republic of China, the Hong Kong Listing Rules and the Code of Corporate Governance for Banking and Insurance Institutions, and continued to improve the governance level and the normalized, standardized and scientific corporate governance system, mainly based on the Measures for the Management of Corporate Governance, Supervision and Evaluation of Banking and Insurance Institutions.

The Bank has complied with all the applicable code provisions contained in the Corporate Governance Code (the "CG Code") as set out in Appendix C1 to the Hong Kong Listing Rules during the Reporting Period, continuously promoting the orderly implementation of the Bank's corporate governance.

### 7.1 THE GENERAL MEETING

#### 7.1.1 FUNCTIONS AND POWERS OF THE GENERAL MEETING

According to the laws and regulations, regulatory provisions and the Articles of Association of the Bank, the shareholders' general meeting, consisting of all shareholders, shall be an organ of power of the Company. It may exercise the following powers in accordance with the laws and regulations and the Articles of Association: To decide on the Company's business policy and investment plans; to elect and replace Directors who are not employee representatives and to determine matters relating to remuneration of the Directors; to elect and replace Supervisors who are not employee representatives and to determine matters relating to remuneration of the Supervisors; to consider and approve the reports of the Board; to consider and approve the reports of the Board of Supervisors; to consider and approve the Company's annual financial budgets and final accounting plans; to

consider and approve the Company's profit distribution plan and loss recovery plan; to resolve on increase or decrease of the registered capital of the Company; to resolve on issuance of bonds or listing of the Company; to resolve on the major asset transfer or acquisition, repurchase of the Company's Shares, merger, division, dissolution and liquidation of the Company pursuant to the laws and regulations; to amend the Articles of Association; to listen to the results of evaluation by the Board on the Directors and by the independent Directors on each other; to listen to the performance report of the independent Directors; to listen to the results of evaluation by the Board of Supervisors on the Directors, Supervisors and senior management; to consider proposals raised by shareholder(s) severally or jointly holding more than 3% of the total voting shares of the Company; to consider and approve the related party transactions with a single amount exceeding 10% of the Company's net capital at the end of the previous quarter; to resolve on the appointment or removal of an accounting firm that conduct regular statutory audit for the Company's financial statements; to consider and approve the rules of procedure of the shareholders' general meeting, of the Board of Directors and of the Board of Supervisors; to consider and approve the equity incentive plan; to consider and approve other issues which shall be determined at the shareholders' general meeting as stipulated by laws and regulations, securities regulatory authorities at the place where the Company's shares are listed, the Articles of Association and other internal systems of the Company.

#### 7.1.2 GENERAL MEETINGS HELD

During the Reporting Period, general meetings were held as follows:

On 27 March 2024, the Bank held the first extraordinary general meeting at the Conference Room 4501, Bank of Guizhou Head Office Building (No. 9 Yongchang Road, Guanshanhu District, Guiyang, Guizhou Province, the PRC). The total number of the ordinary Shares entitling the shareholders of the Bank to vote in respect to the resolutions proposed at the extraordinary general meeting was 13,453,929,375, including 11,253,929,375 Domestic Shares and 2,200,000,000 H Shares. Shareholders and proxies attending the extraordinary general meeting

## Corporate Governance Report (Continued)

represented, in aggregate, 9,459,896,533 ordinary Shares of the Bank carrying voting rights, being approximately 70.31% of the total number of the ordinary Shares of the Bank carrying voting rights as at the date of the extraordinary general meeting. Twelve Directors including Mr. YANG Mingshang and Mr. CAI Dong attended the above meeting.

The 2024 first extraordinary general meeting considered and approved three resolutions, including the appointment of Ms. WU Fan as an executive Director of the third session of the Board of the Bank, and the appointment of Mr. CHEN Duohang as a non-executive Director of the third session of the Board of the Bank.

On 27 June 2024, the Bank held the 2023 annual general meeting at the Conference Room 4501, Bank of Guizhou Head Office Building (No. 9 Yongchang Road, Guanshanhu District, Guiyang, Guizhou Province, the PRC). The total number of the ordinary Shares entitling the shareholders of the Bank to vote in respect to the resolutions proposed at the annual general meeting was 13,595,715,761, including 11,395,715,761 Domestic Shares and 2,200,000,000 H Shares. Shareholders and proxies attending the annual general meeting represented, in aggregate, 10,947,777,340 ordinary Shares of the Bank carrying voting rights, being approximately 80.52% of the total number of the ordinary Shares of the Bank carrying voting rights as at the date of the annual general meeting. Thirteen Directors including Mr. YANG Mingshang and Mr. CAI Dong attended the above meetings.

The 2023 annual general meeting considered and approved 25 resolutions, including 2023 Work Report of the Board of Directors, 2023 Work Report of the Board of Supervisors, 2023 Financial Statements Report, 2023 Profit Distribution Plan and others.

## 7.2 THE BOARD OF DIRECTORS

### 7.2.1 Functions and powers of the Board

According to the laws and regulations, regulatory requirements and Articles of Association of the Bank, the Board is the executive body of the general meeting of the Bank, which is accountable to the general

meeting for determining strategies, making decisions and preventing risks. Its major functions and powers include convening Shareholders' general meetings and reporting its performance at the Shareholders' general meetings; implementing resolutions of the Shareholders' general meetings; formulating the Company's business development strategies and supervising the implementation of the strategies; determining the Company's business plans and investment plans; formulating annual financial budget plans, final account plans, profit distribution plans and loss recovery plans of the Company; formulating proposals for the Company's increase in or reduction of registered capital and issuance of bonds or other securities and the listing; formulating proposals for the Company's major asset acquisition, transfer and alienation, repurchase of the Company's shares or merger, division, dissolution and change of the form of the Company; determining the setting, merger and revocation of branches and internal management bodies of the Company; determining material external guarantees within the authorization of the Shareholders' general meeting.; considering and approving major related party transaction (a single transaction amounting to more than 10% of the net capital of the Company at the end of the previous quarter shall be submitted to the shareholders' general meeting for consideration); appointing or dismissing the President and the secretary to the Board according to the regulatory requirements; appointing or dismissing vice presidents and other senior management personnel based on the regulatory requirements and nominations of the President and determining their remunerations, awards or punishments thereof and supervising the performance of duties by senior management; determining the Company's risk management and internal control policies and formulating the Company's basic management system; formulating modifications to the Articles of Association, formulating the rules of procedure for the Shareholders' general meeting and the rules of procedure for the Board, and considering and approving the working rules of the special committees of the Board; taking charge of the information disclosures of the Company, and being ultimately responsible for the authenticity, completeness, accuracy and timeliness of the Company's accounting and financial reporting; proposing at a Shareholders' general meeting the engagement or dismissal of an accounting

## Corporate Governance Report (Continued)

firm providing regular statutory audit for the Bank's financial reports; considering and determining working rules of the President, listening to his/her work reports and examining his/her work; in accordance with laws and regulations, regulatory requirements and the Articles and Association, considering and approving the Company's external investment, purchases of assets, disposal and write-off of assets, pledged assets, related transactions, data governance and other matters; formulating the capital plan of the Company and assume the ultimate responsibility for capital or solvency management; regularly evaluating and improving the corporate governance; safeguarding the legitimate rights and interests of financial consumers and other stakeholders; establishing the mechanism for identification, verification and management of the conflict of interests between the Company and Shareholders, in particular substantial Shareholders; assuming the management responsibility for affairs of Shareholders; other functions and powers stipulated by laws and regulations and these Articles of Association and authorized by the Shareholders' general meetings.

The Board of the Bank is also responsible for performing the corporate governance functions set out below: formulating and reviewing the Bank's policies and practices in respect of corporate governance; reviewing and monitoring the training and continuous professional development of Directors and senior management; reviewing and monitoring the Bank's policies and practices in respect of compliance with laws and regulatory requirements; formulating, reviewing and monitoring the code of conduct and compliance manual applicable to employees and Directors; reviewing the Bank's compliance with the Corporate Governance Code and disclosure in the Corporate Governance Report.

### 7.2.2 Operation of the Board

The Board meetings are divided into regular meetings and extraordinary meetings, voting at which may be conducted by on-site meeting and written resolution. For regular meetings and extraordinary meetings of the Board, written notices shall be given to all Directors by hand, fax, e-mail, express mail or other means at least 14 and 5 days in advance, respectively. During the Reporting Period, the

Bank has complied with the requirements of the Code Provision C.5.3 of the CG Code to give each Director a notice at least 14 days before the convening of regular meetings of the Board.

There are six special committees under the Board, including, among others, the Strategic Development Committee, the Risk and Related Party Transactions Management Committee, the Nomination and Remuneration Committee, the Audit Committee, the ESG Management and Consumer Rights Protection Committee and Compliance Management Committee. The Bank has set up Board Office as the Board's daily working organ. The secretary to the Board may concurrently serve as director of the Board Office. The Board Office shall be responsible for the preparations for and information disclosure of the general meetings, Board meetings and meetings of special committees under the Board, as well as other routine affairs of the Board and special committees thereunder.

### 7.2.3 Composition of the Board

As at the end of the Reporting Period, the fourth session of the Board of the Bank consisted of thirteen Directors (of which the qualification of five Directors is subject to approval), including three executive Directors, namely, Mr. YANG Mingshang (Chairman), Ms. WU Fan and Mr. CAI Dong; five non-executive Directors, namely, Mr. CHEN Hanqing, Ms. ZHANG Yan<sup>(1)</sup>, Mr. CHEN Duohang, Ms. HU Yuwen<sup>(1)</sup> and Ms. GONG Taotao; and five independent non-executive Directors, namely, Ms. SUN Li, Mr. LEE Hoey Simon, Mr. YIN Mengbo<sup>(1)</sup>, Ms. CHEN Rong<sup>(1)</sup> and Ms. WANG Yao<sup>(1)</sup>.

*Note:*

- (1) As of the end of the Reporting Period, the qualifications for directorship of Ms. ZHANG Yan, Ms. HU Yuwen, Mr. YIN Mengbo, Ms. CHEN Rong and Ms. WANG Yao are subject to the approval of the NFRA Guizhou Office. To ensure the effective operation of the Bank's board of directors, Mr. WANG Gefan, Mr. TANG Xin and Mr. SONG Ke, the independent non-executive directors of the third session of the board of directors, will continue to perform their duties as independent non-executive directors and members of the special committees under the board of directors in accordance with relevant laws and regulations and the relevant provisions of the Articles of Association of the Bank, until the qualifications of newly-elected independent non-executive directors are approved.

## Corporate Governance Report (Continued)

### 7.2.4 Changes in Board Members during the Reporting Period

Please refer to the section headed “6.2.1 Changes of Directors” for details.

### 7.2.5 Independence of the Board

The Bank prepared numerous mechanisms to ensure that the Board can obtain independent perspectives and opinions, including but not limited to reviewing its structure to ensure a balance between executive and non-executive Directors (including independent non-executive directors) and ensuring its presence of independence. The opinions from independent non-executive Directors is influential resulting from their extensive professional experience. All Directors (including independent non-executive Directors) possess the opportunity to propose items for inclusion in the agenda of regular Board meetings. In any situation where a Director has a reasonable request, the Board will ensure the ability to appoint independent third-party professional institutions for the purpose of providing opinions to assist the Director or the Board in fulfilling their responsibilities to the Bank, and the expenses arising from herein will be paid by the Bank. At Board meetings, the chairperson invites the attending Directors to express their definite views on each proposal, and the Directors earnestly read the relevant meeting materials, as well as independently and prudently express their opinions based on a full understanding of the situation.

The Board will review the implementation and effectiveness of such mechanisms every year, and for the year ended 31 December 2024, the Board conducted a review and considered that the mechanisms are effective.

### 7.2.6 Independent Non-executive Directors

The independent non-executive Directors of the Bank possess qualifications required by National Financial Regulatory Administration, CSRC and the Hong Kong Listing Rules. The term of office of an independent non-executive Director shall be three years, which is the same as that of other Directors. An independent Director may serve consecutive terms for re-election upon the expiry of his/her term, provided that his/her term of office shall not exceed six years on an accumulative basis.

The Bank has received an annual confirmation of independence confirming the independence of each of the independent non-executive Director, which was issued by such independent non-executive Director according to Rule 3.13 of the Hong Kong Listing Rules. The Bank considers that all independent non-executive Directors of the Bank are not involved in any factors influencing their independence mentioned in Rule 3.13 of the Hong Kong Listing Rules. Therefore, the Bank confirms that all independent non-executive Directors have complied with the requirements of the Hong Kong Listing Rules in respect of the independence thereof.

### 7.2.7 Work of independent non-executive Directors

During the Reporting Period, the independent non-executive Directors of the Bank conscientiously implemented the internal requirements of independent Directors for good corporate governance by attending meetings, debriefing and other methods, and performed their duties with integrity, independence and diligence. All independent non-executive Directors made in-depth research on the relevant resolutions and important documents of the Board and the general meetings, and expressed opinions and decisions thereon independently. In particular, they expressed opinions on major issues such as profit distribution, the appointment of senior management and appointment of the accounting firms that performs regular statutory audits of the Company's financial reports, which effectively safeguard the legitimate rights and interests of the Bank, minority Shareholders and financial consumers, and promoted the implementation of the Bank's development strategy.

### 7.2.8 Directors' Responsibility for Preparation of Financial Statements

The Directors have acknowledged their responsibilities for preparing the financial statements for the year ended 31 December 2024. The Directors are responsible for reviewing and confirming the financial statements for each accounting period to ensure that the financial statements truly and fairly reflect the financial conditions, operating results and cash flows of the Bank. In preparing the financial statements of the Bank for the year ended 31 December 2024, with the assistance of professional financial and accounting personnel, the Directors ensure that the financial statements of the Bank are prepared in accordance with laws and regulations and applicable financial reporting rules.



## Corporate Governance Report (Continued)

**7.2.9 Meetings and the Attendance of Directors**

During the Reporting Period, the Bank convened a total of 16 Board meetings, at which 104 resolutions were considered and approved, including the Annual Work Report of the Board, and the Annual Profit Distribution Plan. Details of the Board meetings convened during the Reporting Period are set out in the table below:

Meeting	Date	Form	Resolutions considered and approved
The 2024 1st extraordinary meeting of the third session of the Board	2024/1/11	On-site meeting	2 resolutions were considered and approved, including the Major Related Party Transactions between Bank of Guizhou and Guizhou Province Asset Management Co., Ltd.
The 2024 2nd extraordinary meeting of the third session of the Board	2024/1/30	On-site meeting	1 resolution was considered and approved, namely the Major Related Party Transactions between Bank of Guizhou and Guizhou Province Asset Management Co., Ltd.
The 2024 3rd extraordinary meeting of the third session of the Board	2024/3/7	On-site meeting	4 resolutions were considered and approved, including the Requesting the Convening of the 2024 1st Extraordinary General Meeting of Bank of Guizhou
The 2024 1st meeting of the third session of the Board	2024/3/28	On-site meeting	30 resolutions were considered and approved, including the Annual Work Report of the Board of Directors of Bank of Guizhou for 2023
The 2024 4th extraordinary meeting of the third session of the Board	2024/4/28	On-site meeting	9 resolutions were considered and approved, including the Development Plan on Internet Consumer Lending Business
The 2024 5th extraordinary meeting of the third session of the Board	2024/6/5	On-site meeting	24 resolutions were considered and approved, including the Election Program for the Fourth Session of the Board of Bank of Guizhou
The 2024 2nd meeting of the third session of the Board	2024/6/26	Written resolution	3 resolutions were considered and approved, including the Measures on Stress Testing Management of Bank of Guizhou
The 2024 1st extraordinary meeting of the fourth session of the Board	2024/6/27	On-site meeting	2 resolutions were considered and approved, including the Establishing the Special Committee under the Fourth Session of the Board
The 2024 2nd extraordinary meeting of the fourth session of the Board	2024/7/29	Written resolution	2 resolutions were considered and approved, including the Credit Management Basic Rules of Bank of Guizhou
The 2024 1st meeting of the fourth session of the Board	2024/8/30	On-site meeting	9 resolutions were considered and approved, including the 2024 Interim Report and Results Announcement of Bank of Guizhou
The 2024 3rd extraordinary meeting of the fourth session of the Board	2024/10/30	On-site meeting	5 resolutions were considered and approved, including the 2024 Third Quarter Pillar III Information Disclosure Report of Bank of Guizhou
The 2024 4th extraordinary meeting of the fourth session of the Board	2024/10/30	On-site meeting	1 resolution was considered and approved, namely the Appointment of Ms. WU Fan as President of Bank of Guizhou
The 2024 5th extraordinary meeting of the fourth session of the Board	2024/12/12	Written resolution	5 resolutions were considered and approved, including the Implementation Plan for the Reform, Deepening and Enhancement Action of Bank of Guizhou



## Corporate Governance Report (Continued)

Meeting	Date	Form	Resolutions considered and approved
The 2024 6th extraordinary meeting of the fourth session of the Board	2024/12/20	On-site meeting	2 resolutions were considered and approved, including the Appointment of Accounting Firms
The 2024 2nd meeting of the fourth session of the Board	2024/12/26	On-site meeting	4 resolutions were considered and approved, including the 2025 Estimated Cap of Related Party Transactions of the Deposit Category of Bank of Guizhou
The 2024 7th extraordinary meeting of the fourth session of the Board	2024/12/30	On-site meeting	1 resolution was considered and approved, namely the Proposed Acquisition of Tongren Fengyuan Town Bank for the Establishment of Sub-branch

The attendance of each Director at the Board meetings during the Reporting Period is as follows:

Member of the Board	No. of attendance in person at Board meetings/No. of meetings held during the term of office	No. of attendance at shareholders' general meetings/No. of meetings held during the term of office
YANG Mingshang	14/16	2/2
WU Fan <sup>(1)</sup>	—	—
CAI Dong	16/16	2/2
CHEN Hanqing	13/16	2/2
ZHANG Yan <sup>(1)</sup>	—	—
CHEN Duohang	8/8	—
HU Yuwen <sup>(1)</sup>	—	—
GONG Taotao	16/16	2/2
SUN Li	15/16	2/2
LEE Hoey Simon	16/16	2/2
YIN Mengbo <sup>(1)</sup>	—	—
CHEN Rong <sup>(1)</sup>	—	—
WANG Yao <sup>(1)</sup>	—	—
WANG Gefan <sup>(2)</sup>	12/16	2/2
TANG Xin <sup>(2)</sup>	16/16	2/2
SONG Ke <sup>(2)</sup>	14/16	2/2

## Notes:

- (1) The qualification of Ms. WU Fan as Directors was approved by NFRA Guizhou Office in January 2025. As of the Reporting Date, the qualifications of Ms. ZHANG Yan, Ms. HU Yuwen, Mr. YIN Mengbo, Ms. CHEN Rong and Ms. WANG Yao as Directors are subject to approval of NFRA Guizhou Office.
- (2) In order to ensure the effective operation of the Board, Mr. WANG Gefan, Mr. TANG Xin and Mr. SONG Ke, the independent non-executive Directors of the third session of the Board, will continue to perform their duties as independent non-executive Directors and members of the special committees under the Board in accordance with the relevant laws and regulations and the Articles of Association of the Bank, pending approval of the qualifications of the newly-elected independent non-executive Directors.

## Corporate Governance Report (Continued)

**7.2.10 Special Committees under the Board**

During the Reporting Period, the fourth session of the Board of the Bank has set up six special committees, including the Audit Committee, the Risk and Related Party Transactions Management Committee, the Nomination and Remuneration Committee, the Strategic Development Committee, the Compliance Management Committee and the ESG Management and Consumer Rights Protection Committee.

**I. Audit Committee**

As of the end of the Reporting Period, the Audit Committee of the Bank consisted of eight Directors, namely, the independent non-executive Director Ms. SUN Li (Chairlady), the non-executive Director Mr. CHEN Hanqing, the non-executive Director Mr. CHEN Duohang, the non-executive Director Ms. GONG Taotao, the independent non-executive Director Mr. WANG Gefan, the independent non-executive Director Mr. TANG Xin, the independent non-executive Director Mr. SONG Ke and the independent non-executive Director Mr. LEE Hoey Simon. The primary duties of the Audit Committee include:

1. supervising and evaluating the work of the external auditor;
2. guiding the internal audit work;
3. reviewing and expressing opinions on the financial reports of the Bank, and submitting to the Board for consideration;
4. evaluating the effectiveness of the internal control;

5. coordinating the communication of the management, the internal audit department and relevant departments with the external auditor;
6. examining the Bank's risks and compliance, financial and accounting policies, financial condition and financial reporting procedures;
7. exchanging information in respect of the operation and risk exposure of the Bank with senior management and departments on a regular basis, as well as providing advice and recommendation;
8. other matters stipulated by relevant laws, regulations, regulatory documents and the Articles of Association, and those authorized by the Board.

For details of internal control, internal audit system and work content during the Reporting Period, please refer to Chapter "7.17 Risk Management, Internal Control and Internal Audit" in this annual report.

During the Reporting Period, the Audit Committee convened a total of 7 meetings, at which 10 resolutions were considered and approved, including the Management Measures for Internal Control Evaluation of Bank of Guizhou, the 2023 Corporate/IAS Report of Bank of Guizhou, the Annual Financial Report of Bank of Guizhou for 2023, the Internal Audit Work Report of Bank of Guizhou for 2023, and the Internal Audit Work Plan of Bank of Guizhou for 2024, and 5 matters were reviewed.

## Corporate Governance Report (Continued)

The attendance of each committee member at the meetings of the Audit Committee held during the Reporting Period is set out in the table below:

Member of the Audit Committee	Number of Attendance in person at the meetings of the Audit Committee/ Number of meetings held during the term of office
CHEN Hanqing	5/7
CHEN Duohang <sup>(1)</sup>	4/4
GONG Taotao	7/7
SUN Li	7/7
LEE Hoey Simon <sup>(2)</sup>	2/2
WANG Gefan	6/7
TANG Xin	6/7
SONG Ke	7/7

Notes:

- (1) In July 2024, Mr. CHEN Duohang was appointed as a member of the Audit Committee of the Bank.
- (2) In December 2024, Mr. LEE Hoey Simon was appointed as a member of the Audit Committee of the Bank.

## II. Risk and Related Party Transactions Management Committee

As of the end of the Reporting Period, the Risk and Related Party Transactions Management Committee of the Bank consisted of five Directors, namely, the independent non-executive Director Mr. WANG Gefan (Chairman), the non-executive Director Mr. CHEN Hanqing, the independent non-executive Director Mr. TANG Xin, the independent non-executive Director Mr. SONG Ke and the independent non-executive Director Mr. LEE Hoey Simon. The primary duties of the Risk and Related Party Transactions Management Committee include:

- being responsible for supervising and evaluating the risk control of the Bank, and making recommendations to improve the risk management and internal control of the Bank;
- expressing clear opinions on non-performing assets disposal and material guarantees of the Bank for the consideration of the Board;
- accepting the filing of regular related party transactions, reviewing major related party transactions and significant substantial related party transactions, and submitting to the Board or general meeting for review and approval;
- identifying the related parties of the Bank and reporting the same to the Board of Supervisors, and promptly announcing the related parties identified by it to the management;
- inspecting and supervising the risk and related party transaction management of the Bank, and submitting the Special Annual Report on Risk Management and Related Party Transaction Control of the Bank to the Board on a regular basis;

## Corporate Governance Report (Continued)

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| <p>6. evaluating the risk and related party transaction management system and corporate structure of the Bank, as well as expressing opinions and making suggestions on improvement;</p> <p>7. exchanging information in respect of the risks and related party transaction of the Bank with senior management and departments on a regular basis, as well as reviewing the Bank's risk tolerance ability and level proposed by senior management, and reporting the review results to the Board;</p> <p>8. other matters stipulated by relevant laws, regulations, regulatory documents and the Articles of Association, and those authorized by the Board.</p> | <p>During the Reporting Period, the Risk and Related Party Transactions Management Committee convened a total of 11 meetings, at which 47 resolutions were considered and approved, including the Report on Comprehensive Risk Management of Bank of Guizhou for 2023, the Comprehensive Risk Management Policy of Bank of Guizhou for 2024, the Report on Liquidity Risk Management of Bank of Guizhou for 2023, the Resolution on Amendments to the Measures on Stress Testing Management of Bank of Guizhou, and the Resolution on Amendments to the Measures for the Management of Operational Risk Management of Bank of Guizhou, and 13 matters were reviewed.</p> |
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The attendance of each committee member at the meetings of the Risk and Related Party Transactions Management Committee held during the Reporting Period is set out in the table below:

Member of the Risk and Related Party Transactions Management Committee	No. of attendance in person at the meetings of the Risk and Related Party Transactions Management Committee/No. of meetings held during the term of office
WANG Gefan	11/11
TANG Xin	10/11
CHEN Hanqing	10/11
SONG Ke	10/11
LEE Hoey Simon	11/11

## Corporate Governance Report (Continued)

**III. Nomination and Remuneration Committee**

As of the end of the Reporting Period, the Nomination and Remuneration Committee consisted of six Directors, including the independent non-executive Director Mr. TANG Xin (Chairman), the executive Director Mr. CAI Dong, the independent non-executive Director Mr. WANG Gefan, the independent non-executive Director Mr. SONG Ke, the independent non-executive Director Mr. LEE Hoey Simon and the independent non-executive Director Ms. SUN Li. The primary duties of the Nomination and Remuneration Committee include:

1. making recommendations to the Board on the scale, composition (including skills, knowledge and experience) and structure of the Board and senior management, as well as any proposed changes to the Board in line with the development strategies of the Bank;
2. formulating the standards and procedures for the election of Directors and senior management personnel of the Bank, and conducting preliminary examination on the qualifications and conditions of the candidates for Directors and senior management officers and making recommendations;
3. formulating the assessment criteria for senior management officers, carrying out assessment and making recommendations;
4. identifying individuals suitably qualified as Directors, and selecting or proposing such individuals as Directors or making recommendations to the Board thereon, and reviewing, where appropriate, policies regarding the diversity of Board members;
5. advising the Board on the appointment or re-appointment of Directors and the succession plan of Directors (especially the chairman of the Board and the president);
6. considering the remuneration paid by similar companies, time commitment and responsibilities, and the employment conditions of other positions in the industry. Being responsible for the remuneration policy and system of the Bank, and formulating the remuneration plan for each director and senior management personnel (including benefits in kind, pension rights and compensation amount (including compensation payable for loss or termination of his/her office or appointment)), proposing compensation plan to the Board of Directors, supervising the implementation of the plan, and making recommendations to the Board on the establishment of a formal and transparent remuneration policy development process;
7. ensuring that no Director or any of his associates is involved in deciding his own remuneration;
8. communicating with the senior management and departments in respect of the personnel of the Bank regularly, making comments and suggestions, and reviewing and approving the management's remuneration recommendations according to the Bank's guidelines and objectives formulated by the Board;
9. assessing the independence of independent Directors;
10. promoting and supervising the management to establish a scientific and reasonable performance evaluation index system;
11. reviewing and/or approving matters relating to share scheme under Chapter 17 of the Listing Rules;
12. other matters stipulated by relevant laws, regulations and the Articles of Association, and those authorized by the Board.

## Corporate Governance Report (Continued)

During the Reporting Period, the Nomination and Remuneration Committee convened a total of 8 meetings at which 26 resolutions were considered and approved, including the resolution on Nomination of Ms. WU Fan as a Non-Executive Director of the Third Session of the Board of Bank of Guizhou, Assessment Methods of Operating Targets of the Bank of Guizhou for the Year 2024, resolution on Evaluation Results of Directors' Performance for the Year 2023, resolution on Results for Evaluation of Senior Management's Performance at Operating Level for the Year 2023, resolution on the Election Plan for the Fourth Session of the Board, resolution on Remuneration Management Measures for Bank of Guizhou, and resolution on Appointment of Ms. WU Fan as the President of the Bank of Guizhou. The attendance of each member at the meeting is as follows.

Member of the Nomination and Remuneration Committee	No. of attendance in person at the meetings of the Nomination and Remuneration Committee/No. of meetings held during the term of office
TANG Xin	8/8
CAI Dong	8/8
WANG Gefan	7/8
SONG Ke	8/8
LEE Hoey Simon	8/8
SUN Li	8/8

## Corporate Governance Report (Continued)

### **Board Diversity Policy**

The Board has adopted a board diversity policy (the “Board Diversity Policy”) and regularly reviews the implementation and effectiveness of the Board Diversity Policy on an annual basis in order to enhance the effectiveness of the Board and to maintain high standard of corporate governance. The Board Diversity Policy sets out the criteria in selecting candidates to the Board, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

The Nomination and Remuneration Committee is responsible for reviewing the diversity of the Board. The Nomination and Remuneration Committee will monitor and evaluate the implementation of the Board Diversity Policy from time to time to ensure its continued effectiveness. The Nomination and Remuneration Committee will also include in successive annual reports a summary of the Board Diversity Policy, including any measurable objectives set for implementing the Board Diversity Policy and the progress on achieving these objectives.

The Directors of the Bank have a balanced mixed of knowledge and skills, including but not limited to overall business management, finance and accounting, investment and law. They obtained degrees in various majors including business administration, geology and mineralogy, finance, accounting and law.

Measurable targets for implementing the Board Diversity Policy and the progress for achieving the targets: The policy also sets out the Board’s commitment to gender diversity and other diversity aspects with the ultimate goal of achieving gender parity on the Board. As of the end of the Reporting Period, the Bank has two female Directors and will increase the proportion of female Directors if suitable candidates are available in the future.

The Board is of the view that the Board of the Bank satisfies the Board Diversity Policy.

### **Nomination Policy**

In considering candidates of Directors, the Nomination and Remuneration Committee will engage an independent professional firm to assist in selecting potential candidates of Directors as the case may be. According to Nomination Policy, Board Diversity Policy and relevant requirements, the Nomination and Remuneration Committee will review biographical details of relevant candidates and arrange interviews with the candidates of Directors having regard to the Board’s current composition and the Directors’ skill and experience. Factors considered by the Nomination and Remuneration Committee in evaluating candidates for Directors include (but not limited to) the following:

- I. basic requirements prescribed in the Articles of Association on the methods and procedures for nominating a Director;
- II. achievements and experience in banking or related industries;
- III. time to be devoted to the Bank; and
- IV. the Board Diversity Policy.

### **IV. Strategic Development Committee**

As at the end of this Reporting Period, the Strategic Development Committee of the Bank consisted of five Directors, namely, the executive Director Mr. YANG Mingshang (Chairman), the executive Director Mr. CAI Dong, the independent non-executive Director Mr. WANG Gefan, the independent non-executive Director Mr. TANG Xin and the independent non-executive Director Mr. LEE Hoey Simon. The major duties of the Strategic Development Committee include:

1. formulating the business management objectives and medium and long-term development strategies of the Bank, and examining the implementation of the medium and long-term development strategies and making amendments thereon based on actual situations;

## Corporate Governance Report (Continued)

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| <p>2. reviewing preliminarily the foreign equity investments and bond issuance of the Bank and submitting the same to the Board for consideration;</p> <p>3. reviewing the Bank's fixed assets procurement and disposal based on the authorization of the Board;</p> <p>4. supervising and reviewing the implementation of annual business plans and investment and financing plans;</p> <p>5. reviewing preliminarily the capital plan, management plan and management report of capital adequacy ratio formulated by senior management, and evaluation report on the internal capital adequacy, and submitting the same to the Board for consideration;</p> <p>6. prompting and supervising the senior management to formulate specialized policies and procedures for the purpose of evaluation of feasibility, necessity and potential risks involving development of new products, major modification of existing products, exploration in new business scopes, establishment of new departments and engagement in significant acquisition and investments, and establishing internal approval process and withdrawal arrangements. The above-mentioned matters shall be submitted to the Board for consideration, subject to approval by the risk management departments and preliminary review by the Strategic Development Committee;</p> | <p>7. proposing plans and strategies for other major issues related to the development of the Bank;</p> <p>8. other matters stipulated by relevant laws, regulations and the Articles of Association, and those authorized by the Board.</p> <p>During the Reporting Period, the Strategic Development Committee convened a total of 5 meetings, at which 6 resolutions were considered and approved, including the 2024 Business Plan of Bank of Guizhou, Guanshan Lake Data Center Construction and Relocation Project of Bank of Guizhou and Evaluation Report on Implementation of Strategies of Bank of Guizhou for 2023, and the resolution on Product Management Report of Bank of Guizhou for 2023 was reviewed.</p> |
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## Corporate Governance Report (Continued)

The attendance of each committee member at the meetings of the Strategic Development Committee held during the Reporting Period is set out in the table below:

Member of the Strategic Development Committee		No. of attendance in person at the meetings of the Strategic Development Committee/No. of meetings held during the term of office
YANG Mingshang		5/5
CAI Dong		5/5
WANG Gefan		5/5
TANG Xin		5/5
LEE Hoey Simon		5/5

#### V. Compliance Management Committee

As at the end of the Reporting Period, the Compliance Management Committee consisted of three Directors, namely, the non-executive Director Ms. GONG Taotao, the independent non-executive Director Mr. WANG Gefan and the independent non-executive Director Ms. SUN Li.

The major duties of the Compliance Management Committee include:

- advocating a favorable compliance culture throughout the Bank, determining the principle of compliance, and establishing compliance concepts such as "voluntary compliance by all staff" and "compliance creates value";
- reviewing preliminarily the Bank's policies and systems about compliance management, and submitting the same to the Board for consideration and approval;
- reviewing preliminarily the Bank's Annual Report on Compliance Risk Management, and submitting the same to the Board for consideration and approval. Evaluating the effectiveness of the Bank's compliance risk and urging the management to resolve compliance defects in a timely and effective manner;
- conducting daily supervision over compliance risk management of the Bank, understanding the implementation of compliance policies and the problems arising therefrom through the separate interview with the compliance principal and other effective means, providing opinions and recommendations on a timely basis to the Board or the senior management and supervise the effective implementation of compliance policies;
- obtaining regularly the evaluation reports of the "four ratings", namely the central bank's rating, the regulatory rating of CBIRC, the regulatory rating of corporate governance and the regulatory rating of financial services for small and micro enterprises, and listening to the management's reports on the progress of the "four ratings", and giving assessment on the Bank's daily evaluation report on compliance;

## Corporate Governance Report (Continued)

6. obtaining timely the punishment opinions of the regulatory authorities over the Bank and the progress of rectification, and supervising the implementation of rectification measures;
7. deliberating and approving the overall policies about the Bank's case prevention, so as to promote the construction of the Bank's case prevention management system;
8. specifying the duties and scope of authorization of senior management regarding incident prevention, so as to ensure that senior management has adopted necessary measures for the effective monitoring, alert and handling of crises;
9. issuing the general requirements for case prevention, and reviewing the working report on case prevention;
10. assessing the effectiveness of our case prevention;
11. ensuring the effective review and supervision of case prevention by the internal audit functions;
12. setting the objectives for building of money laundering risk management culture;
13. reviewing preliminarily the policies and procedures of money laundering risk management, and submitting the same to the Board for consideration and approval;
14. reviewing and approving the working report on anti-money laundering, and reporting the same to the Board periodically;
15. keeping abreast of the significant money laundering events and corresponding processing, and providing professional opinions in respect of money laundering risk management to the Board;
16. other matters stipulated by relevant laws, regulations and the Articles of Association, and those authorized by the Board.

## Corporate Governance Report (Continued)

During the Reporting Period, the Compliance Management Committee convened a total of 5 meetings, at which 9 resolutions were considered and approved, including the 2023 Compliance Management Report of Bank of Guizhou and the 2023 Anti-money Laundering Report of Bank of Guizhou and 3 matters were reviewed. The attendance of each committee member at the meeting of the Compliance Management Committee held during the Reporting Period is set out in the table below:

Member of the Compliance Management Committee	No. of attendance in person at the meetings of the Compliance Management Committee/No. of meetings held during the term of office
GONG Taotao	5/5
WANG Gefan	5/5
SUN Li	5/5

**VI. ESG Management and Consumer Rights Protection Committee**

As of the end of the Reporting Period, the ESG Management and Consumer Rights Protection Committee consisted of four Directors, namely, the independent non-executive Director Mr. Lee Hoey Simon (Chairman), the executive Director Mr. CAI Dong, the independent non-executive Director Mr. SONG Ke and the independent non-executive Director Ms. SUN Li. The primary duties of the ESG Management and Consumer Rights Protection Committee include:

1. leading the formulation of the Bank's ESG management approaches, strategies, visions, strategic plans and goals, and submitting to the same the Board for consideration;
2. leading to conduct ESG importance assessment, identify important ESG matters of the Bank, and urging the senior management to take active actions and measures on relevant matters;
3. understanding and assessing the potential impact and relevant risks of ESG matters on the Bank's operation and management, and urging the senior management to incorporate ESG factors into business operation, risk management and other processes;
4. approving the ESG work plans, programs and measures formulated by the senior management, and reporting the same to the Board under the objectives approved by the Board;
5. hearing and reviewing the reports from the senior management concerning the progress of ESG-related work on a regular basis, supervising and evaluating the completion of ESG-related work goals, and reporting the same to the Board;
6. conducting preliminary review on the Bank's ESG report, and submitting to the Board for consideration;

## Corporate Governance Report (Continued)

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| <p>7. Deliberating and approving the Bank's environmental information disclosure report;</p> <p>8. assisting the Board to perform the duties of consumer rights protection;</p> <p>9. assisting the Board to promote the development of green finance;</p> <p>10. considering external donations (including public welfare donations and commercial sponsorship) by the Bank in accordance with the authority of the Board of Directors;</p> | <p>11. other matters as stipulated in the relevant laws and regulations and the Articles of Association and as authorized by the Board of Directors.</p> <p>During the Reporting Period, the ESG Management and Consumer Rights Protection Committee held a total of 4 meetings, at which 7 resolutions were considered and approved, including the 2023 Conclusion on Consumer Rights Protection and the 2024 Work Plan Report of Bank of Guizhou and 2023 ESG Report of Bank of Guizhou and 2 matters were reviewed and recorded.</p> |
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The attendance of each committee member at the meeting of the ESG Management and Consumer Rights Protection Committee held during the Reporting Period is set out in the table below:

	No. of attendance in person at the meetings of the ESG Management and Consumer Rights Protection Committee/No. of meetings held during the term of office
Member of the ESG Management and Consumer Rights Protection Committee	
CAI Dong	4/4
SONG Ke	4/4
LEE Hoey Simon	4/4
SUN Li	4/4

## Corporate Governance Report (Continued)

### 7.3 BOARD OF SUPERVISORS

#### 7.3.1 The duties of the Board of Supervisors

According to the Articles of Association, the Board of Supervisors shall examine the financial condition of the Company and supervise the Company's financial activities; supervise the implementation of resolutions made at shareholders' general meetings and the fulfillment of duties of the Board and senior management; supervise the fulfillment of duties of Directors, Chairman and senior management personnel; undertake the resign audit of Directors and senior management personnel; supervise, inspect and urge to rectify operation decisions, risk management and internal control of the Company and guide the internal audit department of the Company in work; address inquiries to Directors, the Chairman and senior management personnel; supervise the Directors, Chairman and senior management personnel for any violation of laws and regulations or the Articles of Association while they perform their duties for the Company. If any act of the Directors, Chairman and senior management personnel damages the interests of the Company, the Board of Supervisors shall require them to rectify such act accordingly, and where necessary, report to the shareholders' general meeting or banking regulatory authorities; express independent opinions on proposals formulated by the Board and reports issued by the Company; evaluate the fulfillment of duties of Directors, Supervisors and senior management personnel and report to the shareholders' general meeting; propose the convening of extraordinary general meeting and interim Board meeting; negotiate with Directors or pursue legal actions against the same on behalf of the Company; supervise the Board in establishing sound business philosophy and value criteria and formulating development strategies in line with the Company's situation; evaluate the scientificity, reasonableness and soundness of the Company's development strategies and form evaluation reports; supervise the procedures for election of Directors; supervise the implementation of the Company's remuneration management system and the scientificity and reasonableness of the remuneration

packages of senior management; exercise any other functions and powers as specified in the Articles of Association or as authorized by the shareholders' general meetings.

#### 7.3.2 Composition of the Board of Supervisors

As of the end of the Reporting Period, the third session of the Board of Supervisors of the Bank consisted of five Supervisors, including two employee Supervisors, namely Ms. ZHANG Hui and Ms. WANG Wei, one shareholder Supervisor, namely Mr. CHENG Yunlong, and two external Supervisors, namely Mr. YIN Xinquan and Mr. ZHANG Ruibin.

#### 7.3.3 Changes of members of the Board of Supervisors during the Reporting Period

Please refer to the section headed "6.2.2 Changes of Supervisors" for details.

## Corporate Governance Report (Continued)

**7.3.4 Meetings of the Board of Supervisors and the Attendance of Supervisors**

During the Reporting Period, the Board of Supervisors convened a total of 8 meetings by way of on-site meeting, video-conferencing and/or circulation of written resolution(s). Details are set out in the table below:

Meeting	Date	Form	Content
The 2024 1st meeting of the third session of the Board of Supervisors of Bank of Guizhou (Interim)	14 March 2024	On-site + video	Considering and approving the Resolution on the Election of Supervisor Yin Xinquan to act on behalf of the Chairman of the Board of Supervisors.
The 2024 2nd meeting of the third session of the Board of Supervisors of Bank of Guizhou	28 March 2024	On-site meeting	Considering and approving 7 resolutions, including the 2023 Work Report of the Board of Supervisors of Bank of Guizhou, supervising 14 matters, including the 2023 Special Report and Special Audit Report on Connected Transactions of Bank of Guizhou, and reviewing 12 matters, including the 2023 Evaluation Report on Liability Quality Management of Bank of Guizhou.
The 2024 3rd meeting of the third session of the Board of Supervisors of Bank of Guizhou (Interim)	29 April 2024	On-site + video	Considering and approving the 2023 Performance Evaluation Report on Board of Directors and Board of Supervisors and Senior Management and their Members of Bank of Guizhou.
The 2024 4th meeting of the third session of the Board of Supervisors of Bank of Guizhou (Interim)	29 May 2024	On-site + video	Considering and approving 3 resolutions, including the Resolution on Consideration of the Suspension of Election of the Third Session of the Board of Supervisors.
The 2024 5th meeting of the third session of the Board of Supervisors of Bank of Guizhou	12 July 2024	On-site meeting	Considering and approving the Resolution on the Election of Mr. Zhang Ruibin as the Chairman of the Nomination, Remuneration and Evaluation Committee of the Third Session of the Board of Supervisors, and supervising 9 matters, including the 2023 Regulatory Notification Issues and Rectification Report of Bank of Guizhou.
The 2024 6th meeting of the third session of the Board of Supervisors of Bank of Guizhou (Written resolution)	30 August 2024	Written resolution	Considering and approving the 2024 Interim Report and Results Announcement of Bank of Guizhou.

Corporate Governance Report (Continued)

Meeting	Date	Form	Content
The 2024 7th meeting of the third session of the Board of Supervisors of Bank of Guizhou	19 December 2024	On-site meeting	Considering and approving 2 resolutions, including the Measures of Evaluation of the Performance of Directors and Supervisors of Bank of Guizhou, supervising 11 matters, including the Report on the Management of Village and Township Banks, and reviewing 3 matters, including the 2024 Special Audit Report on Anti-money Laundering of Bank of Guizhou.
The 2024 8th meeting of the third session of the Board of Supervisors of Bank of Guizhou (Interim)	20 December 2024	Video conference	Considering and approving the Resolution on the Appointment of Accounting Firms.

The attendance of each Supervisor at the meetings of the Board of Supervisors during the Reporting Period is as follows:

		Number of attendances in person at the meetings of the Board of Supervisors/ No. of meetings held during the term of office <sup>(1)</sup>
Members of the Board of Supervisors		
ZHANG Hui		7/8
WANG Wei		7/8
CHENG Yunlong		8/8
YIN Xinquan		7/8
ZHANG Ruibin		4/4

Note:

(1) Although some Supervisors failed to attend certain meetings of the Board of Supervisors in person, they all appointed other Supervisors as their proxies to attend the meeting and vote on their behalf;

## Corporate Governance Report (Continued)

**7.3.5 Special Committees under the Board of Supervisors**

During the Reporting Period, the Board of Supervisors of the Bank has set up two committees, namely the Supervision Committee and the Nomination, Remuneration and Evaluation Committee.

**I. The Supervision Committee**

As of the end of the Reporting Period, the Supervision Committee consists of two Supervisors, namely external Supervisor YIN Xinquan (Chairman) and Supervisor ZHANG Hui. The Supervision Committee is mainly responsible for formulating supervision plans and carrying out relevant inspections on major issues of the Bank, supervising the Board in establishing a sound business philosophy and value standards, formulating development strategies consistent with the Bank's condition, and supervising execution of operational management duties by the senior management and its members within their terms of reference. During the Reporting Period, the members of the Supervision Committee attended 2 general meetings and 2 Board meetings.

**II. The Nomination, Remuneration and Evaluation Committee**

As of the end of the Reporting Period, the Nomination, Remuneration and Evaluation Committee consists of three Supervisors, namely external Supervisor ZHANG Ruibin (Chairman), Supervisor CHENG Yunlong and Supervisor WANG Wei. The Nomination, Remuneration and Evaluation Committee is mainly responsible for reviewing the qualifications of the supervisors, the selection and appointment procedures of Directors, evaluating the performance of duties by the Board, the Board of Supervisors and the Senior Management and their members of the Bank, and studying and formulating the

remuneration policy and packages for Supervisors. During the Reporting Period, the Nomination, Remuneration and Evaluation Committee held 2 meetings and considered and approved 2 Resolutions on the Nomination of Mr. ZHANG Ruibin as a Candidate for External Supervisor and the 2023 Performance Evaluation Report on Board of Directors and Board of Supervisors and Senior Management and their Members of Bank of Guizhou.

**7.3.6 Attendance of Supervisors at the General Meetings during the Reporting Period**

During the Reporting Period, Supervisor YIN Xinquan and Supervisor ZHANG Hui attended the 2024 1st extraordinary meeting of the Bank, Supervisor YIN Xinquan, Supervisor ZHANG Hui and Supervisor WANG Wei attended the 2023 annual general meeting of the Bank.

**7.3.7 Work of External Supervisors**

During the Reporting Period, external Supervisors were able to attend meetings of the Board of Supervisors on time, express their supervisory opinions independently on matters under consideration and supervision, and exercise their voting rights conscientiously; presided over the work of special committees according to their work needs, attended on-site meetings of Board of Directors, and conscientiously performed supervision duties; attended trainings on implementing new capital regulations and improving duty performance capacities of the Directors, Supervisors and senior management; conducted research on business development in rural service outlets; and worked for the Bank for a period of no less than 15 working days.



## Corporate Governance Report (Continued)

### 7.4 SENIOR MANAGEMENT

#### 7.4.1 Functions and Power of the Senior Management

During the Reporting Period, the Directors of the Bank studied the relevant legal documents and new regulatory rules according to the requirements of their duties, and participated in the training organized by the Bank on the interpretation of the key points of the Measures for the Classification of Financial Assets Risks of Commercial Banks, the interpretation of the key points of the Measures for the Capital Management of Commercial Banks, and the performance of anti-money laundering duties, as well as conducting research on the implementation of the new round of strategic planning in the grassroots sub-branches, which helped broaden the academic horizons and knowledge structure of the Directors and continuously enhance the professionalism, objectivity and authority in decision-making.

#### 7.4.2 Composition of the Senior Management

As of the end of the Reporting Period, the Bank had a total of seven senior management personnel, namely Ms. WU Fan, Mr. HU Liangpin, Mr. AN Peng, Mr. QIN Wei, Mr. LI Jian, Mr. ZHOU Guichang and Mr. JIAO Zhengjun.

### 7.5 TRAINING ATTENDANCE AND INVESTIGATION PARTICIPATED BY DIRECTORS AND SUPERVISORS DURING THE REPORTING PERIOD

During the Reporting Period, the Directors of the Bank studied the relevant legal documents and new regulatory rules according to the requirements of their duties, and participated in the training organized by the Bank on the implementation of new capital regulations to continuously broaden the academic horizons and knowledge structure of the Directors and Supervisors and continuously enhance the professionalism, objectivity and authority in decision-making.

During the Reporting Period, the Supervisors of the Bank participated in the study and training on improving duty performance capacities of the Directors, Supervisors and senior management, and training on implementing new capital regulations, and went to Liupanshui and Anshun to conduct research on business development in rural service outlets.

### 7.6 MAIN CONTACT PERSON OF COMPANY SECRETARIES AND PROFESSIONAL TRAINING

During the Reporting Period, Mr. ZHOU Guichang, the company secretary of the Bank, has received no less than 15 hours of the relevant professional training respectively, which complied with Rule 3.29 of the Listing Rules.

## Corporate Governance Report (Continued)

**7.7 RELATIONSHIPS AMONG DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT**

There are no relationships between each of the Directors, Supervisors and senior management of the Bank, including financial, business, family relationships or relationships that are required to be disclosed.

**7.8 CHAIRMAN AND PRESIDENT**

During the Reporting Period, the roles and functions of the Chairman of the Board and the President of the Bank were held by different individuals. The responsibilities of the Chairman and the President were clearly defined and complied with relevant requirements of the Hong Kong Listing Rules.

As at the end of the Reporting Period, Mr. YANG Mingshang served as the Chairman to the Board and was responsible for the overall work of Party Committee and the Board of the Bank. Ms. WU Fan served as the President and was responsible for the daily operation and management of the Bank.

**7.9 SECURITIES TRANSACTIONS BY DIRECTORS, SUPERVISORS AND RELEVANT EMPLOYEES**

The Bank has adopted a code of conduct which is no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix C3 of the Listing Rules, and complied with Rule 13.67 of the Listing Rules to regulate securities transactions by Directors, Supervisors and relevant employees of the Bank. All the Directors, Supervisors and other relevant employees were consulted specifically for this matter. During the Reporting Period, all the Directors, Supervisors and relevant employees confirmed that they have complied with the Model Code and they did not have any dealing in the Bank's securities.

## Corporate Governance Report (Continued)

**7.10 INTERESTS AND SHORT POSITIONS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE**

As at 31 December 2024, the interests and short positions of the Directors, Supervisors and chief executives of the Bank in the shares, underlying shares or debentures of the Bank or its associated corporations (I) which were required to be notified to the Bank and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (II) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (III) which were required to be notified to the Bank and the Hong Kong Stock Exchange pursuant to the Model Code, were as follows:

Name	Position	Class of shares held	Number of shares held directly or indirectly (Share)	Nature of interest	Approximate percentage of the relevant class of shares	Approximate percentage of the total share capital of the Bank
ZHANG Hui (張惠)	Employee Supervisor	Domestic Shares	500,000	Beneficial Owner	0.004%	0.003%
WANG Wei (王薇)	Employee Supervisor	Domestic Shares	500,000	Beneficial Owner	0.004%	0.003%

Save as disclosed above, none of the Directors, Supervisors and chief executive of the Bank had any interests or short positions in any shares, underlying shares or debentures of the Bank or any of its associated corporations as at 31 December 2024.

## Corporate Governance Report (Continued)

## 7.11 REMUNERATION OF THE MANAGEMENT

During the Reporting Period, the Bank's Directors (including executive Directors and independent non-executive Directors), Supervisors (including employee Supervisors and external Supervisors), and senior managements, were paid by the Bank, with a total remuneration of RMB10.067 million. Details of the remuneration of Directors and Supervisors of the Bank are set out in note 9 to the financial statements.

There are no Directors or Supervisors among the five highest paid individuals for the year ended 31 December 2024 (2023: none). The remuneration of other highest paid individuals are set out as follows:

Range	Number
HKD0 – HKD1,000,000	5
HKD1,000,001 – HKD1,500,000	0
HKD1,500,001 – HKD2,000,000	0
HKD2,000,001 – HKD2,500,000	0
Total:	5

Details of the remuneration of five highest paid individuals are set out in note 10 to the financial statements.

## 7.12 INFORMATION ON AMENDMENTS TO THE ARTICLES OF ASSOCIATION ETC. DURING THE REPORTING PERIOD

### 7.12.1 Amendments to the Articles of Association

None.

### 7.12.2 Amendments to the Rules of Procedure of the Board of Directors

None.

### 7.12.3 Amendments to the Rules of Procedure of the Board of Supervisors

None.

## 7.13 INVESTOR RELATIONS

The Bank always attaches great importance to the opinions and suggestions of shareholders, and establishes and maintains effective channels of communication with shareholders through various forms, such as convening general meetings and maintaining an investor email hotline, regularly review the implementation and effectiveness of the shareholder communications policy, to ensure that all shareholders are treated equally, properly informed and able to participate in and exercise their voting and other rights regarding the major issues of the Bank. Upon review, the Bank's shareholder communications policy has been effectively implemented during the Reporting Period.

Shareholders and investors may send their enquiries to the Board via:

Address: Board Office of Bank of Guizhou Head Office Building, No. 9 Yongchang Road, Guanshanhu District, Guiyang, Guizhou Province, PRC  
 Postal code: 550081  
 Contact number: (86) 0851-86987798  
 Fax: (86) 0851-86207999  
 Mailbox: irm@bgzchina.com

## Corporate Governance Report (Continued)

**7.14 MANAGEMENT OF INFORMATION DISCLOSURE AND INSIDE INFORMATION**

The Bank attached great importance to the management of information disclosure and inside information, and disclosed information in a truthful, accurate, complete and timely manner in strict compliance with the requirements of laws, rules and relevant regulations, and ensured that all shareholders had an equal access to the relevant information of the Bank, thereby ensuring the transparency of the Bank.

The Bank strengthened the management of inside information, worked to ensure the confidentiality of inside information, and maintained the principle of fairness in information disclosure in strict compliance with requirements of the Listing Rules. The Board of the Bank designated the secretary to the Board to be responsible for the Bank's information disclosure, and the Board office also assisted the secretary to the Board in information disclosure. Meanwhile, the Bank set up an investor relations section on the website to disclose relevant information of the Bank in a timely manner.

During the Reporting Period, the Bank organized internal investigation into trading of shares and derivatives of the Bank by insiders, and found that none of the insiders had taken advantage of inside information in share transactions before any information disclosure of significant price-sensitive nature that may affect the share price of the Company, and the Bank has not received any supervisory measures and administrative punishment imposed by regulatory departments due to the implementation of management system of registration for insiders of inside information and suspected involvement in insider trading.

**7.15 SHAREHOLDERS' RIGHTS****7.15.1 Rights of Shareholders of the Bank**

According to the Articles of Association, holders of ordinary shares of the Bank shall enjoy the following rights:

- I. to collect dividends and other distributions in other forms in proportion to the number of shares held by them;
- II. to attend or appoint proxy to attend shareholders' general meeting and to exercise voting right;
- III. to supervise and to put forward proposals and make enquiries relating to the business operations of the Company;
- IV. to transfer, donate and pledge their shares in accordance with the laws, regulations, the provisions of the securities regulators of the places where the Bank's shares are listed, and the Articles of Association;
- V. to receive relevant information in accordance with the Articles of Association
- VI. in the event of the termination or liquidation of the Company, to participate in the distribution of surplus assets of the Company according to the number of shares held by them;
- VII. other rights conferred by laws, regulations and the Articles of Association.

## Corporate Governance Report (Continued)

**7.15.2 Procedures for Convening Extraordinary General Meetings**

- I. According to the Articles of Association, in any of the following circumstances, the Company shall convene an extraordinary general meeting within two months from the date upon which the circumstance occurs:
  1. the number of Directors is less than the number required by the Company Law or less than two thirds of the minimum number of Directors of the Bank required by the Articles of Association;
  2. the unrecovered losses of the Company amount to one third of the total share capital;
  3. shareholder(s) severally or jointly holding more than 10% of the Company's total voting shares request(s) in writing to request to convene an extraordinary general meeting;
  4. the Board deems it necessary to convene the meeting;
  5. the Board of Supervisors proposes to convene the meeting;
  6. above half of and not less than two independent Directors propose to convene the meeting;
  7. above half of the external Supervisors propose to convene the meeting (the only two external Supervisors of the Company unanimously propose to convene the meeting);
  8. the Chairman of the Board proposes to convene the meeting in special circumstances;
  9. other circumstances as stipulated by laws and regulations, securities regulatory authorities at the place where the Bank's shares are listed or the Articles of Association
- II. Shareholders who individually or jointly hold more than 10% of the total number of voting shares of the Company have the right to request or convene an extraordinary general meeting by themselves shall follow the following procedures:
  1. may sign one or more written documents in the form of counterparts, requiring the Board to convene an extraordinary general meeting or a class meeting and specifying the subject of the meeting and the matters to be resolved. The Board shall convene an extraordinary general meeting or a class meeting as soon as possible after having received the aforesaid written documents. The number of shares held by the above shareholders shall be calculated as at the date of submission of written documents by the shareholders.
  2. If the Board fails to give a notice of convening an extraordinary general meeting or a class meeting within 30 days after receipt of the written documents, the shareholders who put forward the written documents may convene such a meeting by themselves within four months after the Board receives the written documents, and the procedures for convening such a meeting shall be as similar as possible to those for convening a shareholders' general meeting by the Board. Where shareholders convene and hold a meeting because the Board fails to do so, the reasonable expenses incurred shall be borne by the Company and shall be deducted from the amount payable by the Company to the Directors who are in default.
  - III. Where the Shareholders decide to convene an extraordinary general meeting by themselves, they shall notify the Board in writing in advance, report to the relevant regulatory authorities for reference according to relevant laws and regulations, and issue a notice of extraordinary general meeting. The content of the notice shall meet the following requirements:

## Corporate Governance Report (Continued)

1. New contents shall not be added to a proposal, otherwise the proposing Shareholders must resubmit the request to convene an extraordinary general meeting to the Board as per the above procedures;
2. The meeting shall be held at the address of the Company.
- IV. Where the Shareholders decide to convene an extraordinary general meeting by themselves, the Board and secretary to the Board shall earnestly fulfill their duties. The extraordinary general meeting may be presided by the proposing Shareholder, the relevant holding procedures shall comply with the provisions of the Articles of Association, and legal opinions shall be issued by lawyers.

### 7.15.3 Procedures for Submitting Proposals at Shareholders' General Meetings

When the Company convenes a general meeting, shareholders severally or jointly holding more than 3% of the total voting shares of the Company shall have the right to submit new proposals in writing to the Company, and the Company shall place the proposals on the agenda for the said general meeting if the said proposals fall within the functions and powers of the general meeting.

Shareholders severally or jointly holding more than 3% of the total voting shares of the Company may propose an interim proposal and submit it in writing to the convener 10 days before the general meeting is convened; the convener shall issue a supplementary notice of general meeting within 2 days after receipt of the said proposal, announce the contents of the said interim proposal and submit the said interim proposal to the general meeting for consideration. The contents of the interim proposal shall fall within the scope of the functions and powers of the general meeting, and the proposal shall provide specific topics for discussion and specific matters to be resolved.

Proposals at general meeting shall meet the following conditions: the contents of such proposals shall not be in conflict with provisions of the laws and regulations and the Articles of Association and shall fall within the scope of business of the Company and the functions and powers of the general meeting; the proposals shall provide specific topics for discussion and specific matters to be resolved; and the proposals shall be submitted or delivered to the Board in written form. The office of the Board of the Bank is responsible for receiving such proposals and its contact details are set out in the Investor Relations section.

## 7.16 EXTERNAL AUDITORS AND THEIR REMUNERATION

The Bank engaged KPMG Huazhen LLP and KPMG as its domestic and oversea accounting firms for 2024, respectively, with an audit fee of RMB3 million for the year 2024. During the Reporting Period, the Bank did not incur any non-audit services with KPMG Huazhen LLP and KPMG.

The Audit Committee under the Board is of the view that KPMG Huazhen LLP and KPMG can properly complete the work as required by the Bank, comply with the principles of independence, objectivity and impartiality, the relevant accounting principles and the ethics of accountants, and carefully and conscientiously handle the audit work. During the Reporting Period, the Board has no disagreement with the Audit Committee on the appointment of external auditors.

In accordance with Part II. D.3.3(e) (i) of the Corporate Governance Code in Appendix C1 of the Listing Rules, members of the Audit Committee shall liaise with the Board and senior management and the Audit Committee shall meet with the issuer's external auditors at least twice a year. During the Reporting Period, the Bank has complied with the above requirements.

## Corporate Governance Report (Continued)

## 7.17 RISK MANAGEMENT, INTERNAL CONTROL AND INTERNAL AUDIT

### 7.17.1 Risk Management

During the Reporting Period, the Bank earnestly implemented various regulatory requirements and continued to improve its comprehensive risk management mechanism and enhanced its elaborate management capability of risks.

#### ***I. Procedures for identification, assessment and management of material risks***

In accordance with the “Administrative Measures for the Capital of Commercial Banks (for Trial Implementation)” and its schedules and the “Guidelines for the Comprehensive Risk Management of Banking Financial Institutions” (《銀行業金融機構全面風險管理指引》), the definition of risks and relevant professional terms issued by the Basel Committee and the practice of domestic and foreign banks, and on the basis of full consideration of the actual situation of the Bank, the Bank identifies, measures, monitors and controls a series of quantitative and non-quantitative risks that may arise from the interaction between external macroeconomic environment, business strategies, product portfolios and customer demands.

The material risks faced by the Bank include: credit risk, market risk, operational risk, liquidity risk. The Bank have established clear and specific procedures to effectively identify, assess and determine major risks, to ensure timely reporting and communication of relevant risks and incidents by the risk management departments at our head office, relevant departments and branches and sub-branches, and to ensure the efficient and orderly implementation of our risk management work.

#### ***II. Main features of risk management and internal control system***

The overall target of the Bank in risk management is to maintain the balance of risks and business development and to continuously enhance digital risk management capabilities, to strengthen the construction of retail, non-retail and market risk models and continuous monitoring and verification, to continuously optimize and improve the risk information system, and to enhance the foresight and effectiveness of risk management around the Bank's development strategy and risk appetite so that the Bank could effectively achieve risk control and sustainable business development.

#### ***III. Ultimate responsibility of the Board for risk management***

The Board of the Bank is ultimately responsible for risk management. The Board is responsible for establishing an adequate and effective risk management system, establishing a risk culture, formulating the risk management strategies, determining significant risk management policies and procedures, and monitoring and evaluating the adequacy and effectiveness of the Bank's risk management system, so as to ensure the Bank's prudent operation and compliance with relevant laws, regulations and financial policies.

The Bank's risk management is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.



## Corporate Governance Report (Continued)

### 7.17.2 Internal Control

The Bank insisted on the goal of “strengthening internal control, preventing risks and promoting compliance” and was driven by high quality development, took measures to implement enhanced line supervision duties, the main responsibility for the management of the organization, the responsibility for non-compliance, and the responsibility for rectification of problems, focusing on credit risk, compliance risk, case risk and behavioral risk, and increasing the intensity of process management and control, the intensity of supervision and inspection of high-risk businesses, high-risk positions and high-risk sections to promote the standardized operation of internal control management.

During the Reporting Period, the Bank continued to improve the governance pattern of “overall leadership by the Party Committee, strategic decision-making by the Board of Directors, supervision by the Board of Supervisors in accordance with the law, and operation by the management”, continued to improve the corporate governance mechanism consisting of the shareholders’ general meeting, the Board of Directors, the Board of Supervisors and the senior management with “clear division of powers and responsibilities, independent operation, effective checks and balances and coordinated operation”, and continued to optimize the corporate governance operation mechanism among the power, decision-making, supervisory and executive bodies with “scientific decision-making, effective supervision and sound operation”, so as to continue to promote the modernization of the Company’s governance capability.

The Bank has established an internal control system that basically covers all business lines and permeates the whole process of operation and management. The internal control measures cover authorization control, position rotation control, incompatible position separation control, review and reconciliation control, significant event reporting control, performance evaluation control, accounting management control, property protection control, financial budget control and operation analysis control, covering major risks. The corporate governance personnel implements control at the corporate level

by continuously improving the corporate governance structure and ensuring effective implementation of decision making, execution and supervision; the senior management implements control at the business activity level by continuously improving rules and regulations, information systems and conducting supervision and inspection; institutions and positions at all levels implement control at the business activity level by effectively implementing rules and regulations, and internal control measures are integrated throughout the entire process of decision making, execution, supervision and improvement.

During the Reporting Period, there was no material deficiency in internal control.

### 7.17.3 Internal Audit

The Bank has established an independent internal audit system, and the Board of Directors ensures the independence and effectiveness of the internal audit, for which it bears ultimate responsibility. The Audit Committee under the Board of Directors guides and supervises the Bank’s internal audit work, while the Board of Supervisors supervises the internal audit work. At the first-level department of the head office, there is an Audit Department, which is responsible for the internal audit work of the whole Bank. 2024 saw the establishment of audit departments in each branch, gradually realizing the full coverage of audit business and institutional scope.

During the Reporting Period, the Bank conducted a total of 62 audit projects, covering credit business, financial accounting, corporate governance, information technology, economic responsibility audit and other aspects of operation and management. The Bank strengthened audit supervision of the implementation of key strategies and key risk areas, formed 62 audit reports and issued 62 audit opinions, promoting the optimization of processes and the improvement of risk control mechanisms at the head office and branches.

## Report of the Board of Directors

### 8.1 PRINCIPAL BUSINESS AND BUSINESS REVIEW

Information about the pertinent review of the Bank's business and analysis using financial key performance indicators, the principal risks and uncertainties faced by the Bank, significant events occurring after the Reporting Period that have an impact on the Bank and the future outlook of the Bank's business are set out in the "Management Discussion and Analysis", "Corporate Governance Report" and "Major Events" sections.

### 8.2 ANNUAL GENERAL MEETING AND DIVIDEND

#### 8.2.1 Annual General Meeting

The Bank will announce the details of the 2024 annual general meeting in due course, including but not limited to the date for convening the meeting, the list of shareholders who are entitled to attend and vote at the annual general meeting and the time up to which no transfer of shares will be effected. The Bank will issue a separate announcement regarding the benchmark date for payment of dividends of H Shares and the date of closure of register of members of the Bank.

#### 8.2.2 Dividend

##### *I. Dividend policy*

The Board is responsible for submitting proposals for dividend payments to the shareholders' general meeting for approval. The determination of whether to pay a dividend, amount of dividend or dividend payout ratio is based on our results of operations, cash flow, financial condition, capital adequacy ratios, future business prospects of the Bank, statutory and regulatory restrictions which are required to be complied with by the Bank for its dividend payment and other factors that the Board deems relevant.

The Bank does not currently have a predetermined dividend payout ratio. According to the PRC laws and the Articles of Association, dividends can only be paid from distributable profits as calculated in accordance with generally accepted accounting standards in the PRC or International Financial Reporting Standards, whichever is lower.

Pursuant to Article 270 of the Articles of Association, the Company's profits after payment of income taxes shall be distributed in the following order of priority according to the Financial System for Financial and Insurance Enterprises issued by the Ministry of Finance:

- (I) to make up for the losses of confiscated properties, pay late fees and fines for various taxes, and pay additional interests due to underpayment or late payment of deposit reserves;
- (II) to make up losses of previous years (if the statutory common reserve fund is not sufficient to make up the losses of previous years, profit of the year shall be used to make up the losses before withdrawing the statutory common reserve fund according to sub-paragraph (III) of this article);
- (III) to set aside no less than 10% of the after-tax profit (after deducting the first two items) for statutory common reserve fund until the accumulated amount of statutory common reserve fund has reached more than 50% of the registered capital of the Board;
- (IV) to set aside discretionary common reserve fund;
- (V) to set aside general risk reserve; and
- (VI) to distribute dividends to Shareholders by shares.

## Report of the Board of Directors (Continued)

The specific withdrawal ratio of discretionary common reserve fund and general reserve shall be determined by the shareholders' general meeting according to the annual operating conditions. The Company shall not distribute any profit to shareholders before making up losses and withdrawing statutory common reserve fund.

Even though financial statements of the Bank show that it has achieved operating profit, the Bank may not have adequate or any profit for distribution of future dividends.

Pursuant to Article 273 of the Articles of Association, the Bank may distribute dividends in the form of cash or shares. Distributing dividends in the form of shares shall be decided by the shareholders' general meeting and submitted to the banking regulatory authorities for approval.

Pursuant to Article 274 of the Articles of Association, after the profit distribution plan is adopted at the shareholders' general meeting, the Board shall finish distributing dividends (or shares) within 2 months after conclusion of the shareholders' general meeting.

### **II. Profit and Profit Distribution Plan**

As considered and approved at the 2023 annual general meeting of the Bank held on 27 June 2024, based on the share capital of 14,588,046,744 shares as at the end of 2023, the Bank distributed the final dividend for the year ended 31 December 2023 (the "Final Dividend for the Year 2023") to all shareholders at 5% of the share capital, totaling RMB729,402,300 (tax inclusive) in cash. The Final Dividend for the Year 2023 has been distributed to holders of both H Shares and Domestic Shares on 22 August 2024.

The Bank recorded a net profit of RMB3,778.51 million in 2024 as audited by the auditor. Taking into consideration the interests of shareholders and the future development of the Bank, and according to the relevant laws and regulations and the Bank's Articles of Association, the Board recommends the 2024 profit distribution plan of the Bank as follow: to distribute cash dividend on the basis of 14,588,046,700 shares as at the end of 2024 and 5% of the share capital, with a total amount of RMB729,402,300 (tax inclusive). The above profit distribution plan is subject to the consideration and approval at the 2024 annual general meeting of the Bank.

If the profit distribution plan is approved at the general meeting, the payment of the above cash dividend will be completed by 30 August 2025. The Bank will make further announcement regarding the details of dividends payment.

### **III. Withholding Income Tax**

Pursuant to the "Corporate Income Tax Law of the PRC" (《中華人民共和國企業所得稅法》) and its implementing regulations (thereafter referred to as "CIT Law"), the tax rate of the corporate income tax applicable to the income of non-resident enterprise deriving from the PRC is 10%. For this purpose, any H Shares registered under the name of non-individual enterprise, including the H Shares registered under the name of HKSCC Nominees Limited, other nominees or trustees or other organizations or entities, shall be deemed as shares held by non-resident enterprise shareholders as defined under the CIT Law. The Bank will distribute the final dividend to non-resident enterprise Shareholders subject to a deduction of 10% corporate income tax withheld and paid by the Bank on their behalf.

## Report of the Board of Directors (Continued)

Pursuant to the “Notice of the State Administration of Taxation on Issues Concerning Taxation and Administration of Individual Income Tax After the Repeal of the Guo Shui Fa [1993] No. 045 Document” (《關於國稅發[1993]045號文件廢止後有關個人所得稅征管問題的通知》) (Guo Shui Han [2011] No. 348) issued, the Bank shall withhold and pay personal income tax for individual shareholders of H Shares. If Individual shareholders of H Shares are residents of Hong Kong, Macau, and other countries or regions that have entered into tax treaties with PRC at the rate of 10%, the Bank will withhold and pay individual income tax at the rate of 10% for these shareholders.

If the individual shareholders of H Shares are residents of countries or regions that have entered into tax treaties with the PRC stipulating a dividend rate of lower than 10%, the Bank will withhold and pay individual income tax at the rate of 10% for these shareholders. If these shareholders request a refund of more than the amount of personal income tax payable under the tax agreement, the Bank may process the application entitled to the relevant tax treaty treatment on their behalves provided that the shareholder must promptly provide relevant documents and information in accordance with the Administrative Measures on the “Tax Treaties Treatment of Non-resident Taxpayers” (《非居民納稅人享受稅收協定待遇管理辦法》) (Announcement of SAT No. 60 in 2015) and relevant tax treaties. After review and approval by the competent tax authority, the Bank will assist in the refund of excess withholding tax.

If the individual shareholders of H Shares are residents of countries or regions that have entered tax treaties with the PRC stipulating a dividend rate higher than 10% but lower than 20%, the Bank will withhold and pay individual income tax at the applicable tax rates stipulated in these tax agreements.

If individual shareholders of H Shares are residents of countries or regions that have entered into a tax treaty with the PRC stipulating a dividend rate of 20% or have not entered into any tax treaty with the PRC, and in other circumstances, the Bank will withhold and pay individual income tax at tax rate of 20% for these shareholders.

The Bank is not responsible for any claims or disputes over

the withholding and payment mechanism caused by the failure to determine the shareholder status in a timely or erroneous manner.

### 8.3 DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

The details of Directors, Supervisors and senior management are set out in the section headed “Directors, Supervisors, Senior Management, Employees and Organization” in this report.

### 8.4 CONFIRMATION ON THE INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The independent non-executive Directors of the Bank were not involved in any business or financial interests of the Bank and did not take any managerial position in the Bank. Therefore, their independence was well guaranteed. The Bank has received annual independence confirmations from all independent non-executive Directors and confirmed their independence.

### 8.5 COMPETING INTERESTS OF DIRECTORS AND SUPERVISORS IN A BUSINESS WITH THE BANK

None of the Directors and Supervisors of the Bank has any interest in a business that competes, or is likely to compete, whether directly or indirectly, with the business of the Bank.

## Report of the Board of Directors (Continued)

**8.6 SERVICE CONTRACTS OF DIRECTORS AND SUPERVISORS**

According to Rules 19A.54 and 19A.55 of the Hong Kong Listing Rules, the Bank has entered into a contract with each of the Directors and Supervisors in respect of compliance of relevant laws and regulations, as well as Articles of Association and provisions on arbitration. Save as disclosed above, none of the Directors or Supervisors of the Bank has entered into or is proposed to enter into any service contracts with the Bank in their respective capacities as Directors/Supervisors (other than contracts expiring or terminable by the employers within one year without the payment of compensation (other than statutory compensation)).

**8.7 DIRECTORS' AND SUPERVISORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS**

During the Reporting Period, the Directors or Supervisors of the Bank or entities that are connected to them did not have material interests, whether directly or indirectly, in any material transactions, arrangements and contracts of the Bank

At no time during the Reporting Period, was the Bank a party to any arrangement to enable the Directors and Supervisors of the Bank to acquire benefits by means of the acquisition of shares in, or debentures of, the Bank or any other body corporate.

**8.8 MANAGEMENT CONTRACTS**

During the Reporting Period, no contract in relation to substantial business of the Bank or administration contract was entered into by the Bank.

**8.9 LIABILITY INSURANCE FOR DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT**

The Bank has maintained liability insurance for Directors, Supervisors, and senior management and other relevant responsible persons. Appropriate insurance coverage has been arranged for Directors, Supervisors and senior management of the Bank against potential legal actions and liabilities that arise from performing their duties to reasonably avoid management and legal risks faced by Directors, Supervisors and senior management of the Bank and to procure the full discharge of duties by the Directors, Supervisors and senior management of the Bank. The insurance was effective for the period ended 31 December 2024 and remained in effect as at the Reporting Date.

**8.10 PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE BANK**

From 1 January 2024 to the date of this report, the Bank had not purchased, sold (including the sale of treasury shares) or redeemed any listed securities of the Bank. As of the end of the Reporting Period, the Bank did not hold treasury shares.

**8.11 PRE-EMPTIVE RIGHTS**

None.

**8.12 DONATIONS**

During the Reporting Period, the Bank made external donations amounting to RMB2,560,000.

**8.13 EQUITY LINKED AGREEMENTS**

During the Reporting Period, the Bank did not enter into or renew any equity linked agreements.

## Report of the Board of Directors (Continued)

**8.14 RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIER**

The Bank conscientiously safeguards employees' interests and is committed to creating happy homes for its employees for the rest of their lives by providing employees with a more competitive salary and a social insurance and benefit system. The Bank adheres to the concept of "a bank serving with heart (用心的銀行)", actively innovates financial products and services, protects interests of customers, and improves customer satisfaction. The Bank regards suppliers as important stakeholders, for which it has established a fair and reasonable procurement management system to maintain the interests of suppliers, and establish good cooperative relations with them.

**8.15 PUBLIC FLOAT**

When the Bank applied for listing of its H Shares on the Hong Kong Stock Exchange, the Bank has applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange has granted the Bank, a waiver that the minimum public float requirement under Rule 8.08(1) of the Hong Kong Listing Rules can be reduced and the minimum percentage of H Shares from time to time held by the public to be the higher of: I. 15.08% of the total issued share capital of the Bank; or II. such percentage of shares of the Bank to be held by the public after the exercise of the Over-allotment Option. Since the Over-allotment Option has lapsed on 18 January 2020, the minimum public float to which the Bank is subject represents 15.08% of the total issued share capital of the Bank. Based on the information publicly available to the Bank and to the knowledge of the Directors, the Bank had complied with the minimum public float requirements for its shares issued under the Hong Kong Listing Rules.

**8.16 MAJOR DEPOSITORS AND BORROWERS**

The Bank is not dependent on a single major depositor/borrower. As of the end of the Reporting Period, the operating income of the top five largest depositor/borrowers of the Bank accounted for not more than 30% of the Bank's total operating income.

**8.17 ENVIRONMENTAL AND SOCIAL POLICY**

In recent years, the Bank has actively undertaken the social responsibilities under relevant environmental policies. The Bank actively advocates the concept of environmental protection in the course of operation. Specifically, the Bank optimizes online services, practices green office, advocates green public welfare and develops green credit to promote green financial undertakings. In 2024, the Bank has complied with the "comply or explain" provisions set out in the Environmental, Social and Governance Reporting Guidelines. For details, please refer to the 2024 Environmental, Social and Governance Report of the Bank available on the website of the Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Bank's portal ([www.bgzchina.com](http://www.bgzchina.com)).

## Report of the Board of Directors (Continued)

### 8.18 COMPLIANCE WITH LAWS AND REGULATIONS

The Bank is required to comply with a number of laws and regulations, mainly including the “Company Law of the People’s Republic of China” (《中華人民共和國公司法》), the “Commercial Bank Law of the People’s Republic of China” (《中華人民共和國商業銀行法》), the “Civil Code of the People’s Republic of China” (《中華人民共和國民法典》), domestic and foreign securities laws and regulations and exchange rules, as well as other regulations and regulatory legal documents. The Bank promotes compliance with laws, regulations and regulatory legal documents that have significant impact on its principal business through various measures such as internal control, compliance management and staff training; if there are significant changes in laws, regulations and regulatory legal documents relating to its principal business, the Bank will notify the relevant staff and operation team in an appropriate manner. During the Reporting Period, Directors of the Bank are not aware that the Bank had any non-compliance with relevant laws and regulations that had a significant impact on the Bank.

### 8.19 ACCOUNTING STANDARDS

The financial information set out in this annual report is prepared in accordance with the International Financial Reporting Standards on a consolidated basis. Unless otherwise stated, all data of the Bank are denominated in RMB.

**YANG Mingshang**  
*Chairman*

## Report of the Board of Supervisors

### 9.1 MAJOR WORK

During the Reporting Period, the Board of Supervisors of the Bank fulfilled its duties in accordance with the law, focusing on four major supervisory functions: performance supervision, financial supervision, risk supervision, and internal control supervision. The Board of Supervisors conducted oversight over the performance of the Board and senior management, actively safeguarding the legitimate rights and interests of the Bank, shareholders, employees, creditors, and other stakeholders. In 2024, the Board of Supervisors held 8 regular meetings, reviewed or heard 51 items for consideration and supervision, including periodic reports, the work report of the Board of Supervisors, the Bank's operational status and financial reports. The Board of Supervisors also conducted research on business development and provided training for supervisors to improve their ability to perform their duties, continuously strengthening its own development and driving sustained improvement in the quality and effectiveness of supervision.

**Firstly, strengthening supervision on performance of duties to promote high-quality development.**

The Board of Supervisors standardized the annual performance evaluation process, prepared evaluation reports for regulatory authorities and the shareholders' meeting, and urged directors, supervisors and senior management to fulfill their duties diligently and improve the quality and effectiveness of their performance. The Board of Supervisors supervised the Bank's information disclosure, shareholder equity management, related-party transaction management, stock price and market value maintenance and consumer rights protection, further enhancing the level of corporate governance. The Board of Supervisors also oversaw the adjustment and implementation of the Bank's strategic plans and the direction of asset business allocation, ensuring the Bank's thorough implementation of major decisions and deployments from the central and provincial governments, and adhering to the market positioning of "three services".

**Secondly, enhancing financial supervision to steadily improve efficiency.** The Board of Supervisors supervised the formulation and implementation of annual financial budgets, final accounts and profit distribution plans, urged the allocation of financial resources and performance-based remuneration management to focus more on low-capital-consumption businesses and services aligned with the "five major articles", and promoted the effective support of financial resource allocation for the implementation of business plans and the continuous improvement of the Bank's overall efficiency. The Board of Supervisors also oversaw the construction of the Bank's financial system and fixed asset management, helping to establish a clear, coordinated and interconnected financial supervision mechanism and urging to further deepen the awareness of investment accountability to improve the quality and efficiency of management.

**Thirdly, strengthening risk supervision to safeguard security.** The Board of Supervisors supervised the implementation of the "new capital regulations (資本新規)", promoted the revision and improvement of the comprehensive risk management system, reconstructed a risk management system tailored to the Bank's operational characteristics, and conducted specialised supervision on the management of reputational risk management and expected credit loss method. The Board of Supervisors also supervised the management of rural banks, ensuring their operations returned to their original purpose and developed steadily. Additionally, the Board of Supervisors oversaw the Bank's credit system and the standardization of review and approval processes, further enhancing the efficiency of credit approval.



## Report of the Board of Supervisors (Continued)

**Fourthly, strictly monitoring the internal control to optimize the compliance system.** The Board of Supervisors supervised the construction of anti-money laundering and anti-fraud systems, promoting the improvement of the internal control governance framework and mechanisms. The Board of Supervisors oversaw operational risk management, facilitating the transition of management tools from offline to online and the continuous optimization of system construction. Furthermore, the Board of Supervisors conducted special supervision on the 2023 collateral management inspection, urging dynamic monitoring of collateral value changes, maintaining collateral guarantee capabilities, strengthening overall collateral management and solidifying the foundation of collateral statistics.

## 9.2 EXPRESSED INDEPENDENT OPINIONS ON RELATED MATTERS

### 9.2.1 Legal Operation of the Bank

During the Reporting Period, our operation and management have been complied with the laws and regulations including the PRC Company Law and the PRC Commercial Banking Law, regulatory requirements and the Articles of Association. The decision-making procedures of the Board are standardized, the content is legally valid. Our senior management operates and manages our business in accordance with laws and regulations, the authorization of the Board, and the Company's rules and regulations.

### 9.2.2 Financial Reporting

During the Reporting Period, the financial statements of the Bank for the year of 2024 prepared in accordance with PRC Accounting Standards have been audited by KPMG Huazhen LLP, and the financial statements prepared in accordance with IFRS have been audited by KPMG, with standard unqualified auditors' reports being issued. The financial statements of the Bank give a true and objective representation of our financial status and operating results. The Board of Supervisors has not found any false records or material omissions.

### 9.2.3 Related Party Transactions

During the Reporting Period, our procedures for reviewing, voting, disclosing, and performing of related party transactions were in compliance with laws and regulations. The Board of Supervisors has not found any violation of the principle of fairness or any damage to the interests of shareholders and the Bank.

## Report of the Board of Supervisors (Continued)

### **9.2.4 Implementation of Resolutions Approved in Shareholders' General Meetings**

During the Reporting Period, the Board of Supervisors has no disagreement with the reports and proposals proposed by the Board being considered and approved in the Shareholders' general meetings. The Board of Supervisors supervised the implementation of the resolutions of general meetings and considered that the Board of Directors of the Bank seriously implemented the resolutions of general meetings.

### **9.2.5 Information Disclosure**

During the Reporting Period, the Bank has, in accordance with the principles of openness, fairness and impartiality, disclosed our information to investors and the public in a timely manner. The Board of Supervisors did not find any false disclosures or material omissions.

### **9.2.6 Performance of Duties of the Board of Directors and Senior Management Concerning Capital Management and Consolidated Financial Statements Management**

During the Reporting Period, the Board and senior management of the Bank were proactive in capital management, taking various measures to continuously replenish its capital externally and strictly assessing the use of capital internally, with the relevant regulatory indicators for capital management meeting the regulatory requirements.

## Major Events

### 10.1 MAJOR LAWSUITS AND ARBITRATIONS DURING THE REPORTING PERIOD

As of 31 December 2024, the Bank, as the plaintiff, defendant and third party, has seven pending litigation cases with the amount of the subject matter in dispute at or above RMB10 million, involving a total balance of RMB462,441,360.81.

Save as the disclosure above, as of the Reporting Date, the Bank has no other major litigation, arbitration, or major cases.

### 10.2 PENALTIES AGAINST THE BANK AND ITS DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

As far as the Bank is aware, during the Reporting Period, the Bank, its Directors, Supervisors and senior management did not receive any penalties from regulatory authorities that had a significant impact on the operations of the Bank.

### 10.3 CHANGE OF THE BANK ' S REGISTERED CAPITAL

The registered capital of the Bank is RMB14,588,046,744. During the Reporting Period, the registered capital of the Bank did not change.

## Major Events (Continued)

## 10.4 RELATED PARTY/CONNECTED TRANSACTIONS

## I. Related Party Transaction as Defined by the National Financial Regulatory Administration

## (I) Credit

As of the end of the Reporting Period, the Bank's balance of the credit-related transactions as defined by the National Financial Regulatory Administration (excluding deposits, bank deposit slips, etc.) is as follows:

No.	Name of related parties (related group consolidation)	Balance of credit as at the end of the Reporting Period (RMB million)	Type of related party transactions	Percentage of net capital of the Bank (%)
1	Guizhou Water Investment Water Affairs Group Co., Ltd. (貴州水投水務集團有限公司)	1,743.05	Loan, letter of guarantee	3.23%
2	Guizhou Financial Holding Group Co., Ltd. (Guizhou Guimin Investment Group Co., Ltd.) (貴州金融控股集團有限責任公司(貴州貴民投資集團有限責任公司))	855.20	Loan, bond investment	1.59%
3	Zunyi State-owned Assets Investment and Financing Management Co., Ltd. (遵義市國有資產投融資經營管理有限責任公司)	796.94	Loan, bond investment, bank acceptance bills	1.48%
4	Related natural persons	463.00	Loan, overdraft, personal credit card unused credit limit	0.86%
5	Longli County Guofeng Rural Bank Co., Ltd. (龍里國豐村鎮銀行有限責任公司)	430.00	Other credit facilities	0.80%
6	Guiyang City Construction Investment Group Co., Ltd. (貴陽市城市建設投資集團有限公司)	336.22	Bond investment	0.62%
7	Panzhou Wanhe Rural Bank Co., Ltd. (盤州萬和村鎮銀行有限責任公司)	30.00	SPV investment, letters of guarantee	0.06%
8	Renhuai State-owned Assets Investment and Management Co., Ltd. (仁懷市國有資產投資經營有限責任公司)	27.00	Loan	0.05%
9	Dejiang Tenglong Concrete Co., Ltd. (德江騰龍混凝土有限公司)	10.00	Loan	0.02%
10	Harvest Fund Management Co., Ltd. (嘉實基金管理有限公司)	1.32	SPV investment	0.00%
11	Tongren Fengyuan Town Bank Co., Ltd. (銅仁豐源村鎮銀行有限責任公司)	0.01	Other credit facilities	0.00%

## Major Events (Continued)

### (II) *Non-Credit*

During the Reporting Period, the Bank had non-credit related party transactions of RMB61.789 billion, including RMB61.469 billion in deposits and RMB320 million in wealth management investments.

The above related party transactions are conducted under conditions not superior to similar transactions of non-related parties, with reasonable and fair pricing, and in line with relevant regulatory requirements of the regulatory institutions and related party transaction management regulations of the Bank, and the approval process is in line with internal control system requirements of the Bank. Related party transactions have no significant impact on the normal operation and financial condition of the Bank.

### II. **Connected Transactions as Defined in the Hong Kong Listing Rules**

During the Reporting Period, the Bank did not engage in any connected transaction with connected parties defined in the Hong Kong Listing Rules which needs to be disclosed.

### III. **Related Party Transactions as Defined in Accounting Standards**

For details, please refer to Note 35 “Related Party Relationships and Transactions” to the financial statement of this report.

## 10.5 SIGNIFICANT CONTRACTS AND PERFORMANCE

### 10.5.1 Major contracts

During the Reporting Period, the Bank has no relevant major contracts or agreements.

### 10.5.2 Significant custody, contracting and lease

During the Reporting Period, the major contracts signed by the Bank did not involve custody, contracting, or leasing of assets of other companies outside the normal business scope of the bank, or custody, contracting, or leasing of assets of the Bank by other companies.

## 10.6 SIGNIFICANT GUARANTEES AND COMMITMENTS

As of the end of the Reporting Period, the Bank's guarantee balance was RMB1,151 million, representing an increase of RMB257 million or 28.7% from the beginning of the year; the letter of credit balance was RMB622 million, representing a decrease of RMB278 million or 30.91% from the beginning of the year.

The guarantee business is our daily business. The above businesses are all financial guarantee services within the scope of business approved by the NFRA during the Reporting Period.

## 10.7 ARRANGEMENT TO PURCHASE SHARES OR DEBENTURES

At no time during the Reporting Period, was the Bank a party to any arrangement to enable the Directors and Supervisors of the Bank to acquire benefits by means of the acquisition of shares in, or debentures of, the Bank or any other body corporate.

## 10.8 SIGNIFICANT MATERIAL ASSET ACQUISITIONS, DISPOSAL AND CORPORATE MERGERS

During the Reporting Period, the Bank has no significant asset, acquisitions, disposal and corporate mergers.

## 10.9 SIGNIFICANT INVESTMENT

As of the end of the Reporting Period, the investment securities and other financial assets of the Bank were all financial markets businesses within the scope of operation approved by the National Financial Regulatory Administration. The Bank has inspected the disclosure requirements for material investments as set out in Appendix D2 to the Listing Rules, and to the best knowledge of the Bank, there was no book value of any particular investment as of 31 December 2024 accounting for 5% or more of the Bank's total assets at the end of the Reporting Period.

## Major Events (Continued)

**10.10 APPOINTMENT AND DISMISSAL OF ACCOUNTANT**

Due to the failure to reach an agreement with the Bank on the audit fees for 2024, BDO Limited, the Bank's overseas auditor, and BDO China Shu Lun Pan Certified Public Accountants LLP, the domestic auditor, resigned as auditors of the Bank on 20 December 2024.

As considered and approved at the 2025 first extraordinary general meeting, KPMG Huazhen LLP and KPMG were appointed as the Bank's domestic and overseas accounting firms for 2024, respectively, with a total fee of RMB3.00 million.

**10.11 LOAN AGREEMENT**

During the Reporting Period, the Bank did not violate any loan agreement.

**10.12 EQUITY INCENTIVE PLAN AND EMPLOYEE STOCK OWNERSHIP PLAN**

As of the end of the Reporting Period, the Bank has not implemented equity incentive plans or employee stock ownership plans.

**10.13 AUDIT REVIEW**

The financial statements for the year ended 31 December 2024 prepared under International Financial Reporting Standards in this report have been audited by KPMG in accordance with Hong Kong Standards on Auditing. KPMG has issued an unqualified audit report. This report has been reviewed by the Audit Committee and the Board of the Bank.

**10.14 SUBSEQUENT EVENTS**

The acquisition of Tongren Fengyuan Town Bank Co., Ltd. and the establishment of a branch was considered and approved at the 2025 second extraordinary general meeting, details of which are set out in the Bank's circular dated 4 March 2025 and announcement dated 21 March 2025. There were no other significant events affecting the Bank which had incurred between the end of the Reporting Period and the Reporting Date.

# Independent Auditor's Report

*(Expressed in thousands of Renminbi, unless otherwise stated)*

## to the shareholders of Bank of Guizhou Co., Ltd.

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

## OPINION

We have audited the financial statements of Bank of Guizhou Co., Ltd. (hereinafter referred to as "the Bank") set out on pages 162 to 304, which comprise the statement of financial position as of December 31, 2024, the statement of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as of December 31, 2024, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and have been properly prepared in compliance with the disclosure requirements under the Hong Kong Companies Ordinance.

## BASIS FOR OPINION

We conducted our audit in accordance with the Hong Kong Standard on Auditing issued by the Hong Kong Institute of Chartered Accountants. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the Bank in accordance with the Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Chartered Accountants (referred to as the "Code") together with any ethical requirements that are relevant to our audit of the financial statements in the People's Republic of China. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion.

## KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. The response to these matters was addressed in the context of our audit of the financial statements as a whole, and in forming an opinion thereon, and we do not provide a separate opinion on these matters.

## Independent Auditor's Report (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## KEY AUDIT MATTERS (CONTINUED)

<b>Expected credit losses of loans and advances to customers and financial investments measured at amortised cost</b>	
<i>Refer to Note 17 and Note 18(c) to the financial statements and the accounting policies in Note 2(7) (iv).</i>	
<b>The Key Audit Matter</b>	<b>How the matter was addressed in our audit</b>
<p>As at 31 December 2024, gross loans and advances to customers and accrued interest included for the purpose of expected credit loss ("ECL") assessment, as presented in the Bank's statement of financial position, amounted to RMB347,674.49 million, for which management recognized an ECL allowance of RMB18,825.14 million; total financial investments measured at amortised cost and accrued interest included for the purpose of ECL assessment amounted to RMB77,734.66 million, for which management recognized an ECL allowance of RMB1,909.38 million.</p> <p>The Bank uses the ECL model to determinate ECL allowances of financial assets in accordance with IFRS 9, Financial Instruments.</p>	<p>Our audit procedures to assess ECL of loans and advances to customers and financial investments measured at amortised cost included the following:</p> <ul style="list-style-type: none"> <li>• with the assistance of our IT specialists, understanding and assessing the design, implementation and operating effectiveness of key internal controls over the approval, recording and monitoring of loans and advances to customers and financial investments measured at amortised cost, the credit risk staging process and the measurement of ECL.</li> <li>• with the assistance of our financial risk specialists, assessing the appropriateness of the ECL model used by management in determining the ECL allowances and the appropriateness of the key parameters and assumptions in the ECL model, which included credit risk staging, probability of default, loss given default, exposure at default, adjustments for forward-looking information and other adjustments, and assessing the appropriateness of related key management judgment.</li> </ul>



## Independent Auditor's Report (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## KEY AUDIT MATTERS (CONTINUED)

<b>Expected credit losses of loans and advances to customers and financial investments measured at amortised cost</b>	
<i>Refer to Note 17 and Note 18(c) to the financial statements and the accounting policies in Note 2(7) (iv).</i>	
<b>The Key Audit Matter</b>	<b>How the matter was addressed in our audit</b>
<p>The determination of ECL allowances of loans and advances to customers and financial investments measured at amortised cost using the ECL model is subject to the application of a number of key parameters and assumptions, including the credit risk staging, probability of default, loss given default, exposures at default and discount rates, adjustments for forward-looking information and other adjustment factors. Extensive management judgment is involved in the selection of those parameters and the application of the assumptions.</p> <p>In particular, the determination of the ECL allowances is heavily dependent on the external macro environment and the Bank's internal credit risk management strategy. The ECL for corporate loans and advances, financial investments measured at amortised cost are derived from estimates including the historical losses, internal and external credit grading and other adjustment factors. The ECL for personal loans and advances are derived from estimates whereby management takes into consideration historical overdue data, the historical loss experience and other adjustment factors.</p>	<ul style="list-style-type: none"> <li>• assessing management's revisions to estimates and input parameters by comparing with prior period and considered the consistency of judgement.</li> <li>• comparing the macroeconomic forward-looking information used in the model with market information to assess whether they were aligned with market and economic development.</li> <li>• comparing the total gross carrying amount of the loans and advances and financial investments measured at amortised cost used by management to assess the ECL allowances for impairment with the general ledger to check the completeness of the data. We also selected samples to compare information of individual loan and advance and investment with the underlying agreements and other related documentation. In addition, we checked the accuracy of key external data used by management by comparing them with public information.</li> </ul>

## Independent Auditor's Report (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## KEY AUDIT MATTERS (CONTINUED)

<b>Expected credit losses of loans and advances to customers and financial investments measured at amortised cost</b>	
<i>Refer to Note 17 and Note 18(c) to the financial statements and the accounting policies in Note 2(7) (iv).</i>	
<b>The Key Audit Matter</b>	<b>How the matter was addressed in our audit</b>
<p>Management also exercises judgement in determining the quantum of loss given default based on a range of factors. These include the financial situation of the borrowers or the debtors, the security types, the recoverable amounts of collaterals, the seniority of the claims, and other repayment sources of the borrower or the debtor. Management refers to valuation reports of collaterals issued by qualified third party valuers and considers the influence of various factors including the market prices, locations and uses when assessing the value of property held as collateral. The enforceability, timing and means of realisation of collateral can also have an impact on the recoverable amount of a collateral.</p> <p>We identified the determination of ECL of loans and advances to customers and financial investments measured at amortised cost as a key audit matter because of the complexity of the inherent uncertainty and management judgment involved and because of its significance to the financial results and capital of the Bank.</p>	<ul style="list-style-type: none"> <li>• with the assistance of our IT specialists, assessing the logics and compilation of the overdue information of loans and advances to customers and financial investments measured at amortised cost.</li> <li>• evaluating the reasonableness of management's assessment on whether the credit risk of the loan and advance to customers or the financial investment measured at amortised cost has, or has not, increased significantly since initial recognition and whether the mentioned financial instruments are credit-impaired. Based on the risk oriented approach, we selected samples in industries more vulnerable to the current economic situation or borrowers with specific credit risk characteristics, checked overdue information, made enquiries of the credit managers about the borrowers' or the debtors' business operations, inspected their financial information and researched market information about their businesses, to check the credit risk status of the borrower or the debtor, and assess the reasonableness of credit risk staging.</li> </ul>

## Independent Auditor's Report (Continued)

*(Expressed in thousands of Renminbi, unless otherwise stated)*

## KEY AUDIT MATTERS (CONTINUED)

<b>Expected credit losses of loans and advances to customers and financial investments measured at amortised cost</b>	
<i>Refer to Note 17 and Note 18(c) to the financial statements and the accounting policies in Note 2(7) (iv).</i>	
<b>The Key Audit Matter</b>	<b>How the matter was addressed in our audit</b>
	<ul style="list-style-type: none"> <li>evaluating the reasonableness of loss given default for selected samples of corporate loans and advances to customers or financial investment measured at amortised cost that are credit-impaired, by checking the financial situation of the borrowers or the debtors, the security types, the seniority of the claims, the recoverable amount of collaterals, and other repayment sources of the borrower or the debtor. Evaluating management's assessment of the value of any property collateral for selected samples based on the location, use of the property and market prices. We also evaluated the timing and means of realisation of collateral, evaluated the forecast cash flows, and assessed the viability of the Bank's recovery plans.</li> <li>based on our procedures performed, we selected samples and assessed the mathematical accuracy of the ECL allowances of loans and advances to customers and financial investments measured at amortised cost.</li> <li>assessing the disclosures in the financial statements in relation to ECL of loans and advances to customers and financial investments measured at amortised cost with reference to the requirements of the prevailing accounting standards.</li> </ul>

## Independent Auditor's Report (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## KEY AUDIT MATTERS (CONTINUED)

<b>Consolidation of structured entities</b>	
<i>Refer to the accounting policies in Note 32 and Note 2(26) to the financial statements.</i>	
<b>The Key Audit Matter</b>	<b>How the matter was addressed in our audit</b>
<p>Structured entities are generally created to achieve a narrow and well defined objective with restrictions around their ongoing activities.</p> <p>The Bank may acquire or retain an ownership interest in, or act as a sponsor to, a structured entity through issuing a wealth management product, an asset management plan, a trust plan, an asset-backed security, a debt investment plan or an investment fund.</p> <p>In determining whether the Bank should consolidate a structured entity, management is required to consider the power it possesses, its exposure to variable returns, and its ability to use its power to affect returns. These factors are not purely quantitative and need to be considered collectively in the overall substance of the transactions.</p> <p>We identified the consolidation of structured entities as a key audit matter because of the complex nature of certain of these structured entities and the significant judgement exercised by management in the qualitative assessment of the terms and nature of each entity.</p>	<p>Our audit procedures to assess the consolidation of structured entities included the following:</p> <ul style="list-style-type: none"> <li>• understanding and assessing the design, implementation and operating effectiveness of key internal controls of financial reporting over the consolidation of structured entities.</li> <li>• selecting significant structured entities of each key product type and performing the following procedures: <ul style="list-style-type: none"> <li>– inspecting the related contracts, internal establishment documents and information disclosed to the investors to understand the purpose of the establishment of the structured entity and the involvement of the Bank in the structured entity; and to evaluate management's judgement over whether the Bank has the ability to exercise power over the structured entity;</li> <li>– inspecting the risk and reward structure of the structured entity, including any capital or return guarantee, provision of liquidity support, commission paid and distribution of the returns, to evaluate management's judgement as to the exposure, or rights, to variable returns from the Bank's involvement in such an entity;</li> </ul> </li> </ul>

## Independent Auditor's Report (Continued)

*(Expressed in thousands of Renminbi, unless otherwise stated)*

## KEY AUDIT MATTERS (CONTINUED)

Consolidation of structured entities	
<i>Refer to the accounting policies in Note 32 and Note 2(26) to the financial statements.</i>	
The Key Audit Matter	How the matter was addressed in our audit
	<ul style="list-style-type: none"> <li>– inspecting management's analyses of the structured entity including qualitative analyses and calculations of the magnitude and variability associated with the Bank's economic interests in the structured entity to evaluate management's judgement over the Bank's ability to affect its own returns from the structured entity;</li> <li>– assessing management's judgement over whether the structured entity should be consolidated or not.</li> <li>• assessing the reasonableness of the disclosures in the consolidated financial statements in relation to consolidation of structured entities against the prevailing accounting standards.</li> </ul>

**Independent Auditor's Report (Continued)***(Expressed in thousands of Renminbi, unless otherwise stated)***INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL STATEMENTS**

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS Accounting Standards issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Bank or to cease operations, or have no realistic alternative but to do so.

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Bank's financial reporting process.

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurances about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

## Independent Auditor's Report (Continued)

*(Expressed in thousands of Renminbi, unless otherwise stated)*

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with HKSAAs, we exercise professional judgement and maintain professional scepticism through out the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

**Independent Auditor's Report (Continued)***(Expressed in thousands of Renminbi, unless otherwise stated)***AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)**

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Choi Ching Hin.

**KPMG***Certified Public Accountants*

8th Floor, Prince's Building  
10 Chater Road  
Central, Hong Kong

March 31, 2025



## Statement of profit or loss and other comprehensive income

for the year ended December 31, 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

	Note	2024	2023
Interest income		21,843,056	22,178,615
Interest expense		(12,681,005)	(13,428,597)
<b>Net interest income</b>	3	9,162,051	8,750,018
Fee and commission income		546,356	548,912
Fee and commission expense		(245,345)	(210,663)
<b>Net fee and commission income</b>	4	301,011	338,249
Net trading gains	5	904,857	938,252
Net gains arising from investment securities	6	2,016,794	1,111,988
Other operating income	7	32,951	206,181
<b>Operating income</b>		12,417,664	11,344,688
Operating expenses	8	(3,711,016)	(3,969,747)
Impairment losses on assets	11	(4,542,833)	(3,324,102)
Share of losses of associates		(9,774)	(13,357)
<b>Profit before tax</b>		4,154,041	4,037,482
Income tax	12	(375,530)	(384,146)
<b>Net profit for the year</b>		3,778,511	3,653,336
<i>Basic and diluted earnings per share (in RMB)</i>	13	0.25	0.24

The notes on pages 171 to 304 form part of these financial statements.

## Statement of profit or loss and other comprehensive income (Continued)

for the year ended December 31, 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

	Note	2024	2023
<b>Net profit for the year</b>		3,778,511	3,653,336
<b>Other comprehensive income:</b>			
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Financial assets at fair value through other comprehensive income			
– net movement in the fair value reserve, net of tax	30(d)	1,064,618	672,932
– net movement in the impairment reserve, net of tax	30(e)	(37,760)	119,871
<b>Item that will not be reclassified to profit or loss:</b>			
– Remeasurement of net defined benefit liability, net of tax	30(f)	(25,103)	(10,935)
<b>Other comprehensive income</b>		1,001,755	781,868
<b>Total comprehensive income</b>		4,780,266	4,435,204

The notes on pages 171 to 304 form part of these financial statements.

## Notes to the Financial Statements

as at December 31, 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

	Note	2024	2023
<b>Assets</b>			
Cash and deposits with the central bank	14	18,923,134	29,750,843
Deposits with banks and other financial institutions	15	7,501,939	5,974,245
Financial assets held under resale agreements	16	20,447,043	1,651,237
Loans and advances to customers	17	328,849,357	316,610,233
Financial investments:	18		
– Financial investments at fair value through profit or loss		72,271,366	80,406,906
– Financial investments at fair value through other comprehensive income		55,201,707	57,880,290
– Financial investments at amortised cost		75,825,276	73,669,697
Interests in associates	19	240,164	270,572
Property and equipment	20	3,500,811	3,690,469
Deferred tax assets	21	6,434,783	5,978,200
Other assets	22	791,312	903,334
<b>Total assets</b>		<b>589,986,892</b>	<b>576,786,026</b>
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
Borrowings from the central bank		41,196,541	43,458,074
Deposits from banks and other financial institutions	24	22,788,159	25,382,493
Placements from banks and other financial institutions	25	3,707,481	4,944,628
Deposits from customers	26	375,001,832	356,246,245
Income tax payable		813,516	645,800
Debt securities issued	27	90,085,649	94,267,804
Deferred tax liabilities	21	–	190,492
Other liabilities	28	4,086,751	3,232,583
<b>Total liabilities</b>		<b>537,679,929</b>	<b>528,368,119</b>

The notes on pages 171 to 304 form part of these financial statements.

## Notes to the Financial Statements (Continued)

as at December 31, 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

	Note	2024	2023
<b>Equity</b>			
Share capital	29	14,588,047	14,588,047
Capital reserve	30(a)	8,670,091	8,670,091
Surplus reserve	30(b)	3,354,828	2,976,977
General reserve	30(c)	6,150,000	5,590,000
Fair value reserve	30(d)	1,081,876	17,258
Impairment reserve	30(e)	397,766	435,526
Deficit on remeasurement of net defined benefit liability	30(f)	(65,798)	(40,695)
Retained earnings	31	14,630,669	12,681,219
		<hr/>	<hr/>
Total equity attributable to equity shareholders of the Bank		48,807,479	44,918,423
Perpetual bonds	30(g)	3,499,484	3,499,484
		<hr/>	<hr/>
<b>Total equity</b>		<hr/> <u>52,306,963</u>	<hr/> <u>48,417,907</u>
		<hr/>	<hr/>
<b>Total liabilities and equity</b>		<hr/> <u>589,986,892</u>	<hr/> <u>576,786,026</u>

Approved and authorised for issue by the Board of Directors on March 31, 2025.

**Yang Mingshang**

*Chairman of the Board of Directors*

**Wu Fan**

*Executive Director*

**An Peng**

*The Person In-Charge of  
Accounting Affairs*

**Li Wangang**

*General Manager of the Planning and  
Finance Department*

**Bank of Guizhou Co., Ltd.**

(Company Stamp)

The notes on pages 171 to 304 form part of these financial statements.

## Statement of Changes in Equity

for the year ended December 31, 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

	Note	Share capital	Capital reserve	Surplus reserve	General reserve	Fair value reserve	Impairment reserve	Deficit on remeasure- ment of net defined benefit liability	Retained earnings	Subtotal	Perpetual bonds	Total
<b>Balance at January 1, 2024</b>		14,588,047	8,670,091	2,976,977	5,590,000	17,258	435,526	(40,695)	12,681,219	44,918,423	3,499,484	48,417,907
<b>Changes inequity for the year:</b>												
Net profit for the year		-	-	-	-	-	-	-	3,778,511	3,778,511	-	3,778,511
Other comprehensive income		-	-	-	-	1,064,618	(37,760)	(25,103)	-	1,001,755	-	1,001,755
<b>Total comprehensive income</b>		-	-	-	-	1,064,618	(37,760)	(25,103)	3,778,511	4,780,266	-	4,780,266
Appropriation of profit:												
Appropriation to surplus reserve	30(b)	-	-	377,851	-	-	-	-	(377,851)	-	-	-
Appropriation to general reserve	30(c)	-	-	-	560,000	-	-	-	(560,000)	-	-	-
Appropriation to shareholders	31	-	-	-	-	-	-	-	(729,402)	(729,402)	-	(729,402)
Appropriation to perpetual bondholders	30(g)	-	-	-	-	-	-	-	(161,808)	(161,808)	161,808	-
Distribution paid to perpetual bondholders	30(g)	-	-	-	-	-	-	-	-	-	(161,808)	(161,808)
<b>Balance at December 31, 2024</b>		<u>14,588,047</u>	<u>8,670,091</u>	<u>3,354,828</u>	<u>6,150,000</u>	<u>1,081,876</u>	<u>397,766</u>	<u>(65,798)</u>	<u>14,630,669</u>	<u>48,807,479</u>	<u>3,499,484</u>	<u>52,306,963</u>

The notes on pages 171 to 304 form part of these financial statements.

## Statement of Changes in Equity (Continued)

for the year ended December 31, 2023  
(Expressed in thousands of Renminbi, unless otherwise stated)

Note	Share capital	Capital reserve	Surplus reserve	General reserve	Fair value reserve	Impairment reserve	Deficit on remeasurement of net defined benefit liability	Retained earnings	Subtotal	Perpetual bonds	Total
<b>Balance at January 1, 2023</b>	14,588,047	8,670,091	2,611,643	5,070,000	(655,674)	315,655	(29,760)	10,901,000	41,471,002	2,499,520	43,970,522
<b>Changes inequity for the year:</b>											
Net profit for the year	-	-	-	-	-	-	-	3,653,336	3,653,336	-	3,653,336
Other comprehensive income	-	-	-	-	672,932	119,871	(10,935)	-	781,868	-	781,868
<b>Total comprehensive income</b>	-	-	-	-	672,932	119,871	(10,935)	3,653,336	4,435,204	-	4,435,204
Issuance of perpetual bonds	30(g)	-	-	-	-	-	-	-	-	999,964	999,964
Appropriation of profit:											
Appropriation to surplus reserve	30(b)	-	-	365,334	-	-	-	(365,334)	-	-	-
Appropriation to general reserve	30(c)	-	-	-	520,000	-	-	(520,000)	-	-	-
Appropriation to shareholders	31	-	-	-	-	-	-	(875,283)	(875,283)	-	(875,283)
Appropriation to perpetual bondholders	30(g)	-	-	-	-	-	-	(112,500)	(112,500)	112,500	-
Distribution paid to perpetual bondholders	30(g)	-	-	-	-	-	-	-	-	(112,500)	(112,500)
<b>Balance at December 31, 2023</b>	<u>14,588,047</u>	<u>8,670,091</u>	<u>2,976,977</u>	<u>5,590,000</u>	<u>17,258</u>	<u>435,526</u>	<u>(40,695)</u>	<u>12,681,219</u>	<u>44,918,423</u>	<u>3,499,484</u>	<u>48,417,907</u>

The notes on pages 171 to 304 form part of these financial statements.

## Statement of cash flows

for the year ended December 31, 2024

(Expressed in thousands of Renminbi, unless otherwise stated)

	Note	2024	2023
<b>Cash flows from operating activities</b>			
Profit before tax		4,154,041	4,037,482
Adjustments for:			
Impairment losses on assets		4,542,833	3,324,102
Depreciation and amortisation		501,771	524,481
Depreciation of investment properties		1,278	944
Unrealised foreign exchange losses		8,231	358
Net losses/(gains) on disposal of property and equipment, intangible assets and other assets		1,334	(12,654)
Net gains from debt securities		(902,484)	(938,610)
Net gains arising from investment securities		(2,016,794)	(1,111,988)
Share of losses of associates		9,774	13,357
Interest expenses on debt securities issued		2,368,962	2,557,185
Interest expense on lease liabilities		10,255	11,604
Others		(70,578)	(113,615)
		<hr/>	<hr/>
Operating cash flows before movements in operating assets and liabilities		8,608,623	8,292,646
		<hr/>	<hr/>
<b>Changes in operating assets</b>			
Net decrease/(increase) in deposits with the central bank		660,668	(1,374,512)
Net increase in deposits with banks and other financial institutions		(1,960,010)	–
Net increase in loans and advances to customers		(17,160,599)	(40,277,649)
Net decrease/(increase) in financial assets held for trading		7,127,376	(560,281)
Net decrease in other operating assets		2,215,763	874,550
		<hr/>	<hr/>
Net changes in operating assets		(9,116,802)	(41,337,892)
		<hr/>	<hr/>

The notes on pages 171 to 304 form part of these financial statements.

## Statement of cash flows (Continued)

for the year ended December 31, 2024  
(Expressed in thousands of Renminbi, unless otherwise stated)

	Note	2024	2023
<b>Changes in operating liabilities</b>			
Net (decrease)/increase in borrowings from the central bank		(2,213,643)	5,340,099
Net (decrease)/increase in deposits from banks and other financial institutions		(2,620,780)	2,186,273
Net (decrease)/increase in placements from banks and other financial institutions		(1,236,100)	340,000
Net decrease in financial assets sold under repurchase agreements		–	(8,500,000)
Net increase in deposits from customers		17,660,669	27,930,494
Net increase in other operating liabilities		185,069	1,978,693
		<hr/>	<hr/>
Net changes in operating liabilities		11,775,215	29,275,559
		<hr/>	<hr/>
<b>Net cash flows generated from/(used in) operating activities before income tax paid</b>		11,267,036	(3,769,687)
Income tax paid		(1,188,809)	(1,386,034)
		<hr/>	<hr/>
<b>Net cash flows generated from/(used in) operating activities</b>		10,078,227	(5,155,721)
		<hr/>	<hr/>
<b>Cash flows from investing activities</b>			
Proceeds from disposal and redemption of investments		79,768,022	112,950,134
Proceeds from disposal of property and equipment, intangible assets and other assets		661	84,111
Payments on acquisition of investments		(97,117,082)	(107,908,962)
Proceeds from dividends of associates		210	–
Payments for capital injection for associates		–	(50,000)
Payments for acquisition of property and equipment, intangible assets and other assets		(213,269)	(295,027)
		<hr/>	<hr/>
<b>Net cash flows (used in)/generated from investing activities</b>		(17,561,458)	4,780,256
		<hr/>	<hr/>

The notes on pages 171 to 304 form part of these financial statements.



**Statement of cash flows (Continued)***for the year ended December 31, 2024**(Expressed in thousands of Renminbi, unless otherwise stated)*

	Note	2024	2023
<b>Cash flows from financing activities</b>			
Proceeds from issuance of debt securities	34(c)	98,296,012	109,870,000
Repayment of debt securities	34(c)	(102,523,648)	(100,450,000)
Interest paid on debt securities	34(c)	(2,323,481)	(2,499,960)
Capital element of lease liabilities paid		(129,882)	(123,535)
Interest element of lease liabilities paid		(10,255)	(11,604)
Dividends paid		(776,174)	(867,206)
Net proceeds from issuance of perpetual bonds		–	999,965
Interest paid on perpetual bonds		(161,808)	(112,500)
<b>Net cash flows (used in)/generated from financing activities</b>		(7,629,236)	6,805,160
<b>Effect of foreign exchange rate changes on cash and cash equivalents</b>		(8,345)	4,090
<b>Net (decrease)/increase in cash and cash equivalents</b>	34(a)	(15,120,812)	6,433,785
<b>Cash and cash equivalents at the beginning of year</b>		61,262,021	54,828,236
<b>Cash and cash equivalents at the end of year</b>	34(b)	46,141,209	61,262,021
Interest received		22,125,980	24,152,969
Interest paid (excluding interest expense on debt securities issued)		(9,242,133)	(8,903,160)

The notes on pages 171 to 304 form part of these financial statements.

## Notes to the Financial Statements

*(Expressed in thousands of Renminbi, unless otherwise stated)*

### 1 BACKGROUND INFORMATION

The Bank was established in Guiyang, Guizhou Province, the People's Republic of China (the "PRC") on October 11, 2012 with the approval of the former China Banking Regulatory Commission (the former "CBRC").

The Bank obtained its financial institution license No. B1383H252010001 from the former CBRC and obtained its business license No. 915200000550280000 from the State Administration for Industry and Commerce of the PRC.

In December 2019, the Bank's H Shares were listed on the Main Board of the Stock Exchange of Hong Kong Limited (Stock code: 06199).

As at December 31, 2024, the Bank has one head office and 9 branches across Guizhou Province. The principal activities of the Bank are the provision of corporate and personal deposits, loans and advances, settlement, financial market business and other banking services as approved by the former CBRC.

### 2 MATERIAL ACCOUNTING POLICIES

#### (1) Statement of compliance

These financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), including related interpretations, and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Material accounting policies adopted by the bank are disclosed as follows.

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (2) Basis of preparation

The financial statements for the year ended December 31, 2024 comprise the Bank and the Bank's interest in associates.

The measurement basis used in the preparation of the financial statements is the historical basis, except for financial investments at fair value through other comprehensive income, or financial investments at fair value through profit or loss (see Note 2(7)) are stated at their fair value as explained in the accounting policies.

The preparation of financial statements in accordance with IFRS Accounting Standards requires management to make judgments, estimates, and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income, and expenses. These estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

Judgements made by management in the application of IFRS Accounting Standards that have a significant effect on the financial statements and major sources of estimation uncertainty are discussed in Note 2(27).

The functional currency of the Bank is Renminbi (RMB). These financial statements are presented in RMB, rounded to the nearest thousand.

### (3) Changes in accounting policies

The financial statements for the current accounting period of the Bank have been prepared in accordance with the following revised International Financial Reporting Standards issued by IASB:

- **Amendments to IFRS 16, Leases – Lease liability in a sale and leaseback**

The amendments add to the requirements explaining how an entity accounts for a sale and leaseback after the date of the transaction. The amendments require a seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognise any amount of the gain or loss that relates to the right-of-use it retains, including cases with variable lease payments in the leaseback. The Bank anticipates that the adoption of the amendments will not have a significant impact on the Bank's financial statements.

## Notes to the Financial Statements (Continued)

*(Expressed in thousands of Renminbi, unless otherwise stated)***2 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(3) Changes in accounting policies (continued)**

- ***Amendments to IAS 1, Presentation of financial statements – Classification of liabilities as current or non-current and Amendments to IAS 1, Presentation of financial statements – Non-current liabilities with covenants***

The amendments to IAS 1 (2020) concern the requirements on determining if a liability is current or non-current. In particular, the amendments specify the condition of an entity to classify a liability as non-current requires that a right to defer settlement must exist at the end of the reporting period and have substance, and clarify that classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement.

The amendments also specify the classification of liabilities that will or may be settled by issuing an entity's own equity instruments. When a liability includes a counterparty conversion option that involves a transfer of the entity's own equity instruments, the classification of such liability is not affected only when the conversion option is recognised separately from the host liability as an equity component under IAS 32.

The amendments to IAS 1 (2022) specify that only covenants with which an entity must comply on or before the reporting date affect the classification of a liability as current or non-current. Covenants with which the entity must comply after the reporting date (i.e. future covenants) do not affect a liability's classification at that date. However, an entity is required to disclose information regarding the risk that the non-current liabilities subject to future covenants could become repayable within twelve months after the end of the reporting period.

The 2022 amendments defer the effective date of the 2020 amendments to annual reporting periods beginning on or after 1 January 2024. If an entity applies one of these two amendments for an earlier period, the other amendments should also be applied for that period.

The Bank anticipates that the adoption of the amendments will not have a significant impact on the Bank's financial statements.

- ***Amendments to IAS 7, Statement of cash flows and IFRS 7, Financial instruments: disclosures – Supplier finance arrangements***

The amendments introduce disclosure requirements to enhance transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The Bank anticipates that the adoption of the amendments will not have a significant impact on the Bank's financial statements.

None of these developments have had a material effect on how the Bank's results and financial position for the current or prior year have been prepared or presented in this financial report. The Bank has not applied any new standard or interpretation that is not yet effective for the current accounting year.

## Notes to the Financial Statements (Continued)

*(Expressed in thousands of Renminbi, unless otherwise stated)*

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (4) Associates and Joint Ventures

An associate is an entity over which the Bank has significant influence but does not control or jointly control.

A joint venture is an arrangement whereby the Bank and other parties contractually agree to share control of the arrangement and have rights to the net assets of the arrangement.

In the financial statements, investments in associates and joint ventures are accounted for using the equity method unless the investment is classified as held for sale (or included in a group of assets that is classified as held for sale). Under the equity method, the investment is initially recorded at cost and subsequently adjusted for any excess of the fair value of the acquiree's identifiable net assets over the cost of the investment (if any) attributable to the Bank. Thereafter, the investment is adjusted for the Bank's share of changes in the acquiree's net assets after acquisition and any impairment losses related to the investment (see Note 2(16)). Any portion of the acquisition date amount exceeding cost, as well as the Bank's share of the investee company's post-acquisition taxable results and any impairment losses recognized in profit or loss during the year. The Bank's share of the investee company's post-acquisition other comprehensive income items is also recognized in profit or loss.

If the Bank's share of losses in an associate or joint venture exceeds the Bank's interest in the associate or joint venture, the Bank's interest will be reduced to zero, and no further losses will be recognized, except to the extent that the Bank has incurred legal or constructive obligations or has made payments on behalf of the investee. In this context, the Bank's interest includes the carrying amount of the investment under the equity method and any long-term interests that substantially reduce to or preserve the Bank's interest in the associate or joint venture.

Undistributed profits or losses arising from transactions between the Bank and its associates or joint ventures are eliminated to the extent of the Bank's interest in the investee; however, undistributed losses are immediately recognized in profit or loss if they indicate that the transferred asset has been impaired.

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for using the equity method.

In all other cases, if the Bank no longer has significant influence over an associate or no longer jointly controls a joint venture, the entire interest in the investee is derecognized as a disposal, and the resulting gain or loss is recognized in profit or loss. Any remaining interest in the former investee as of the date of losing significant influence or joint control is recognized at fair value, which is treated as the fair value of the initial recognition of a financial asset.

In the Bank's balance sheet, investments in associates and joint ventures are stated at cost less impairment losses, unless the investment is classified as held for sale (or included in a group of assets that is classified as held for sale).

**Notes to the Financial Statements (Continued)***(Expressed in thousands of Renminbi, unless otherwise stated)***2 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(5) Translation of foreign currencies**

When the Bank receives capital in foreign currencies from investors, the capital is translated to Renminbi at the spot exchange rate ruling at the date of receipt. Other foreign currency transactions are, on initial recognition, translated to Renminbi at the spot exchange rates or the rates that approximate the spot exchange rates ruling at the transaction dates.

A spot exchange rate is quoted by the People's Bank of China (PBOC), the State Administration of Foreign Exchange, or a cross rate determined based on quoted exchange rates. A rate that approximates the spot exchange rate is determined by a systematic and rational method, normally the average exchange rate of the current period.

Monetary items denominated in foreign currencies are translated to Renminbi at the spot exchange rate at the balance sheet date. The resulting exchange differences are generally recognised in profit or loss. Non-monetary items that are measured at historical cost in foreign currencies are translated to Renminbi using the exchange rate at the transaction date. Non-monetary items that are measured at fair value in foreign currencies are translated using the exchange rate at the date the fair value is determined. The resulting exchange differences are recognised in profit or loss, except for the differences arising from the re-translation of financial assets measured at fair value through other comprehensive income, which are recognised in other comprehensive income.

**(6) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, non-restricted balances with central bank, short-term deposits and placements with banks and other financial institutions, and highly liquid short-term investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Cash and cash equivalents are assessed for expected credit losses (ECL) in accordance with the policy set out in Note 2(7).

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (7) Financial instruments

#### (i) **Recognition and initial measurement of financial assets and financial liabilities**

A financial asset or financial liability is recognised in the balance sheet when the Bank becomes a party to the contractual provisions of a financial instrument.

Financial assets and financial liabilities are measured initially at fair value. For financial assets and financial liabilities at fair value through profit or loss, any related directly attributable transaction costs are charged to profit or loss; for other categories of financial assets and financial liabilities, any related directly attributable transaction costs are included in their initial costs.

#### (ii) **Classification and subsequent measurement of financial assets**

##### *Classification of financial assets*

The Bank classifies financial assets into different categories upon initial recognition based on the business model for managing the financial assets and the contractual cash flow characteristics of financial assets:

- Financial assets measured at amortised cost, including loans and advances to customers and financial investments measured at amortised cost;
- Financial assets at fair value through other comprehensive income ("FVOCI"), including loans and advances to customers at FVOCI and financial investments at FVOCI; and
- Financial assets at fair value through profit or loss ("FVTPL").

Financial assets may not be reclassified after initial recognition unless the Bank changes the business model for managing the financial assets, in which case, all affected financial assets are reclassified on the first day of the first reporting period after the business model changes.

The Bank classifies financial assets as measured at amortized cost if they meet the following conditions and have not been designated as financial assets at fair value through profit or loss:

- The purpose of the Bank's business model for managing the financial assets is to receive contractual cash flows;
- The contractual terms of the financial assets stipulate that the cash flows generated on specific dates are only for payment of the principal and the interest based on the amount of principal outstanding.

## Notes to the Financial Statements (Continued)

*(Expressed in thousands of Renminbi, unless otherwise stated)***2 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(7) Financial instruments (continued)****(ii) Classification and subsequent measurement of financial assets (continued)**

The Bank classifies financial assets not designated as FVTPL that meet the following conditions as financial assets at FVOCI:

- The purpose of the Bank's business model for managing the financial assets is to receive contractual cash flows and to sell the financial assets;
- The contractual terms of the financial assets stipulate that the cash flows generated on specific dates are only for payment of the principal and the interest based on the amount of principal outstanding.

For equity investment not held for trading, the Bank may irrevocably designate it as financial asset at FVOCI upon initial recognition. The designation is made on an individual basis and the investment is in line with the definition of the equity instrument from the issuer's perspective.

Except for the above-mentioned financial assets that are measured at amortised cost and at FVOCI, the Bank classifies all other financial assets into financial assets at FVTPL. At the time of initial recognition, if the accounting mismatch can be eliminated or significantly reduced, the Bank can irrevocably designate financial assets that should be measured at amortised cost or FVOCI as financial assets at FVTPL.

The business model for managing financial assets refers to how the Bank manages financial assets to generate cash flows. The business model determines whether the sources of cash flows for financial assets managed by the Bank is contractual cash flows, the sale of financial assets or both. The Bank determines the business model for managing financial assets based on objective facts and specific business objectives for the management of financial assets as determined by key management personnel.

The Bank assesses the contractual cash flow characteristics of financial assets to determine whether the contractual cash flows generated by the relevant financial assets on specific dates are solely for payment of the principal and the interest based on the amount of principal outstanding. Of which, the principal is the fair value of the financial assets at initial recognition; the interest includes the time value of money, the credit risk associated with the outstanding principal amount for a specific period, and the consideration of other basic borrowing risks, costs and profits. In addition, the Bank assesses the contractual terms that may result in a change in the time distribution or amount of contractual cash flows generated by the financial assets to determine whether they meet the requirements of the above contractual cash flow characteristics.



## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (7) Financial instruments (continued)

#### (ii) **Classification and subsequent measurement of financial assets (continued)**

##### *Subsequent measurement of financial assets*

- Financial assets at FVTPL

Subsequent to initial recognition, the financial assets are measured at fair value, and the resulting gains or losses (including interest and dividend income) are included in profit or loss, unless the financial asset is part of a hedging relationship.

- Financial assets measured at amortised cost

Subsequent to initial recognition, the financial assets are measured at amortised cost using the effective interest method. Gains or losses arising from financial assets that are measured at amortised cost and are not a component of any hedges are recognised in profit or loss at the time of derecognition and amortisation using the effective interest method or recognition of impairment.

- Bond investments at FVOCI

Subsequent to initial recognition, the financial assets are measured at fair value. Interest calculated using the effective interest method, impairment losses or gains and exchange gains or losses are recognised in profit or loss, and other gains or losses are included in other comprehensive income. At the time of derecognition, the cumulative gains or losses previously recognised in other comprehensive income are transferred to profit or loss.

- Equity investments at FVOCI

Subsequent to initial recognition, the financial assets are measured at fair value. Dividend income is recognised in profit or loss; other gains or losses are recognised in other comprehensive income. At the time of derecognition, the cumulative gains or losses previously included in other comprehensive income are transferred to retained earnings.

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (7) Financial instruments (continued)

#### (iii) *Classification and subsequent measurement of financial liabilities*

The Bank classifies financial liabilities into financial liabilities at FVTPL and financial liabilities carried at amortised cost.

- Financial liabilities at FVTPL

Subsequent to initial recognition, the financial liabilities are measured at fair value. Any resulting gains or losses (including interest expenses), unless related to hedge accounting, are recognised in profit or loss.

- Financial liabilities measured at amortised cost

Subsequent to initial recognition, other financial liabilities are measured at amortised cost using the effective interest method.

#### (iv) *Impairment*

The Bank recognises provision for expected credit loss ("ECL") on:

- Financial assets measured at amortised cost;
- Debt instruments at FVOCI;
- Credit commitments;
- Financial guarantee contracts.

Other financial assets measured at fair value, including debt or equity securities at FVTPL and equity securities designated at FVOCI (non-recycling), are not subject to the ECL assessment.

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (7) Financial instruments (continued)

#### (iv) Impairment (continued)

##### *Measurement of ECLs*

Expected credit loss is a weighted average of credit losses on financial instruments weighted at the risk of default. ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Bank expects to receive).

The maximum period considered when estimating ECLs is the maximum contractual period (including extension options) over which the Bank is exposed to credit risk.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life.

Expected credit losses over the next 12 months refer to the expected credit losses arising from potential default events of financial instruments that may occur within the subsequent 12 months after the balance sheet date (or within the expected life of the financial instrument, if it is less than 12 months). This represents a portion of the expected credit losses over the entire life of the financial instrument.

ECLs on these financial assets are estimated using a provision matrix based on the Bank's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the balance sheet date.

The Bank's measurement of expected credit losses is described in Note 37(a).

##### *Presentation of provision for ECLs*

ECLs are remeasured at each balance sheet date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. For financial assets measured at amortised cost, provision is offset against their carrying amount in the balance sheet. The Bank recognises provision for debt instruments at FVOCI in other comprehensive income and does not deduct the carrying amount of the financial assets.

## Notes to the Financial Statements (Continued)

*(Expressed in thousands of Renminbi, unless otherwise stated)***2 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(7) Financial instruments (continued)****(iv) Impairment (continued)***Write-off*

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. A write-off constitutes a derecognition event. This is generally the case when the Bank determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Bank's procedures for recovery of amounts due.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

**(v) Derecognition of financial assets and financial liabilities**

Financial assets are derecognised when one of the following conditions is met:

- The Bank's contractual rights to the cash flows from the financial asset expire;
- The financial asset has been transferred and the Bank transfers substantially all of the risks and rewards of ownership of the financial asset;
- The financial asset has been transferred, although the Bank neither transfers nor retains substantially all of the risks and rewards of ownership of the financial asset, it does not retain control over the transferred asset.

Where a transfer of a financial asset in its entirety meets the criteria for derecognition, the difference between the two amounts below is recognised in profit or loss:

- The carrying amount of the financial asset transferred measured at the date of derecognition;
- The sum of the consideration received from the transfer and, when the transferred financial asset is a debt investment at FVOCI, any cumulative gain or loss that has been recognised directly in other comprehensive income for the part derecognised.

The Bank derecognises a financial liability (or part of it) only when its contractual obligation (or part of it) is discharged.

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (7) Financial instruments (continued)

#### (vi) Offsetting

Financial assets and financial liabilities are presented separately in the balance sheet and are not offset. However, a financial asset and a financial liability are offset and the net amount is presented in the balance sheet when both of the following conditions are satisfied:

- The Bank currently has a legally enforceable right to set off the recognised amounts;
- The Bank intends either to settle on a net basis, or to realise the financial asset and settle the financial liability simultaneously.

### (8) Financial assets purchased under resale agreements and sold under repurchase agreements

The assets purchased under resale agreements are not recognised, and the payment is reported as a receivable in the balance sheet and is carried at amortised cost.

Financial assets sold under repurchase agreements continue to be recognised in the balance sheet and are measured in accordance with applicable accounting policies. The funds received are reported as liabilities in the balance sheet and are carried at amortised cost.

Interest earned on resale agreements and interest incurred on repurchase agreements are recognised respectively as interest income and interest expense over the life of each agreement using the effective interest method.

### (9) Fair value measurement

Unless otherwise specified, the Bank measures fair value as follows:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

When measuring fair value, the Bank takes into account the characteristics of the particular asset or liability (including the condition and location of the asset and restrictions, if any, on the sale or use of the asset) that market participants would consider when pricing the asset or liability at the measurement date, and uses valuation techniques that are appropriate in the circumstances and for which sufficient data and other information are available to measure fair value. Valuation techniques mainly include the market approach, the income approach and the cost approach.

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (10) Long-term equity investments

#### ***Investments in associates***

An associate is an enterprise over which the Bank has significant influence.

A long-term equity investment in an associate is accounted for using the equity method for subsequent measurement, unless the investment is classified as held for sale.

#### ***Under the equity method:***

Where the initial cost of a long-term equity investment exceeds the Bank's interest in the fair value of the investee's identifiable net assets at the date of acquisition, the investment is initially recognised at cost. Where the initial investment cost is less than the Bank's interest in the fair value of the investee's identifiable net assets at the date of acquisition, the investment is initially recognised at the investor's share of the fair value of the investee's identifiable net assets, and the difference is recognised in profit or loss.

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (10) Long-term equity investments (continued)

#### (ii) *Investments in associates (continued)*

##### *Under the equity method: (continued)*

After the acquisition of the investment, the Bank recognises its share of the investee's profit or loss and other comprehensive income as investment income or losses and other comprehensive income respectively and adjusts the carrying amount of the investment accordingly. Once the investee declares any cash dividends or profit distributions, the carrying amount of the investment is reduced by the amount attributable to the Bank. Changes in the Bank's share of the investee's owners' equity, other than those arising from the investee's net profit or loss, other comprehensive income or profit distribution ("other changes in owners' equity"), is recognised directly in the Bank's equity, and the carrying amount of the investment is adjusted accordingly.

When calculating the share of net income, other comprehensive income, and other changes in equity realized by the investee, this bank bases its calculations on the fair value of the identifiable net assets of the investee at the time of acquisition, and adjusts according to the bank's accounting policies or periods to recognize investment income and other comprehensive income, etc. Unrealized gains or losses arising from internal transactions with associates are offset proportionally when applying the equity method. If there is evidence that an unrealized loss is due to impairment of related assets, the entire loss is recognized.

The Bank discontinues recognising its share of further losses of the investee after the carrying amount of the long-term equity investment and any long-term interest that in substance forms part of the Bank's net investment in the associate is reduced to zero, except to the extent that the Bank has an obligation to assume additional losses. If the associate subsequently reports net profits, the Bank resumes recognising its share of those profits only after its share of the profits has fully covered the share of losses not recognised.

For the impairment of the investments in associates, refer to Note 2(16).

## Notes to the Financial Statements (Continued)

*(Expressed in thousands of Renminbi, unless otherwise stated)***2 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(11) Property and equipment and construction in progress**

Property and equipment are tangible assets held by the Bank for operation and administration purposes with useful lives over one year.

Property and equipment are stated in the balance sheet at cost less accumulated depreciation and impairment losses (see Note 2(16)). Construction in progress is stated in the balance sheet at cost less impairment loss (Note 2(16)).

The cost of a purchased property and equipment comprises the purchase price, related taxes, and any directly attributable expenditure for bringing the asset to working condition for its intended use.

All direct and indirect costs that are related to the construction of the property and equipment and incurred before the assets are ready for their intended use are capitalised as the cost of construction in progress. Construction in progress is transferred to property and equipment when it is ready for its intended use. No depreciation is provided against construction in progress.

Any subsequent costs including the cost of replacing part of an item of property and equipment are recognised as assets when it is probable that the economic benefits associated with the costs will flow to the Bank, and the carrying amount of the replaced part is derecognised. The costs of the day-to-day maintenance of property and equipment are recognised in profit or loss as incurred.

Gains or losses arising from the retirement or disposal of an item of property and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

The cost of property and equipment are depreciated using the straight-line method over their estimated useful lives, after taking into account their estimated residual values and accumulated impairment losses (that is the cost of property and equipment (net of the estimated residual values) divided by the estimated useful lives). The estimated useful lives, estimated residual value rates and annual depreciation rates of each class of property and equipment are as follows:

Asset category	Estimated useful life	Estimated rate of residual value	Depreciation rate
Premises	20 years	3%	4.85%
Vehicles	3 – 6 years	3%	16.17% – 32.33%
Electronic equipment and others	3 – 5 years	3%	19.40% – 32.33%

Estimated useful lives, estimated residual values and depreciation methods are reviewed at least at each year-end.



## Notes to the Financial Statements (Continued)

*(Expressed in thousands of Renminbi, unless otherwise stated)*

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (12) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including properties under construction for such purposes).

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses. Depreciation is recognised so as to write off the cost of investment properties over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method.

Construction costs incurred for investment properties under construction are capitalised as part of the carrying amount of the investment properties under construction.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

### (13) Leases

A contract is lease if the lessor conveys the right to control the use of an identified asset to lessee for a period of time in exchange for consideration.

At inception of a contract, the Bank assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

## Notes to the Financial Statements (Continued)

*(Expressed in thousands of Renminbi, unless otherwise stated)***2 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(13) Leases (continued)**

To assess whether a contract conveys the right to control the use of an identified asset, the Bank assesses whether:

- the contract involves the use of an identified asset. An identified asset may be specified explicitly or implicitly specified in a contract and should be physically distinct, or capacity portion or other portion of an asset that is not physically distinct but it represents substantially all of the capacity of the asset and thereby provides the customer with the right to obtain substantially all of the economic benefits from the use of the asset. If the supplier has a substantive substitution right throughout the period of use, then the asset is not identified;
- the lessee has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use;
- the lessee has the right to direct the use of the asset.

For a contract that contains lease and non-lease components, the Bank has elected not to separate non-lease components from lease components and account for the lease and non-lease components as a single lease component.

**(i) As a lessee**

The Bank recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability, any lease payments made at or before the commencement date (less any lease incentives received), any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease.

The right-of-use asset is depreciated using the straight-line method. If the lessee is reasonably certain to exercise a purchase option by the end of the lease term, the right-of-use asset is depreciated over the remaining useful lives of the underlying asset. Otherwise, the right-of-use asset is depreciated from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Impairment losses of right-of-use assets are accounted for in accordance with the accounting policy described in Note 2(16).

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. Each institution of The Bank uses interest rate that a lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment as incremental borrowing rate.

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (13) Leases (continued)

#### (i) *As a lessee (continued)*

A constant periodic rate is used to calculate the interest on the lease liability in each period during the lease term with a corresponding charge to profit or loss or included in the cost of assets where appropriate. Variable lease payments not included in the measurement of the lease liability is charged to profit or loss or included in the cost of assets where appropriate as incurred.

Under the following circumstances after the commencement date, the Bank remeasures lease liabilities based on the present value of revised lease payments:

- there is a change in the amounts expected to be payable under a residual value guarantee;
- there is a change in future lease payments resulting from a change in an index or a rate used to determine those payments;
- there is a change in the assessment of whether the Bank will exercise a purchase, extension or termination option, or there is a change in the exercise of the extension or termination option.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

#### (ii) *As a lessor*

The Bank determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset irrespective of whether the legal title to the asset is eventually transferred. An operating lease is a lease other than a finance lease.

When the Bank is a sub-lessor, it assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Bank applies practical expedient described above, then it classifies the sub-lease as an operating lease.

Under a finance lease, at the commencement date, the Bank recognises the finance lease receivable and derecognises the finance lease asset. The finance lease receivable is initially measured at an amount equal to the net investment in the lease. The net investment in the lease is measured at the aggregate of the unguaranteed residual value and the present value of the lease receivable that are not received at the commencement date, discounted using the interest rate implicit in the lease.

## Notes to the Financial Statements (Continued)

*(Expressed in thousands of Renminbi, unless otherwise stated)***2 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(13) Leases (continued)****(ii) As a lessor (continued)**

The Bank recognises finance income over the lease term, based on a pattern reflecting a constant periodic rate of return. The derecognition and impairment of the finance lease receivable are recognised in accordance with the accounting policy in Note 2(7). Variable lease payments not included in the measurement of net investment in the lease are recognised as income as they are earned.

Lease receipts from operating leases is recognised as income using the straight-line method over the lease term. The initial direct costs incurred in respect of the operating lease are initially capitalised and subsequently amortised in profit or loss over the lease term on the same basis as the lease income. Variable lease payments not included in lease receipts are recognised as current period profit or loss as they are earned.

**(14) Intangible assets and Land use rights**

Intangible assets and land use rights are stated in the balance sheet at cost or share-based restructuring basis valuation less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see Note 2(16)). The cost of intangible assets and land use rights less estimated residual value and accumulated impairment losses is amortised on a straight-line basis over the estimated useful lives.

The respective amortisation periods for such intangible assets and land use rights are as follows:

Land use rights	35 – 50 years
Computer software	2 – 10 years

## Notes to the Financial Statements (Continued)

*(Expressed in thousands of Renminbi, unless otherwise stated)*

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (15) Repossessed assets

Repossessed assets are physical assets or property rights obtained by the Bank from debtors, warrantors or third parties following the enforcement of its creditor's rights. The repossessed assets are initially recognised at fair value, and are subsequently measured at the lower of the carrying value and net realisable value. If the net realisable value is lower than the carrying value of the repossessed assets, the assets are written down to the net realisable value.

### (16) Impairment of non-financial assets

The carrying amount of the following assets are reviewed at each balance sheet date based on internal and external sources of information to determine whether there is any indication of impairment:

- Property and equipment;
- Construction in progress;
- Right-of-use assets;
- Intangible assets and Land use rights; and
- Investments in subsidiaries and associates.

If any indication that an asset may be impaired, the recoverable amount of the asset is estimated.

## Notes to the Financial Statements (Continued)

*(Expressed in thousands of Renminbi, unless otherwise stated)*

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (16) Impairment of non-financial assets (continued)

An asset group is composed of assets directly related to cash generation and is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or asset groups.

The recoverable amount of an asset (or asset group, set of asset groups) is the higher of its fair value less costs to sell and its present value of expected future cash flows. If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset; if it is not possible to estimate the recoverable amount of the individual asset, the Bank determines the recoverable amount of the asset group to which the assets belong.

The present value of expected future cash flows of an asset is determined by discounting the future cash flows, estimated to be derived from continuing use of the asset and from its ultimate disposal, to their present value using an appropriate pre-tax discount rate, taking into account the expected future cash, useful life and discount rate.

An impairment loss is recognised in profit or loss when the recoverable amount of an asset is less than its carrying amount. A provision for impairment of the asset is recognised accordingly. Impairment losses related to an asset group or a set of asset groups are allocated first to reduce the carrying amount of any goodwill allocated to the asset group or set of asset groups, and then to reduce the carrying amount of the other assets in the asset group or set of asset groups on a pro rata basis. However, such allocation would not reduce the carrying amount of an asset below the highest of its fair value less costs to sell (if measurable), its present value of expected future cash flows (if determinable) and zero.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount had no impairment loss been recognised. A reversal of an impairment loss is recognised in the income statement.

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (17) Employee benefits

#### (i) *Short-Term Employee Benefits and Defined Contribution Pension Plan Contributions*

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the period in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

The defined contribution retirement plans of the Bank include the social pension schemes, annuity plan, housing fund and other social insurances.

#### *Social pension schemes*

Pursuant to the relevant laws and regulations in the PRC, the Bank has participated in the social pension schemes for the employees arranged by local government labour and security authorities. The Bank makes contributions to the retirement schemes at the applicable rates based on the amounts stipulated by the government. The contributions are charged to the profit or loss on an accrual basis. When employees retire, the local government labour and security authorities are responsible for the payment of the basic retirement benefits to the retired employees.

#### *Annuity plan*

The Bank provides an annuity plan to the eligible employees. The Bank makes annuity contributions in proportion to its employees' total salaries and bonuses, which are charged to profit or loss when the contributions are made.

#### *Housing fund and other social insurances*

In addition to the retirement benefits above, the Bank has joined social security contributions schemes for employees pursuant to the relevant laws and regulations of the PRC. These schemes include a housing fund, basic medical insurance, unemployment insurance, injury insurance and maternity insurance. The Bank makes monthly contributions to the housing fund and other social insurances schemes at the applicable rates based on the amounts stipulated by the relevant government authorities. The contributions are charged to profit or loss on an accrual basis.

**Notes to the Financial Statements (Continued)***(Expressed in thousands of Renminbi, unless otherwise stated)***2 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(17) Employee benefits (continued)****(ii) Supplementary retirement benefits***Early retirement plan*

The Bank provides early retirement benefit payments to employees who voluntarily agreed to retire early for the period from the date of early retirement to the regulated retirement date. The benefit is discounted to determine the present value based on certain assumptions. The calculation is performed by a qualified actuary using the projected unit credit method. Differences arising from changes in assumptions and estimates of the present value of the liabilities are recognised in profit or loss when incurred.

*Supplementary retirement plan*

The Bank provides a supplementary retirement plan to its eligible employees. The Bank's obligations in respect of the supplementary retirement plan are calculated by estimating the present value of the total amount of future benefits that the Bank is committed to pay to the employees after their retirement. The calculation is performed by a qualified actuary using the projected unit credit method. Such obligations were discounted at the interest yield of government bonds with similar duration at the reporting date. The related service cost and net interest from the retirement plan are recognised in profit or loss, and the actuarial gains and losses arising from remeasurements are recognised in other comprehensive income.

Early retirement plan and supplementary retirement plan thereafter collectively referred to as "supplementary retirement benefits". Except for the above mentioned, the Bank has no significant responsibilities to pay any other retirement benefits to employees.



## Notes to the Financial Statements (Continued)

*(Expressed in thousands of Renminbi, unless otherwise stated)*

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (18) Income tax

Current tax and deferred tax are recognised in profit or loss except to the extent that they relate to items that are recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable calculated at the applicable tax rate on the taxable income for the period, and any adjustment to tax payable in respect of previous years.

At the balance sheet date, current tax assets and liabilities are offset if the taxable entity has a legally enforceable right to set off them and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences being the differences between the carrying amount of assets and liabilities for financial reporting purposes and their tax bases, which include the deductible losses and tax credits carried forward to subsequent periods. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be used.

Deferred tax is not recognised for the temporary differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting profit nor taxable profit (or tax loss) and does not give rise to equal taxable and deductible temporary differences. The temporary difference arising from the initial recognition of goodwill does not give rise to deferred tax. And those related to the income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development do not give rise to deferred tax.

The Bank recognised deferred tax assets and deferred tax liabilities separately in relation to its lease liabilities and right-of-use assets.

At the balance sheet date, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities using tax rates that are expected to be applied in the period when the asset is realised or the liability is settled in accordance with tax laws.

The carrying amount of a deferred tax asset is reviewed at the balance sheet date. The carrying amount of a deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefit of the deferred tax asset to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

**Notes to the Financial Statements (Continued)***(Expressed in thousands of Renminbi, unless otherwise stated)***2 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(18) Income tax (continued)**

At the balance sheet date, deferred tax assets and liabilities are offset if all the following conditions are met:

- The taxable entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- They relate to income taxes levied by the same tax authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities, simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

**(19) Financial guarantees, provisions and contingent liabilities****(i) Financial guarantees**

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the "holder") for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

The Bank used the expected credit loss model to measure losses incurred because a specified debtor fails to make payment when due, and included them in provisions. Refer to Note 2(7) (iv) for details of the expected credit loss model.

**(ii) Other provisions**

A provision is recognised for an obligation related to a contingency if the Bank has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation. Where the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows. Factors pertaining to a contingency such as the risks, uncertainties and time value of money are taken into account as a whole in reaching the best estimate. Where there is a continuous range of possible outcomes for the expenditure required, and each possible outcome in that range is as likely as any other, the best estimate is the mid- point of that range. In other cases, the best estimate is determined according to the following circumstances:

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (19) Financial guarantees, provisions and contingent liabilities (continued)

#### (ii) Other provisions (continued)

- Where the contingency involves a single item, the best estimate is the most likely outcome;
- Where the contingency involves a large population of items, the best estimate is determined by weighting all possible outcomes by their associated probabilities.

The Bank reviews the carrying amount of a provision at the balance sheet date and adjusts the carrying amount to the current best estimate.

### (20) Fiduciary activities

The Bank acts in fiduciary activities as a manager, a custodian, or an agent for customers. Assets held by the Bank and the related undertakings to return such assets to customers are recorded as off-balance sheet items as the risks and rewards of the assets reside with customers.

The Bank enters into entrusted loan agreements with customers, whereby the customers provide funding (the “entrusted funds”) to the Bank, and the Bank grants loans to third parties (the “entrusted loans”) under instructions of the customers. As the Bank does not assume the risks and rewards of the entrusted loans and the corresponding entrusted funds, the entrusted loans and funds are recorded as off-balance sheet items at their principal amount. No provision for impairment loss is made for entrusted loans.

### (21) Income recognition

Income is recognised when the Bank satisfies the performance obligation in the contract which by transferring the control over relevant goods or services to the customers.

The following is the description of accounting policies regarding income from the Bank’s principal activities.

#### (i) Interest income

Interest income for financial assets is recognised in profit or loss as it is incurred, based on the time for alienation of right to use capital and effective interest rates. Interest income includes the amortisation of any discount or premium or differences between the initial carrying amount of an interest-bearing asset and its amount at maturity calculated using the effective interest rate.

## Notes to the Financial Statements (Continued)

*(Expressed in thousands of Renminbi, unless otherwise stated)***2 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(21) Income recognition (continued)****(i) Interest income (continued)**

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating the interest income over the Relevant Periods. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset. When calculating the effective interest rate, the Bank estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract, transaction costs and all other premiums or discounts that are an integral part of the effective interest rate.

Interest on the impaired assets is recognised using the rate of interest used to discount future cash flows for the purpose of measuring the related impairment loss.

**(ii) Fee and commission income**

The Bank earns fee and commission income from a diverse range of services it provides to its customers. The fee and commission income recognised by the Bank reflects the amount of consideration to which the Bank expects to be entitled in exchange for transferring promised services to customers, and income is recognised when its performance obligation in contracts is satisfied.

The Bank recognises income over time by measuring the progress towards the complete satisfaction of a performance obligation, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Bank's performance as the Bank performs;
- The customer controls the service provided by the Bank in the course of performance;
- The Bank does not provide service with an alternative use to the Bank, and the Bank has an enforceable right to payment for performance completed to date; or
- In other cases, the Bank recognises revenue at a point in time at which a customer obtains control of the promised services.

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (21) Income recognition (continued)

#### (iii) **Government grants**

Government grants are recognised in the statements of financial position initially when there is reasonable assurance that they will be received and that the Bank will comply with the conditions attaching to them. Grants that compensate the Bank for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Bank for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

#### (iv) **Other income**

Other income is recognised on an accrual basis.

### (22) Expense recognition

#### (i) **Interest expenses**

Interest expenses from financial liabilities are accrued on a time proportion basis with reference to the amortised cost and the applicable effective interest rate.

#### (ii) **Other expenses**

Other expenses are recognised on an accrual basis.

### (23) Dividends

Dividends proposed in the profit appropriation plan which will be authorised and declared after the balance sheet date are not recognised as a liability at the balance sheet date but disclosed separately in the notes to the financial statements.

## Notes to the Financial Statements (Continued)

*(Expressed in thousands of Renminbi, unless otherwise stated)***2 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(24) Related parties****(i) A person, or a close member of that person's family, is related to the Bank if that person:**

- (a) has control or joint control over the Bank;
- (b) has significant influence over the Bank; or
- (c) is a member of the key management personnel of the Bank or the Bank's parent.

**(ii) An entity is related to the Bank if any of the following conditions applies:**

- (a) The entity and the Bank are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- (b) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a Group of which the other entity is a member);
- (c) Both entities are joint ventures of the same third party;
- (d) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (e) The entity is a post-employment benefit plan for the benefit of employees of either the Bank or an entity related to the Bank;
- (f) The entity is controlled or jointly controlled by a person identified in (i);
- (g) A person identified in (i) (a) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity);
- (h) The entity, or any member of a group of which it is a part, provides key management personnel services to the Bank or to the Bank's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

## Notes to the Financial Statements (Continued)

*(Expressed in thousands of Renminbi, unless otherwise stated)*

## 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### (25) Segment reporting

Reportable segments are identified based on operating segments which are determined based on the structure of the Bank's internal organisation, management requirements and internal reporting system, whose operating results are regularly reviewed by the Bank's management to make decisions about resources to be allocated to the segment and assess its performance. Inter-segment revenues are measured on the basis of the actual transaction prices for such transactions for segment reporting. Segment accounting policies are consistent with those for the consolidated financial statements.

### (26) Determination of control over investees

Management applies its judgement to determine whether the Bank is acting as agent or principal in relation to the structured entities in which the Bank acts as an asset manager. In assessing whether the Bank is acting as agent, the Bank considers factors such as scope of the asset manager's decision-making authority, rights held by other parties, remuneration to which it is entitled and exposure to variability of returns.

### (27) Use of judgements and estimates

In determining the carrying amounts of some assets and liabilities, the Bank makes assumptions for the effects of uncertain future events on the assets and liabilities at the end of the reporting period. These estimates involve assumptions about cash flows and the discount rates used. The Bank's estimates and assumptions are based on historical experience and expectations of future events and are reviewed periodically. In addition to the assumptions and estimations of future events, judgements are also made during the process of applying the Bank's accounting policies.

Except for accounting estimates relating to depreciation and amortisation of assets such as property and equipment and construction in progress, investment properties, intangible assets and land use rights, and other assets (see Note 2(11), Note 2(12) and Note 2(14)) and allowances for impairment losses of various types of assets (see Notes 15, 16, 17, 18, 19, 20 and 22). Other material accounting estimates are as follows:

- (i) Note 21: Recognition of deferred tax assets;
- (ii) Note 32: Structured entities; and
- (iii) Note 38: Fair value of financial instruments.

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 3 NET INTEREST INCOME

	2024	2023
<b>Interest income arising from</b>		
Deposits with the central bank	301,463	293,396
Deposits with banks and other financial institutions	85,294	49,562
Financial assets held under resale agreements	320,013	370,795
Loans and advances to customers		
– Corporate loans and advances	14,137,049	14,260,386
– Personal loans and advances	2,035,041	1,982,447
– Discounted bills	162,937	137,017
Financial investments	4,801,259	5,085,012
Sub-total	21,843,056	22,178,615
<b>Interest expense arising from</b>		
Borrowings from the central bank	(1,033,767)	(1,013,607)
Deposits from banks and other financial institutions	(656,162)	(601,700)
Placements from banks and other financial institutions	(104,728)	(146,086)
Financial assets sold under repurchase agreements	(108,451)	(112,692)
Deposits from customers	(8,408,935)	(8,997,327)
Debt securities issued	(2,368,962)	(2,557,185)
Sub-total	(12,681,005)	(13,428,597)
<b>Net interest income</b>	9,162,051	8,750,018



## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 4 NET FEE AND COMMISSION INCOME

## (a) Income and expense streams:

	2024	2023
<b>Fee and commission income</b>		
Agency services fees	216,273	153,610
Acceptance and guarantee services fees	201,399	238,858
Bank card services fees	82,405	95,382
Settlement and clearing fees	33,814	39,567
Fund supervision services and consultancy services fees	12,465	21,495
	<hr/>	<hr/>
Sub-total	546,356	548,912
	<hr/>	<hr/>
<b>Fee and commission expense</b>		
Bank card services fees	(131,101)	(110,946)
Other services fees	(114,244)	(99,717)
	<hr/>	<hr/>
Sub-total	(245,345)	(210,663)
	<hr/>	<hr/>
<b>Net fee and commission income</b>	<u>301,011</u>	<u>338,249</u>

## (b) Contract liabilities

The following table provides information about contract liabilities from contracts with customers.

	2024	2023
Contract liabilities	9,745	20,197

The contract liabilities primarily relate to the fees received from customers on fund supervision services. This is recognised as revenue over the period for which a customer is expected to continue receiving fund supervision services. The contract does not have a significant financing component.

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 5 NET TRADING GAINS

	Note	2024	2023
Net gains from debt securities	(a)	902,484	938,610
Net foreign exchange gains/(losses)	(b)	<u>2,373</u>	<u>(358)</u>
Total		<u><u>904,857</u></u>	<u><u>938,252</u></u>

- (a) Net gains from debt securities include gains arising from the buying and selling of, and changes in the fair value of debt securities held for trading.
- (b) Net foreign exchange gains/(losses) mainly include gains/(losses) from translation of foreign currency monetary assets and liabilities into Renminbi.

## 6 NET GAINS ARISING FROM INVESTMENT SECURITIES

	Note	2024	2023
Net gains of financial investments at fair value through profit or loss	(a)	1,564,218	930,434
Net gains of financial investments at fair value through other comprehensive income		410,018	65,672
Net gains on disposal of financial investments at amortised cost		<u>42,558</u>	<u>115,882</u>
Total		<u><u>2,016,794</u></u>	<u><u>1,111,988</u></u>

- (a) Net gains of financial investments at fair value through profit or loss include the investment income and fair value changes of financial investments at fair value through profit or loss except for debt securities held for trading.

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

**7 OTHER OPERATING INCOME/(EXPENSES)**

	Note	2024	2023
Government grants	(a)	18,897	186,489
Rental income		12,962	3,488
Penalty income		939	1,514
Net losses on disposal of repossessed assets		(1,838)	(5,120)
Net (losses)/gains on disposal of property and equipment and intangible assets		(1,334)	12,654
Others		3,325	7,156
Total		32,951	206,181

- (a) The government grants recognised as other operating income primarily consist of grants received by the Bank for small and micro-enterprise loans. These grants are provided by PBOC using special rediscount quotas through interest rate swap agreements, at a certain percentage of inclusive small and micro-enterprise credit loans extended by qualified local commercial banking institutions, with the aim of promoting credit lending to small and micro-enterprises.

**8 OPERATING EXPENSES**

	2024	2023
Staff costs		
– Salaries, bonuses and allowances	1,521,896	1,615,780
– Social insurance and annuity	489,025	487,323
– Staff welfares	55,436	169,907
– Housing allowances	138,394	134,693
– Employee education expenses and labour union expenses	39,608	42,764
Sub-total	2,244,359	2,450,467
Depreciation and amortisation	380,185	399,616
Depreciation charge for the right-of-use assets	121,586	124,865
Taxes and surcharges	165,732	168,739
Interest expense on lease liabilities	10,255	11,604
Rental and property management expenses	37,948	42,437
Other general and administrative expenses	750,951	772,019
Total	3,711,016	3,969,747

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 9 DIRECTORS' AND SUPERVISOR' EMOLUMENTS

Directors' and supervisors' emoluments disclosed pursuant to Section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

		2024			
	Note	Fees	Salaries	Discretionary bonus	Contribution by the employer to social insurance and welfare plans, housing allowance, etc.
<b>Executive directors</b>					
Yang Mingshang		–	795	–	101
Xu An	(e)	–	42	–	8
Cai Dong		–	681	–	101
Wu Fan	(f)	–	801	–	101
<b>Non-executive directors</b>					
Chen Jingde	(i)	–	–	–	–
Chen Hanqing		–	–	–	–
Gong Taotao		–	–	–	–
Zhao Yong	(i)	–	–	–	–
Sun Junwei	(b)/(k)	–	–	–	–
Ye Jiangmei	(b)/(i)	–	–	–	–
Chen Duohang	(g)/(j)	–	–	–	–
Zhang Yan	(i)	–	–	–	–
Hu Yuwen	(i)	–	–	–	–

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 9 DIRECTORS' AND SUPERVISOR' EMOLUMENTS (CONTINUED)

		2024				
	Note	Fees	Salaries	Discretionary bonus	Contribution by the employer to social insurance and welfare plans, housing allowance, etc.	Total emoluments before tax
<b>Independent non-executive directors</b>						
Wang Gefan		210	–	–	–	210
Tang Xin		210	–	–	–	210
Song Ke		210	–	–	–	210
Jiang Shangjun	(i)	–	–	–	–	–
Jia Xiangsen	(i)	–	–	–	–	–
Li Haoran		210	–	–	–	210
Sun Li		210	–	–	–	210
Yin Mengbo	(i)	–	–	–	–	–
Chen Rong	(i)	–	–	–	–	–
Wang Yao	(i)	–	–	–	–	–
<b>Supervisors</b>						
Yin Xinquan		210	–	–	–	210
Cheng Yunlong		–	–	–	–	–
Su Zhi	(h)	210	–	–	–	210
Zhang Hui		–	788	–	101	889
Wang Wei		–	764	–	101	865
He Xinzhang	(l)	–	–	–	–	–
Zhang Ruibin	(i)	–	–	–	–	–
Total		1,470	3,871	–	513	5,854

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 9 DIRECTORS' AND SUPERVISOR' EMOLUMENTS (CONTINUED)

2023						
	Notes	Fees	Salaries	Discretionary bonus	Contribution by the employer to social insurance and welfare plans, housing allowance, etc.	Total emoluments before tax
<b>Executive directors</b>						
Yang Mingshang		–	587	–	96	683
Xu An		–	621	–	96	717
Cai Dong		–	503	–	96	599
<b>Non-executive directors</b>						
Chen Jingde		–	–	–	–	–
Chen Hanqing		–	–	–	–	–
Gong Taotao		–	–	–	–	–
Zhao Yong		–	–	–	–	–
Sun Junwei	(b)/(c)	–	–	–	–	–
Ye Jiangmei	(b)/(c)	–	–	–	–	–
Wu Zhijun	(b)/(d)	–	–	–	–	–
<b>Independent non-executive directors</b>						
Wang Gefan		210	–	–	–	210
Tang Xin		210	–	–	–	210
Song Ke		210	–	–	–	210
Jiang Shangjun		–	–	–	–	–
Jia Xiangsen		–	–	–	–	–
Li Haoran		127	–	–	–	127
Sun Li		67	–	–	–	67

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 9 DIRECTORS' AND SUPERVISOR' EMOLUMENTS (CONTINUED)

2023						
	Notes	Fees	Salaries	Discretionary bonus	Contribution by the employer to social insurance and welfare plans, housing allowance, etc.	Total emoluments before tax
<b>Supervisors</b>						
Wu Fan		–	597	–	96	693
Yin Xinquan		210	–	–	–	210
Chen Houyi	(a)	210	–	–	–	210
Cheng Yunlong		–	–	–	–	–
Su Zhi		210	–	–	–	210
Zhang Hui		–	933	–	96	1,029
Wang Wei		–	836	–	96	932
He Xinzhang		–	–	–	–	–
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total		1,454	4,077	–	576	6,107
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

There was no amount paid during the year ended December 31, 2024 to the directors in connection with their retirement from employment or compensation for loss of office with the Bank, or inducement to join the Bank (2023: nil). There was no arrangement under which a director or supervisor waived or agreed to waive any remuneration during the year ended December 31, 2024 (2023: nil).

- (a) On April 27, 2023, Chen Houyi resigned as a supervisor of the third session of the Bank's Supervisory Board.
- (b) At the shareholders' meeting held on May 18, 2023, Wu Zhijun, Sun Junwei, and Ye Jiangmei were elected as non-executive directors of the third session of the Bank's Board of Directors. The qualifications of these three directors still need to be approved by NFRA.
- (c) On October 9, 2023, Sun Junwei and Ye Jiangmei were approved by NFRA to serve as non-executive directors of the third session of the Bank's Board of Directors.
- (d) On December 26, 2023, Wu Zhijun resigned from his position as a proposed non-executive director of the third session of the Bank's Board of Directors; The shareholder China Guizhou Maotai Wine Factory Co., Ltd. nominated Chen Duohang as a non-executive director of the third session of the Bank's Board of Directors. His qualifications still need to be reviewed and approved by the shareholders' meeting and NFRA.
- (e) On March 7, 2024, Xu An resigned as an executive director and president of the third session of the Bank's Board of Directors.

## Notes to the Financial Statements (Continued)

*(Expressed in thousands of Renminbi, unless otherwise stated)***9 DIRECTORS' AND SUPERVISOR' EMOLUMENTS (CONTINUED)***Notes: (continued)*

- (f) On March 7, 2024, Wu Fan resigned as chairman of the third session of the Bank's the Board of Supervisors and as an employee supervisor. On the same day, she was nominated by the Board of Directors as a candidate for the executive director of the third session of the Bank's Board of Directors and was approved at the Extraordinary Shareholders' Meeting held on March 27, 2024. Her qualifications still need to be approved by NFRA.
- (g) At the Extraordinary Shareholders' Meeting held on March 27, 2024, Chen Duohang was appointed as a non-executive director of the third session of the Bank's Board of Directors. His qualifications still need to be approved by NFRA.
- (h) On May 18, 2024, Su Zhi resigned as a supervisor of the third session of the Bank's Supervisory Board.
- (i) At the shareholders' meeting held on June 27, 2024, Zhang Yan and Hu Yuwen were elected as non-executive directors of the fourth session of the Bank's Board of Directors. Yin Mengbo, Chen Rong and Wang Yao were elected as independent non-executive directors of the fourth session of the Bank's Board of Directors. Zhang Ruibin was elected as an external supervisor of the third session of the Bank's Supervisory Board. The qualifications of Zhang Yan, Hu Yuwen, Yin Mengbo, Chen Rong and Wang Yao still need to be approved by NFRA. Chen Jinde, Ye Jiangmei and Zhao Yong resigned as non-executive directors of the third session of the Bank's Board of Directors upon expiration of their terms. After the change of the director, Jiang Shangjun and Jia Xiangsen no longer served as independent non-executive directors of the Bank.
- (j) On July 15, 2024, Chen Duohang was approved by NFRA to serve as a non-executive director of the fourth session of the Bank's Board of Directors .
- (k) On August 6, 2024, Sun Junwei resigned as a non-executive director of the fourth session of the Bank's Board of Directors .
- (l) On September 6, 2024, He Xinzhang resigned as a supervisor of the third session of the Bank's Supervisory Board .



## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

### 10 INDIVIDUALS WITH HIGHEST EMOLUMENTS

For the year ended December 31, 2024, there was no director or supervisor included in the five individuals with highest emoluments (2023: nil). The emoluments for the other highest paid individuals are shown as follows:

	2024	2023
Salaries and other emoluments	1,200	1,780
Performance bonus	2,715	5,214
Contributions to pension schemes	308	294
Contribution by the employer to social insurance and welfare plans, housing allowance, etc.	506	482
Total	4,729	7,770

The number of these individuals whose emoluments are within the following bands is set out as below:

	2024	2023
HK\$500,000 – HK\$1,000,000	5	–
HK\$1,000,001 – HK\$1,500,000	–	–
HK\$1,500,001 – HK\$2,000,000	–	5

None of these individuals received any inducement to join or upon joining the Bank or compensation for loss of office, or waived any emoluments during the year ended December 31, 2024 (2023: nil).

### 11 IMPAIRMENT LOSSES ON ASSETS

	2024	2023
Loans and advances to customers	4,904,242	2,820,096
Financial investments	(431,723)	703,730
Credit commitments	(28,937)	(142,884)
Deposits with banks and other financial institutions	6,169	2,529
Financial assets held under resale agreements	(584)	602
Others	93,666	(59,971)
Total	4,542,833	3,324,102

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 12 INCOME TAX EXPENSE

## (a) Income tax:

	Note	2024	2023
Current tax		1,356,524	1,141,460
Deferred tax	21(b)	(980,994)	(757,314)
Total		375,530	384,146

## (b) Reconciliations between income tax and accounting profit are as follows:

	Note	2024	2023
Profit before tax		4,154,041	4,037,482
Statutory tax rate		25%	25%
Income tax calculated at statutory tax rate		1,038,510	1,009,371
Non-deductible expenses		38,855	99,773
Non-taxable income	(i)	(701,835)	(724,998)
Income tax		375,530	384,146

- (i) The non-taxable income mainly represents the interest income arising from treasury bonds and municipal government bonds, and investment income arising from fund investments.

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 13 BASIC AND DILUTED EARNINGS PER SHARE

	Note	2024	2023
Net profit for the year		3,778,511	3,653,336
Less: distribution to perpetual bondholders		<u>161,808</u>	<u>112,500</u>
Adjusted net profit attributable to equity shareholders of the Bank		3,616,703	3,540,836
Weighted average number of ordinary shares (in thousands)	(a)	<u>14,588,047</u>	<u>14,588,047</u>
Basic and diluted earnings per share (in RMB)		<u><u>0.25</u></u>	<u><u>0.24</u></u>

There is no difference between basic and diluted earnings per share as there were no potentially dilutive shares outstanding during the year.

## (a) Weighted average number of ordinary shares (in thousands)

	2024	2023
Number of ordinary shares as at January 1 and December 31	<u><u>14,588,047</u></u>	<u><u>14,588,047</u></u>

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 14 CASH AND DEPOSITS WITH THE CENTRAL BANK

	Note	2024	2023
Cash on hand		536,045	481,083
Deposits with the central bank			
– Statutory deposit reserves	(a)	18,151,233	18,647,842
– Surplus deposit reserves	(b)	132,695	10,354,837
– Fiscal deposits		93,487	257,546
Sub-total		18,377,415	29,260,225
Accrued interest		9,674	9,535
Total		18,923,134	29,750,843

- (a) The Bank places statutory deposit reserves with the PBOC in accordance with relevant regulations. As of December 31, the statutory deposit reserve ratios applicable to the Bank were as follows:

	2024	2023
Reserve ratio for RMB deposits	5.00%	5.00%
Reserve ratio for foreign currency deposits	4.00%	4.00%

- (b) The surplus deposit reserves are maintained with the PBOC for the purpose of clearing.

## 15 DEPOSITS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

Analysed by type and location of counterparty:

	2024	2023
Deposits in mainland China		
– Banks	7,468,870	5,910,506
– Other financial institutions	20,814	63,816
Sub-total	7,489,684	5,974,322
Accrued interest	21,927	3,426
Less: provision for impairment losses	(9,672)	(3,503)
Net carrying amount	7,501,939	5,974,245

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

**16 FINANCIAL ASSETS HELD UNDER RESALE AGREEMENTS****(a) Analysed by type and location of counterparty**

	2024	2023
In mainland China		
– Banks	20,445,940	1,651,839
Sub-total	20,445,940	1,651,839
Accrued interest	1,121	–
Less: provision for impairment losses	(18)	(602)
Total	20,447,043	1,651,237

**(b) Analysed by type of collateral held**

	2024	2023
Debt securities	20,445,940	–
Bills	–	1,651,839
Accrued interest	1,121	–
Less: provision for impairment losses	(18)	(602)
Net carrying amount	20,447,043	1,651,237

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 17 LOANS AND ADVANCES TO CUSTOMERS

## (a) Analysed by nature

	2024	2023
<b>Loans and advances to customers measured at mortised cost</b>		
Corporate loans and advances	288,392,926	272,961,135
Personal loans and advances		
– Residential mortgage loans	24,382,255	21,534,597
– Personal business loans	14,573,041	14,950,460
– Personal consumption loans	5,367,267	2,949,347
– Credit cards	5,859,338	8,095,470
Sub-total	50,181,901	47,529,874
Accrued interest	589,492	680,049
Less: provision for loans and advances to customers measured at amortised cost	(18,825,137)	(16,018,352)
Sub-total	320,339,182	305,152,706
<b>Loans and advances to customers measured at fair value through other comprehensive income</b>		
Discounted bills	8,510,175	11,457,527
Sub-total	8,510,175	11,457,527
Net loans and advances to customers	328,849,357	316,610,233

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 17 LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)

## (b) Analysed by industry sector

	2024		
	Amount	Percentage	Loans and advances secured by collaterals
Leasing and commercial services	114,315,546	32.94%	28,087,008
Whole sale and retail trade	50,697,700	14.61%	6,342,053
Manufacturing	22,935,863	6.61%	5,678,098
Water resources, environment and public facilities management	21,049,689	6.06%	4,506,812
Construction	15,725,022	4.53%	3,411,365
Transportation, storage and postal services	10,172,461	2.93%	3,146,765
Agriculture, forestry, animal husbandry and fishery	9,462,838	2.73%	1,297,115
Real estate	8,813,685	2.54%	3,973,972
Mining	8,434,650	2.43%	3,619,367
Education	7,739,659	2.23%	893,455
Production and supply of electric power, gas and water	6,430,818	1.85%	818,615
Health and social work	5,081,020	1.46%	298,884
Accommodation and catering	2,346,950	0.68%	716,592
Others	5,187,025	1.49%	509,231
Sub-total of corporate loans and advances	288,392,926	83.09%	63,299,332
Personal loans and advances	50,181,901	14.46%	26,241,976
Discounted bills	8,510,175	2.45%	—
Gross loans and advances to customers (excluding accrued interest)	347,085,002	100.00%	89,541,308

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 17 LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)

## (b) Analysed by industry sector (continued)

	2023		Loans and advances secured by collaterals
	Amount	Percentage	
Leasing and commercial services	117,769,558	35.47%	33,062,023
Whole sale and retail trade	38,401,722	11.57%	5,392,173
Water resources, environment and public facilities management	22,134,212	6.67%	4,370,703
Construction	16,031,883	4.83%	4,280,428
Manufacturing	13,819,068	4.16%	2,803,611
Mining	10,558,957	3.18%	6,108,036
Transportation, storage and postal services	10,551,470	3.18%	4,368,249
Agriculture, forestry, animal husbandry and fishery	9,667,137	2.91%	969,364
Education	9,497,361	2.86%	854,565
Real estate	7,541,163	2.27%	4,865,201
Health and social work	4,703,024	1.42%	329,716
Production and supply of electric power, gas and water	4,685,312	1.41%	434,527
Accommodation and catering	1,561,433	0.47%	585,269
Others	6,038,835	1.83%	566,825
Sub-total of corporate loans and advances	272,961,135	82.23%	68,990,690
Personal loans and advances	47,529,874	14.32%	23,793,966
Discounted bills	11,457,527	3.45%	–
Gross loans and advances to customers (excluding accrued interest)	331,948,536	100.00%	92,784,656



## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 17 LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)

## (c) Analysed by type of collateral

	2024	2023
Unsecured loans	60,648,616	54,906,012
Guaranteed loans	196,895,078	184,257,868
Collateralised loans	55,593,312	52,216,096
Pledged loans	33,947,996	40,568,560
Gross loans and advances to customers	347,085,002	331,948,536
Accrued interest	589,492	680,049
Less: provision for loans and advances to customers measured at amortised cost	(18,825,137)	(16,018,352)
Net loans and advances to customers	328,849,357	316,610,233

## (d) Overdue loans analysed by over due period

	Overdue within three months (inclusive)	Overdue more than three months to one year (inclusive)	2024 Overdue more than one year to three years (inclusive)	Overdue more than three years	Total
Unsecured loans	524,951	999,179	187,883	3,248	1,715,261
Guaranteed loans	318,214	636,083	399,692	189,010	1,542,999
Collateralised loans	389,624	614,706	1,299,352	91,828	2,395,510
Pledged loans	1,900	14,693	24,105	91,900	132,598
Total	1,234,689	2,264,661	1,911,032	375,986	5,786,368
As a percentage of gross loans and advances to customers	0.36%	0.65%	0.55%	0.11%	1.67%

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 17 LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)

## (d) Overdue loans analysed by over due period (continued)

	Overdue within three months (inclusive)	Overdue more than three months to one year (inclusive)	2023 Overdue more than one year to three years (inclusive)	Overdue more than three years	Total
Unsecured loans	347,055	493,054	28,906	3,656	872,671
Guaranteed loans	492,391	293,575	523,756	17,634	1,327,356
Collateralised loans	1,273,569	2,306,675	401,337	148,240	4,129,821
Pledged loans	17,500	6,605	91,900	–	116,005
Total	<u>2,130,515</u>	<u>3,099,909</u>	<u>1,045,899</u>	<u>169,530</u>	<u>6,445,853</u>
As a percentage of gross loans and advances to customers	<u>0.64%</u>	<u>0.93%</u>	<u>0.32%</u>	<u>0.05%</u>	<u>1.94%</u>

Overdue loans represent loans of which the whole or part of the principal or interest were overdue for one day or more.

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 17 LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)

## (e) Loans and advances and provision for impairment losses

	2024			
	Expected credit losses over the next 12 months	Lifetime expected credit losses not credit-impaired	Lifetime expected credit losses credit-impaired	Total
Total loans and advances to customers measured at amortised cost	290,775,388	42,263,560	6,125,371	339,164,319
Less: provision for impairment losses	(6,714,773)	(7,368,089)	(4,742,275)	(18,825,137)
Carrying amount of loans and advances to customers measured at amortised cost	284,060,615	34,895,471	1,383,096	320,339,182
Carrying amount of loans and advances to customers measured at fair value through other comprehensive income	8,510,175	—	—	8,510,175
Total carrying amount of loans and advances to customers	292,570,790	34,895,471	1,383,096	328,849,357

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 17 LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)

## (e) Loans and advances and provision for impairment losses (continued)

	Expected credit losses over the next 12 months	2023		Total
		Lifetime expected credit losses not credit-impaired	Lifetime expected credit losses credit- impaired	
Total loans and advances to customers measured at amortised cost	288,585,993	25,821,951	6,763,114	321,171,058
Less: provision for impairment losses	<u>(5,706,936)</u>	<u>(4,643,801)</u>	<u>(5,667,615)</u>	<u>(16,018,352)</u>
Carrying amount of loans and advances to customers measured at amortised cost	282,879,057	21,178,150	1,095,499	305,152,706
Carrying amount of loans and advances to customers measured at fair value through other comprehensive income	<u>11,457,527</u>	<u>–</u>	<u>–</u>	<u>11,457,527</u>
Total carrying amount of loans and advances to customers	<u>294,336,584</u>	<u>21,178,150</u>	<u>1,095,499</u>	<u>316,610,233</u>

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 17 LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)

## (f) Movements of provision for impairment losses

(i) **Movements of provision for impairment losses of loans and advances to customers measured at amortised cost:**

	2024			
	Expected credit losses over the next 12 months	Lifetime expected credit losses not credit-impaired	Lifetime expected credit losses credit-impaired	Total
As at January 1	5,706,936	4,643,801	5,667,615	16,018,352
Transferred:				
– to expected credit losses over the next 12 months	266,086	(182,413)	(83,673)	–
– to lifetime expected credit losses: not credit-impaired loans	(283,519)	723,822	(440,303)	–
– to lifetime expected credit losses: credit-impaired loans	(45,328)	(76,473)	121,801	–
Charge for the year	1,070,712	2,259,352	1,574,345	4,904,409
Write-offs	–	–	(2,385,372)	(2,385,372)
Recoveries	–	–	358,437	358,437
Others	(114)	–	(70,575)	(70,689)
As at December 31	6,714,773	7,368,089	4,742,275	18,825,137

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 17 LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)

## (f) Movements of provision for impairment losses (continued)

(i) *Movements of provision for impairment losses measured at amortised cost: (continued)*

	2023			Total
	Expected credit losses over the next 12 months	Lifetime expected credit losses not credit-impaired	Lifetime expected credit losses credit-impaired	
As at January 1	5,074,375	5,411,763	4,691,714	15,177,852
Transferred:				
– to expected credit losses over the next 12 months	1,087,367	(1,024,855)	(62,512)	–
– to lifetime expected credit losses: not credit-impaired loans	(49,481)	315,794	(266,313)	–
– to lifetime expected credit losses: credit-impaired loans	(16,287)	(14,587)	30,874	–
(Release)/charge for the year	(388,988)	(44,314)	3,250,490	2,817,188
Write-offs	–	–	(2,028,012)	(2,028,012)
Recoveries	–	–	208,191	208,191
Others	(50)	–	(156,817)	(156,867)
As at December 31	<u>5,706,936</u>	<u>4,643,801</u>	<u>5,667,615</u>	<u>16,018,352</u>

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 17 LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)

## (f) Movements of provision for impairment losses (continued)

(ii) *Movements of provision for impairment losses of loans and advances to customers measured at fair value through other comprehensive income:*

	2024			Total
	Expected credit losses over the next 12 months	Lifetime expected credit losses not credit-impaired	Lifetime expected credit losses credit-impaired	
As at January 1	8,418	–	–	8,418
Release for the year	(167)	–	–	(167)
As at December 31	8,251	–	–	8,251

	2023			Total
	Expected credit losses over the next 12 months	Lifetime expected credit losses not credit-impaired	Lifetime expected credit losses credit-impaired	
As at January 1	5,510	–	–	5,510
Charge for the year	2,908	–	–	2,908
As at December 31	8,418	–	–	8,418

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 18 FINANCIAL INVESTMENTS

	Note	2024	2023
Financial investments at fair value through profit or loss	(a)	72,271,366	80,406,906
Financial investments at fair value through other comprehensive income	(b)	55,201,707	57,880,290
Financial investments at amortised cost	(c)	75,825,276	73,669,697
Total		203,298,349	211,956,893

## (a) Financial investments at fair value through profit or loss

	Note	2024	2023
Debt securities issued by the following institutions in mainland China	(i)		
– Government		15,186,903	18,752,888
– Policy banks		8,575,486	10,183,962
– Banks and other financial institutions		4,903,173	7,880,364
Sub-total		28,665,562	36,817,214
– Unlisted		28,665,562	36,817,214
Structured notes issued by securities companies			
– Unlisted		–	103,817
Investment funds managed by public fund managers			
– Unlisted		43,605,804	43,485,875
Total		72,271,366	80,406,906

- (i) Certain debt securities were pledged for repurchase agreements, borrowings from the central bank and certain deposits from customers (Note 23(a)). No other investments were subject to material restrictions in the realisation.



## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 18 FINANCIAL INVESTMENTS (CONTINUED)

## (b) Financial investments at fair value through other comprehensive income

	Note	2024	2023
Debt securities issued by the following institutions in mainland China	(i)		
– Government		34,160,208	28,854,934
– Policy banks		12,208,569	17,500,826
– Bank and other financial institutions		–	100,260
– Corporates		7,611,173	9,888,463
Sub-total		53,979,950	56,344,483
– Listed		6,323,599	7,365,705
– Unlisted		47,656,351	48,978,778
Asset-backed securities			
– Listed		376,022	383,782
Equity investments	(ii)/(iii)		
– Unlisted		37,750	37,750
Accrued interest		807,985	1,114,275
Total		55,201,707	57,880,290

(i) Certain debt securities were pledged for repurchase agreements, borrowings from the central bank and certain deposits from customers (Note 23(a)). No other investments were subject to material restrictions in the realisation.

(ii) The Bank designates non-trading equity investments as financial investments at fair value through other comprehensive income. The Bank did not dispose of any such equity investment, nor transfer any cumulative gain or loss from other comprehensive income to retained earnings during the reporting period.

(iii) For the year ended December 31, 2024, there was RMB0.11 million cash dividends received from equity investments measured at fair value through other comprehensive income (2023: Nil).

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 18 FINANCIAL INVESTMENTS (CONTINUED)

**(b) Financial investments at fair value through other comprehensive income (continued)**

Notes: (continued)

- (iv) Provision for impairment losses of financial investments at fair value through other comprehensive income are as follows:

	2024			Total
	Expected credit losses over the next 12 months	Lifetime expected credit losses not credit-impaired	Lifetime expected credit losses credit-impaired	
As at December 31	52,732,025	2,469,682	–	55,201,707

	2023			Total
	Expected credit losses over the next 12 months	Lifetime expected credit losses not credit-impaired	Lifetime expected credit losses credit-impaired	
As at December 31	55,552,610	2,247,988	79,692	57,880,290

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 18 FINANCIAL INVESTMENTS (CONTINUED)

## (b) Financial investments at fair value through other comprehensive income (continued)

Notes: (continued)

- (v) Movements of provision for impairment losses of financial investments at fair value through other comprehensive income are as follows:

	2024			
	Expected credit losses over the next 12 months	Lifetime expected credit losses not credit-impaired	Lifetime expected credit losses credit-impaired	Total
As at January 1	25,609	106,675	440,000	572,284
Transferred:				
– to expected credit losses over the next 12 months	1,806	(1,806)	–	–
– to lifetime expected credit losses: not credit-impaired	(2,558)	2,558	–	–
Release for the year	(1,083)	(49,097)	(100)	(50,280)
Recoveries	–	–	100	100
As at December 31	23,774	58,330	440,000	522,104

	2023			
	Expected credit losses over the next 12 months	Lifetime expected credit losses not credit-impaired	Lifetime expected credit losses credit-impaired	Total
As at January 1	15,749	–	399,614	415,363
Transferred:				
– to lifetime expected credit losses: not credit-impaired	(2,750)	2,750	–	–
Charge for the year	12,610	103,925	440,386	556,921
Write-offs	–	–	(400,000)	(400,000)
As at December 31	25,609	106,675	440,000	572,284

Allowances for impairment losses on financial investments measured at FVOCI is recognised in other comprehensive income without decreasing the carrying amount of financial investments presented in the statement of financial position, and any impairment loss or reversal is recognised in the profit or loss.

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 18 FINANCIAL INVESTMENTS (CONTINUED)

## (c) Financial investments at amortised cost

	Note	2024	2023
Debt securities issued by the following institutions in mainland China	(i)		
– Government		41,403,650	33,873,636
– Policy banks		9,971,433	9,733,229
– Corporates		16,256,856	18,483,997
Sub-total		67,631,939	62,090,862
– Listed		14,026,724	15,248,165
– Unlisted		53,605,215	46,842,697
Investment management products managed by asset management companies		6,378,905	8,437,449
Private debt financing plans		–	90,000
Other debt investments		2,697,143	4,297,439
Sub-total		9,076,048	12,824,888
Accrued interest		1,026,671	1,044,089
Less: provision for impairment losses	(iii)	(1,909,382)	(2,290,142)
Total		75,825,276	73,669,697

- (i) Certain debt securities were pledged for repurchase agreements, borrowings from the central bank and certain deposits from customers (Note 23(a)). No other investments were subject to material restrictions in the realisation.

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 18 FINANCIAL INVESTMENTS (CONTINUED)

## (c) Financial investments at amortised cost (continued)

(ii) Provision for impairment losses of financial investments at amortised cost are as follows:

	2024			Total
	Expected credit losses over the next 12 months	Lifetime expected credit losses not credit-impaired	Lifetime expected credit losses credit-impaired	
Financial investments measured at amortised cost	69,539,578	6,603,264	1,591,816	77,734,658
Allowances for impairment losses	(221,683)	(312,977)	(1,374,722)	(1,909,382)
As at December 31	<u>69,317,895</u>	<u>6,290,287</u>	<u>217,094</u>	<u>75,825,276</u>

	2023			Total
	Expected credit losses over the next 12 months	Lifetime expected credit losses not credit-impaired	Lifetime expected credit losses credit-impaired	
Financial investments measured at amortised cost	67,776,455	6,278,587	1,904,797	75,959,839
Allowances for impairment losses	(331,175)	(305,332)	(1,653,635)	(2,290,142)
As at December 31	<u>67,445,280</u>	<u>5,973,255</u>	<u>251,162</u>	<u>73,669,697</u>

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 18 FINANCIAL INVESTMENTS (CONTINUED)

## (c) Financial investments at amortised cost (continued)

(iii) Movements of provision for impairment losses of financial investments at amortised cost are as follows:

	2024			Total
	Expected credit losses over the next 12 months	Lifetime expected credit losses not credit-impaired	Lifetime expected credit losses credit-impaired	
As at January 1	331,175	305,332	1,653,635	2,290,142
Transferred:				
– to lifetime expected credit losses: not credit-impaired	(7,103)	7,103	–	–
– to lifetime expected credit losses: credit-impaired	(2,319)	–	2,319	–
(Release)/charge for the year	(101,432)	1,903	(281,915)	(381,443)
Recoveries	–	–	683	683
As at December 31	220,321	314,338	1,374,722	1,909,382

	2023			Total
	Expected credit losses over the next 12 months	Lifetime expected credit losses not credit-impaired	Lifetime expected credit losses credit-impaired	
As at January 1	328,040	427,435	1,379,991	2,135,466
Transferred:				
– to expected credit losses over the next 12 months	20,410	(20,410)	–	–
– to lifetime expected credit losses: not credit-impaired	(4,926)	127,422	(122,496)	–
(Release)/charge for the year	(12,349)	(229,115)	388,273	146,809
Recoveries	–	–	7,867	7,867
As at December 31	331,175	305,332	1,653,635	2,290,142

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 19 INTERESTS IN ASSOCIATES

	Note	2024	2023
Interests in associates	(a)	240,164	270,572

- (a) The following list contains the Bank's associates, all of which are individually immaterial to the Bank and are unlisted corporate entities whose quoted market price is not available.

Name	Note	2024	2023	Place incorporation and registration	Business sector
Guiyang Baiyun Dexin Rural Bank Co., Ltd. (貴陽白雲德信村鎮銀行股份有限公司)	(i)	15.00%	15.00%	Guiyang Guizhou Province	Commercial bank
Qingzhen Xingbang Rural Bank Co., Ltd. (清鎮興邦村鎮銀行有限責任公司)	(i)	17.87%	17.87%	Guiyang Guizhou Province	Commercial bank
Zunyi Bozhou Huilong Town Bank Co., Ltd. (遵義播州匯隆村鎮銀行有限責任公司)	(i)	15.00%	15.00%	Zunyi Guizhou Province	Commercial bank
Suiyang Qianbei Town Bank Co., Ltd. (綏陽黔北村鎮銀行有限責任公司)	(i)	15.00%	15.00%	Zunyi Guizhou Province	Commercial bank
Zunyi Huichuan Qianxing Town Bank Co., Ltd. (遵義匯川黔興村鎮銀行有限責任公司)		20.00%	20.00%	Zunyi Guizhou Province	Commercial bank
Liupanshui Zhongshan Liangdu Town Bank Co., Ltd. (六盤水鐘山涼都村鎮銀行股份有限公司)		20.23%	20.23%	Liupanshui Guizhou Province	Commercial bank
Panzhou Wanhe Rural Bank Co., Ltd. (盤州萬和村鎮銀行有限責任公司)		20.00%	20.00%	Liupanshui Guizhou Province	Commercial bank
Pingba Dingli Rural Bank Co., Ltd. (平壩鼎立村鎮銀行有限責任公司)		45.24%	45.24%	Anshun Guizhou Province	Commercial bank
Anshun Xihang Nanma Rural Bank Co., Ltd. (安順西航南馬村鎮銀行有限責任公司)		20.95%	20.95%	Anshun Guizhou Province	Commercial bank
Longli County Guofeng Rural Bank Co., Ltd. (龍里國豐村鎮銀行有限責任公司)		25.36%	25.36%	Qiannan Bouyei and Miao Autonomous Prefecture, Guizhou Province	Commercial bank
Duyun Rongtong Town Bank Co., Ltd. (都勻融通村鎮銀行有限責任公司)		20.00%	20.00%	Qiannan Bouyei and Miao Autonomous Prefecture, Guizhou Province	Commercial bank
Tongren Fengyuan Town Bank Co., Ltd. (銅仁豐源村鎮銀行有限責任公司)		20.00%	20.00%	Tongren Guizhou Province	Commercial bank
Kaili Dongnan Town Bank Co., Ltd. (凱里東南村鎮銀行有限責任公司)		20.00%	20.00%	Qiandongnan Miao and Dong Autonomous Prefecture, Guizhou Province	Commercial bank

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 19 INTERESTS IN ASSOCIATES (CONTINUED)

- (i) At December 31, 2024 and 2023, the Bank held 15.00% interest in Guiyang Baiyun Dexin Rural Bank Co., Ltd., 17.87% interest in Qingzhen Xingbang Rural Bank Co., Ltd., 15.00% interest in Zunyi Bozhou Huilong Town Bank Co., Ltd., and 15.00% interest in Suiyang Qianbei Town Bank Co., Ltd.. The Bank appointed directors to these rural banks, which exerted significant influence on them.

The following tables illustrate the aggregate information of the Bank's associates that are not individually material:

	2024	2023
Aggregate carrying amount of individually immaterial associates in the statement of financial position of the Bank	240,164	270,572
Declaration of cash dividends	210	240
Aggregate amounts of the Bank's share of results of those associates		
– Loss from continuing operations	(9,774)	(13,357)
– Impairment loss on long-term equity investments	(20,424)	–
– Other comprehensive income	–	–
Total comprehensive income	(30,198)	(13,357)



## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 20 PROPERTY AND EQUIPMENT

	Premises	Vehicles	Electronic equipment and others	Construction in progress	Total
<b>Cost</b>					
As at January 1, 2023	4,791,461	63,378	627,868	83,592	5,566,299
Additions	8,058	2,376	47,947	138,187	196,568
Disposals	(17,066)	–	(32,710)	–	(49,776)
Transfer out	–	–	–	(16,280)	(16,280)
As at December 31, 2023	4,782,453	65,754	643,105	205,499	5,696,811
Additions	39,872	–	89,773	1,619	131,264
Disposals	–	(197)	(29,523)	–	(29,720)
Transfer in/(out)	153,225	–	31	(201,144)	(47,888)
As at December 31, 2024	4,975,550	65,557	703,386	5,974	5,750,467
<b>Accumulated depreciation</b>					
As at January 1, 2023	(1,161,355)	(58,947)	(529,319)	–	(1,749,621)
Charge for the year	(230,478)	(1,081)	(57,692)	–	(289,251)
Disposals	918	–	31,612	–	32,530
As at December 31, 2023	(1,390,915)	(60,028)	(555,399)	–	(2,006,342)
Charge for the year	(241,129)	(798)	(39,179)	–	(281,106)
Disposals	–	191	28,339	–	28,530
Transfer out	9,262	–	–	–	9,262
As at December 31, 2024	(1,622,782)	(60,635)	(566,239)	–	(2,249,656)
<b>Net book</b>					
As at December 31, 2023	3,391,538	5,726	87,706	205,499	3,690,469
As at December 31, 2024	3,352,768	4,922	137,147	5,974	3,500,811

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 20 PROPERTY AND EQUIPMENT (CONTINUED)

As at December 31, 2024, the net book value of premises of which title deeds were not yet finalised was RMB256.91 million (2023: RMB462.80 million). The Bank is still in the progress of applying the outstanding title deeds for the above premises. The directors of the Bank are of the opinion that there would be no significant costs in obtaining the title deeds.

The carrying value of the Bank's premises is analysed based on the remaining terms of the land leases as follows:

	2024	2023
Held in mainland China		
– Medium-term leases (10 – 50 years)	2,585,997	2,731,700
– Long-term leases (over 50 years)	766,771	659,838
Total	3,352,768	3,391,538

## 21 DEFERRED TAX ASSETS AND LIABILITIES

## (a) Analysed by nature

	2024		2023	
	Deductible/ (taxable) temporary differences	Deferred income tax assets/ (liabilities)	Deductible/ (taxable) temporary differences	Deferred income tax assets/ (liabilities)
Deferred income tax assets				
– Allowance for impairment losses	26,261,380	6,565,345	21,856,276	5,464,069
– Accrued staff costs	1,092,914	273,228	1,156,225	289,056
– Supplemental retirement benefits	339,600	84,899	301,060	75,265
– Others	865,324	216,331	599,240	149,810
Sub-total	28,559,218	7,139,803	23,912,801	5,978,200
Deferred income tax liabilities				
– Fair value changes of financial assets	(2,581,268)	(645,316)	(465,533)	(116,383)
– Others	(238,815)	(59,704)	(296,437)	(74,109)
Sub-total	(2,820,083)	(705,020)	(761,970)	(190,492)
Net Balance	25,739,135	6,434,783	23,150,831	5,787,708

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 21 DEFERRED TAX ASSETS AND LIABILITIES (CONTINUED)

## (b) Movements of deferred tax

	Allowance for impairment losses	Accrued staff costs	Supplemental retirement benefits	Fair value changes of financial assets	Others	Net balance of deferred tax assets/ (liabilities)
January 1, 2023	4,783,110	288,635	62,543	119,275	37,454	5,291,017
Recognised in profit or loss	720,917	421	9,077	(11,348)	38,247	757,314
Recognised in other comprehensive income	(39,958)	–	3,645	(224,310)	–	(260,623)
December 31, 2023	5,464,069	289,056	75,265	(116,383)	75,701	5,787,708
Recognised in profit or loss	1,088,690	(15,828)	1,267	(174,061)	80,926	980,994
Recognised in other comprehensive income	12,586	–	8,367	(354,872)	–	(333,919)
December 31, 2024	6,565,345	273,228	84,899	(645,316)	156,627	6,434,783

## 22 OTHER ASSETS

	Note	2024	2023
Right-of-use assets	(a)	238,815	296,437
Intangible assets	(b)	157,609	157,323
Deferred Expenses		115,188	103,660
Reposessed assets		31,632	19,368
Investment properties	(c)	17,574	9,072
Interests receivable	(d)	3,996	5,399
Other receivables		226,498	312,075
Total		791,312	903,334

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 22 OTHER ASSETS (CONTINUED)

## (a) Right-of-use assets

## Property

**Cost :**

As at January 1, 2023	721,465
Additions	106,689
Disposals	(123,720)

As at December 31, 2023	704,434
Additions	72,562
Disposals	(142,994)

As at December 31, 2024	634,002
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**Accumulated depreciation :**

As at January 1, 2023	(402,045)
Additions	(124,865)
Disposals	118,913

As at December 31, 2023	(407,997)
Additions	(121,586)
Disposals	134,396

As at December 31, 2024	(395,187)
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**Net book value :**

As at December 31, 2023	296,437
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As at December 31, 2024	238,815
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## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 22 OTHER ASSETS (CONTINUED)

## (b) Intangible assets

	Computer software	Land use rights	Total
<b>Cost</b>			
As at January 1, 2023	198,812	112,117	310,929
Additions	22,101	–	22,101
Disposals	(16,762)	(61,785)	(78,547)
Transfer in	1,426	–	1,426
	<u>          </u>	<u>          </u>	<u>          </u>
As at December 31, 2023	205,577	50,332	255,909
Additions	16,613	–	16,613
Disposals	(3,771)	–	(3,771)
Transfer in	9,765	–	9,765
	<u>          </u>	<u>          </u>	<u>          </u>
As at December 31, 2024	<u>228,184</u>	<u>50,332</u>	<u>278,516</u>
<b>Accumulated amortisation:</b>			
As at January 1, 2023	(68,918)	(30,107)	(99,025)
Additions	(22,303)	(1,719)	(24,022)
Disposals	4,822	19,639	24,461
	<u>          </u>	<u>          </u>	<u>          </u>
As at December 31, 2023	(86,399)	(12,187)	(98,586)
Additions	(24,141)	(1,145)	(25,286)
Disposals	2,965	–	2,965
	<u>          </u>	<u>          </u>	<u>          </u>
As at December 31, 2024	<u>(107,575)</u>	<u>(13,332)</u>	<u>(120,907)</u>
<b>Book value:</b>			
As at December 31, 2023	<u>119,178</u>	<u>38,145</u>	<u>157,323</u>
	<u>          </u>	<u>          </u>	<u>          </u>
As at December 31, 2024	<u>120,609</u>	<u>37,000</u>	<u>157,609</u>

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 22 OTHER ASSETS (CONTINUED)

## (c) Investment properties

## Investment properties

**Cost:**

As at January 1, 2023	19,444
Transfer in	—

As at December 31, 2023	19,444
Transfer in	16,732

As at December 31, 2024	36,176
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**Accumulated depreciation:**

As at January 1, 2023	(9,428)
Additions	(944)

As at December 31, 2023	(10,372)
Additions	(1,278)
Transfer in	(6,952)

As at December 31, 2024	(18,602)
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**Book value:**

As at December 31, 2023	9,072
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As at December 31, 2024	17,574
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Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

22 OTHER ASSETS (CONTINUED)

(d) Interests receivable

	2024	2023
Interests receivable arising from:		
Loans and advances to customers	7,704	7,070
Financial investments measured at amortised cost	—	824
Sub-total	7,704	7,894
Less: provision for impairment losses	(3,708)	(2,495)
Total	3,996	5,399

As of December 31, 2024, accrued interest includes only the interest that is due but not yet received from related financial instruments as of the balance sheet date. Interest on financial instruments based on the effective interest method is reflected in the balances of the corresponding financial instruments.

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 23 PLEDGED ASSETS

## (a) Assets pledged as collateral

	2024	2023
Borrowings from the central bank:		
– Financial investments measured at fair value through profit or loss	3,465,277	7,716,922
– Financial investments measured at fair value through other comprehensive income	9,472,786	14,133,377
– Financial investments measured at amortised cost	39,015,819	23,394,685
Sub-total	51,953,882	45,244,984
For deposits from customers		
– Financial investments measured at fair value through profit or loss	1,198,409	3,089,323
– Financial investments measured at fair value through other comprehensive income	9,148,076	10,651,861
– Financial investments measured at amortised cost	23,998,286	14,038,744
Sub-total	34,344,771	27,779,928
Total	86,298,653	73,024,912

Financial assets pledged by the Bank as collateral for liabilities are mainly borrowings from the central bank and certain deposits from customers.

## (b) Pledged assets received

The Bank conducts resale agreements under the usual and customary terms of placements, and holds collaterals for these transactions. As at December 31, 2024, the carrying amount of the received pledged assets was RMB21,580.00 million (2023: RMB1,653.12 million).



**Notes to the Financial Statements (Continued)***(Expressed in thousands of Renminbi, unless otherwise stated)***24 DEPOSITS FROM BANKS AND OTHER FINANCIAL INSTITUTIONS**

Analysed by type and location of counterparty

	2024	2023
Deposits in mainland China		
– Banks	10,264,429	9,830,528
– Other financial institutions	12,401,902	15,456,583
Sub-total	22,666,331	25,287,111
Accrued interest	121,828	95,382
Total	22,788,159	25,382,493

**25 PLACEMENTS FROM BANKS AND OTHER FINANCIAL INSTITUTIONS**

Analysed by type and location of counterparty

	2024	2023
In mainland China		
– Banks	3,705,000	4,941,100
Accrued interest	2,481	3,528
Total	3,707,481	4,944,628

## Notes to the Financial Statements (Continued)

*(Expressed in thousands of Renminbi, unless otherwise stated)***26 DEPOSITS FROM CUSTOMERS**

	2024	2023
Demand deposits		
– Corporate customers	85,340,366	85,981,136
– Individual customers	46,208,566	41,856,629
Sub-total	131,548,932	127,837,765
Time deposits		
– Corporate customers	84,353,453	82,250,755
– Individual customers	143,480,199	131,505,379
Sub-total	227,833,652	213,756,134
Pledged deposits	5,464,177	7,123,043
Fiscal deposits	1,933,926	142,210
Inward and outward remittances	258,554	519,420
Sub-total	367,039,241	349,378,572
Accrued interest	7,962,591	6,867,673
Total	375,001,832	356,246,245

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 27 DEBT SECURITIES ISSUED

	Note	2024	2023
Interbank deposits issued	(a)	73,783,968	75,511,603
Financial bonds issued	(b)	15,999,788	18,498,944
Accrued interest		301,893	257,257
Total		90,085,649	94,267,804

## (a) Interbank deposits issued

- (i) In 2023, the Bank issued a number of certificates of interbank deposits with total nominal amount of RMB103,370.00 million and duration between 3 to 12 months. The effective interest rates ranged from 2.25% to 2.87% per annum.
- (ii) In 2024, the Bank issued a number of certificates of interbank deposits with total nominal amount of RMB97,380.00 million and duration between 1 to 12 months. The effective interest rates ranged from 1.72% to 2.59% per annum.
- (iii) As at December 31, 2024, the fair value of outstanding interbank deposits amounted to RMB73,862.76 million (December 31, 2023: RMB74,672.51 million).

## (b) Financial bonds issued

- (i) In December 2021, the Bank issued three-year fixed-rate green financial bonds with total nominal amount of RMB5,000.00 million. The coupon interest rate per annum is 3.45%. The bond was redeemed on December 13, 2024.
- (ii) In March 2022, the Bank issued three-year fixed-rate green financial bonds with total nominal amount of RMB3,000.00 million. The coupon interest rate per annum is 3.27%.
- (iii) In December 2022, the Bank issued three-year fixed-rate small and micro enterprises loans financial bonds with total nominal amount of RMB4,000.00 million. The coupon interest rate per annum is 3.45%.
- (iv) In February 2023, the Bank issued three-year fixed-rate small and micro enterprises loans financial bonds with total nominal amount of RMB4,000.00 million. The coupon interest rate per annum is 3.30%.
- (v) In May 2023, the Bank issued three-year fixed-rate "Sannong" financial bonds with total nominal amount of RMB2,500.00 million. The coupon interest rate per annum is 3.04%.
- (vi) In March 2024, the Bank issued three-year fixed-rate "Sannong" financial bonds with total nominal amount of RMB2,500.00 million. The coupon interest rate per annum is 2.69%.
- (vii) As at December 31, 2024, the fair value of outstanding financial bonds amounted to RMB16,522.54 million (December 31, 2023: RMB18,674.12 million).

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 28 OTHER LIABILITIES

	Note	2024	2023
Accrued staff cost	(a)	1,766,923	1,606,557
Payment and collection clearance accounts		582,214	346,473
Other tax payable		306,235	283,284
Lease liabilities		220,540	286,458
Provisions for credit commitments	(b)	82,313	111,250
Dividends payable		44,897	91,669
Contract liabilities		8,247	20,197
Other payables		1,075,382	486,695
Total		4,086,751	3,232,583

## (a) Accrued staff cost

	2024	2023
Salary, bonuses and allowances payable	1,309,658	1,210,981
Social insurance payable	111,257	87,733
Labour union fee and staff education fee	6,408	6,783
Supplementary retirement benefits payable	339,600	301,060
Total	1,766,923	1,606,557

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 28 OTHER LIABILITIES (CONTINUED)

## (a) Accrued staff cost (continued)

*Supplementary retirement benefits*

The supplementary retirement benefits of the Bank include early retirement plan and supplementary retirement plan. The early retirement benefits is provided to employees who voluntarily agreed to retire before the retirement age during the period from the date of early retirement to the statutory retirement date. The supplementary retirement plan is provided to the Bank's eligible employees. Contributions to the defined contribution retirement plan, include the social pension insurance schemes and the annuity plan, are recognised as expenses when incurred and there are no forfeited contributions that maybe used by the Bank to reduce the existing level of contribution.

The amount of supplementary retirement benefits represents the present value of the total estimated amount of future benefits that the Bank is committed to pay for eligible employees as at December 31. The Bank's obligations in respect of the supplementary retirement benefits were assessed using projected unit credit method by qualified staff (member of China Association of Actuaries and member of society of Actuaries in America) of an external independent actuary Willis Towers Watson Public Limited Company.

(i) *The balances of supplementary retirement benefits of the Bank are as follows:*

	2024	2023
Present value of early retirement plan	40,870	58,190
Present value of supplementary retirement benefits	298,730	242,870
Total	339,600	301,060

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 28 OTHER LIABILITIES (CONTINUED)

## (a) Accrued staff cost (continued)

**Supplementary retirement benefits (continued)**

(ii) The movements of supplementary retirement benefits of the Bank are as follows:

	2024	2023
As at January 1	301,060	250,170
Benefits paid during this year	(19,699)	(20,240)
Changes recognised in profit or loss	24,769	56,550
Changes recognised in other comprehensive income	33,470	14,580
As at December 31	339,600	301,060

(iii) Principal actuarial assumptions of the Bank are as follows:

## Early retirement plan

	2024	2023
Discount rate	1.25%	2.25%
Retired age		
Male	60	60
Female	55	55
Annual withdrawal rate	3.00%	3.00%

## Supplementary retirement plan

	2024	2023
Discount rate	2.00%	2.75%
Retired age		
Male	60	60
Female	55	55
Annual withdrawal rate	3.00%	3.00%

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 28 OTHER LIABILITIES (CONTINUED)

## (b) Provisions

	Note	2024	2023
Provision for credit commitments	(i)	82,313	111,250

(i) Movements of provisions for credit commitments are as follows:

	Expected credit losses over the next 12 months	Lifetime expected credit losses not credit-impaired	Lifetime expected credit losses credit-impaired	Total
As at January 1	108,661	271	2,318	111,250
Transfer to:				
– Expected credit losses over the next 12 months	293	(74)	(219)	–
– Lifetime expected credit losses: not credit-impaired	(64)	120	(56)	–
– Lifetime expected credit losses: credit-impaired	(55)	(38)	93	–
(Release)/charge for the year	(29,266)	(196)	525	(28,937)
As at December 31	79,569	83	2,661	82,313

	Expected credit losses over the next 12 months	Lifetime expected credit losses not credit-impaired	Lifetime expected credit losses credit-impaired	Total
As at January 1	252,018	514	1,604	254,136
Transfer to:				
– Lifetime expected credit losses: not credit-impaired	(4)	4	–	–
– Lifetime expected credit losses: credit-impaired	(5)	–	5	–
(Release)/charge for the year	(143,346)	(247)	709	(142,884)
Other	(2)	–	–	(2)
As at December 31	108,661	271	2,318	111,250

## Notes to the Financial Statements (Continued)

*(Expressed in thousands of Renminbi, unless otherwise stated)***29 SHARE CAPITAL**

Authorized and issued share capital

	2024	2023
Ordinary shares in Mainland China	12,388,047	12,388,047
Ordinary shares listed in Hong Kong (H-share)	<u>2,200,000</u>	<u>2,200,000</u>
Total	<u><u>14,588,047</u></u>	<u><u>14,588,047</u></u>

On December 30, 2019, the Bank issued 2,200.00 million H Shares with a par value of RMB1.00 at an offering price of HKD2.48 per share (the “H-share offering”).

All the H shares have been listed on the Stock Exchange of Hong Kong Limited. The H Shares rank pari passu in all respects with the existing ordinary shares in Mainland China including the right to receive all dividends and distributions declared or made.



Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

30 RESERVES

(a) Capital reserve

	2024	2023
Share premium	8,840,110	8,840,110
Changes in interests in associates	(170,019)	(170,019)
Total	8,670,091	8,670,091

(b) Surplus reserve

The surplus reserve at the end of each of the reporting period represented statutory surplus reserve and discretionary surplus reserve.

Pursuant to the Company Law of the PRC and the Articles of Association of the Bank, the Bank is required to appropriate 10% of its net profit as on an annual basis determined under the PRC GAAP after making good prior year’s accumulated loss, to statutory surplus reserve until the balance reaches 50% of its registered capital.

The Bank appropriated an amount of RMB377.85 million to the statutory surplus reserve for the year 2024 (2023: RMB365.33 million).

The Bank may also appropriate discretionary surplus reserve in accordance with the resolution of the shareholders.

(c) General reserve

Pursuant to the “Measures on Impairment Allowances for Financial Enterprises (Cai Jin [2012] No.20)” issued by the Ministry of Finance, the Bank is required to set aside a general reserve through profit appropriation which should not be lower than 1.5% of the ending balance of its gross risk-bearing assets on an annual basis.

## Notes to the Financial Statements (Continued)

*(Expressed in thousands of Renminbi, unless otherwise stated)***30 RESERVES (CONTINUED)****(d) Fair value reserve**

	2024	2023
As at January 1	17,258	(655,674)
Changes in fair value recognised in other comprehensive income	1,280,471	638,578
Transfer to profit or loss upon disposal	139,019	258,664
Less: deferred tax	(354,872)	(224,310)
	<hr/>	<hr/>
As at December 31	<u>1,081,876</u>	<u>17,258</u>

**(e) Impairment reserve**

	2024	2023
As at January 1	435,526	315,655
Impairment losses recognised in other comprehensive income	(50,346)	159,829
Less: deferred tax	12,586	(39,958)
	<hr/>	<hr/>
As at December 31	<u>397,766</u>	<u>435,526</u>

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

**30 RESERVES (CONTINUED)****(f) Deficit on remeasurement of net defined benefit liability**

Deficit on remeasurement of net defined benefit liability represents actuarial gains or losses, net of tax, from remeasuring the net defined benefit liability.

	2024	2023
As at January 1	(40,695)	(29,760)
Changes recognised in other comprehensive income	(33,470)	(14,580)
Less: deferred tax	8,367	3,645
	<u>(65,798)</u>	<u>(40,695)</u>
As at December 31	<u>(65,798)</u>	<u>(40,695)</u>

**(g) Other equity instrument**

With the approval of the relevant regulatory authorities in China, the Bank issued RMB2,500.00 million of “22 Bank of Guizhou Perpetual Bonds 01” in the national inter-bank bond market on 4 August 2022. The unit face value is RMB100.00. The coupon rate adjusted period is every 5 years from the issuance date. In any coupon rate adjusted period, the coupon rate of the perpetual bonds will remain at a prescribed fixed rate. The perpetual bonds will continue to be outstanding so long as the Bank continues to operate.

With the approval of the relevant regulatory authorities in China, the Bank issued RMB1,000.00 million of “23 Bank of Guizhou Perpetual Bonds 02” in the national inter-bank bond market on 27 February 2023. The unit face value is RMB100.00. The coupon rate adjusted period is every 5 years from the issuance date. In any coupon rate adjusted period, the coupon rate of the perpetual bonds will remain at a prescribed fixed rate. The perpetual bonds will continue to be outstanding so long as the Bank continues to operate.

From the fifth anniversary since the issuance of the perpetual bonds, the Bank has the right to redeem in whole or in part the perpetual bonds on the annual interest payment date (including the interest payment date on the fifth year since the issuance date) subject to the approval of NAFR and the satisfaction of the redemption preconditions.

**Notes to the Financial Statements (Continued)***(Expressed in thousands of Renminbi, unless otherwise stated)***30 RESERVES (CONTINUED)****(g) Other equity instrument (continued)**

If, after the issuance, the perpetual bonds no longer qualify as additional Tier 1 capital as a result of an unforeseeable change to relevant provisions of supervisory regulation, the Bank has the right to redeem the whole but not part of the perpetual bonds. The investors do not have the right to sell back the perpetual bonds to the Bank.

The claims in respect of the perpetual bonds will be subordinated to the claims of depositors, general creditors, and subordinated debts that rank senior to the perpetual bonds, and will rank in priority to all classes of shares held by the Bank's shareholders and rank pari passu with the claims in respect of any other additional Tier-1 capital instruments of the Bank that rank pari passu with the perpetual bonds.

The coupon rate will be reset on each benchmark rate reset date (i.e. the date of every five years from the issuance date). The adjusted coupon rate will be determined based on the benchmark interest rate at adjustment date plus the fixed spread as determined at the time of issuance. The perpetual bonds do not contain interest rate step-up mechanism or any other redemption incentives. The Bank has the right to cancel, in whole or in part, distributions on the perpetual bonds and any such cancellation will not constitute an event of default. The bond interests are non-cumulative, and any cancelled distribution is not carried to the following year. The Bank will fully consider the interests of bondholders when exercising this right. The Bank can use the cancelled bond interest for the current period at its discretion to repay other due debts. Cancellation of any distributions to the perpetual bonds, no matter in whole or in part, will not impose any other restriction on the Bank, except in relation to dividend distributions to ordinary shares.

Upon the occurrence of a Non-Viability Trigger Event, the Bank has the right to write off in whole or in part, without the need for the consent of the bond holders, the principal amount of the perpetual bonds. A Non-Viability Trigger Event refers to the earlier of the following events: (i) NAFR having concluded that without a write-off, the Bank would become non-viable; (ii) the relevant authorities having concluded that without a public sector injection of capital or equivalent support, the Bank would become non-viable. The write-off will not be restored.

After deducting the issuance expenses, the funds raised by the bonds issuances have been used to supplement additional Tier 1 capital of the Bank in accordance with applicable laws and the approval of the relevant authorities.

During the year ended December 31, 2023, the Bank did not cancel the payment of distribution and the corresponding interest of RMB112.50 million was paid to perpetual bondholders accordingly.

During the year ended December 31, 2024, the Bank did not cancel the payment of distribution and the corresponding interest of RMB161.81 million was paid to perpetual bondholders accordingly.

## Notes to the Financial Statements (Continued)

*(Expressed in thousands of Renminbi, unless otherwise stated)*

### 31 RETAINED EARNINGS

#### (a) Appropriation of profits

In accordance with the resolution of the Bank's Board of Directors Meeting held on March 31, 2025, the proposed profit appropriations for the year ended December 31, 2024, are listed as follows:

- Appropriation of statutory surplus reserve amounted to RMB377.85 million;
- Declaration of cash dividend of RMB0.5 per 10 shares before tax and in an aggregation amount of RMB729.40 million to all existing shareholders.

The profit appropriation resolution mentioned above has yet to be approved by the Bank's shareholders.

In accordance with the resolution of the Bank's Board of Directors Meeting held on June 6, 2024, the proposed profit appropriations approved by the shareholders for the year ended December 31, 2023, are listed as follows:

- Appropriation of statutory surplus reserve amounted to RMB365.33 million;
- Appropriation of general reserve amounted to RMB560.00 million; and
- Declaration of cash dividend of RMB0.5 per 10 shares before tax and in an aggregation amount of RMB729.40 million to all existing shareholders.

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

**32 INVOLVEMENT WITH UNCONSOLIDATED STRUCTURED ENTITIES****(a) Structured entities sponsored by third party institutions in which the Bank holds an interest:**

The Bank holds interests in certain structured entities sponsored by third party institutions through investments in the units issued by these structured entities. Such structured entities include the investment management products under trust schemes, investment management products managed by securities companies and wealth management products issued by financial institutions. The nature and purpose of these structured entities are to generate fees from managing assets on behalf of third party investors. These vehicles are financed through the issue of units to investors.

The following table sets out an analysis of the carrying amounts of interests held by the Bank in unconsolidated structured entities, as well as an analysis of the line items in the statements of financial position in which relevant assets are recognised at December 31:

	2024		2023	
	Carrying amount	Maximum exposure	Carrying amount	Maximum exposure
Financial investments at fair value through profit or loss	43,605,804	43,605,804	43,485,875	43,485,875
Financial investments at fair value through other comprehensive income	376,022	376,022	383,782	383,782
Financial investments at amortised cost	8,442,452	8,442,452	7,130,792	7,130,792
Total	<u>52,424,278</u>	<u>52,424,278</u>	<u>51,000,449</u>	<u>51,000,449</u>

At December 31, 2024 and 2023, the carrying amounts of the unconsolidated structured entities are equal to the maximum exposures.

## Notes to the Financial Statements (Continued)

*(Expressed in thousands of Renminbi, unless otherwise stated)*

### 32 INVOLVEMENT WITH UNCONSOLIDATED STRUCTURED ENTITIES (CONTINUED)

**(b) Structured entities sponsored by the Bank which the Bank does not consolidate but holds an interest in:**

The structured entities that are managed by the bank but not included in the consolidated financial statements mainly consist of wealth management products. The purpose of managing these structured entities is to manage assets on behalf of investors and charge fees for it. The equity interests held include the fees charged for providing management services to these structured entities.

At December 31, 2024 and 2023, the carrying amounts of assets held by the unconsolidated non-principal guaranteed wealth management products, which are sponsored by the Bank was RMB20,391.62 million and RMB23,901.30 million. The Bank do not hold any investment in wealth management products, and the management fee obtained from these products for the year ended December 31, 2024 and 2023, was RMB156,773 thousand and RMB78,354 thousand.

During the reporting period, the Bank did not provide any financial or other support to the structured entities that are not included in the consolidated financial statements.

**(c) Unconsolidated structures entities sponsored by the Bank during the years which the Bank does not have an interest in as at December 31:**

For the year ended December 31, 2024, the aggregated amount of the non-principal guaranteed wealth management products sponsored and issued by the Bank after January 1, but matured before December 31 amounted to RMB1,769.39 million (2023: RMB269.60 million).

## Notes to the Financial Statements (Continued)

*(Expressed in thousands of Renminbi, unless otherwise stated)*

### 33 CAPITAL MANAGEMENT

The capital management of the Bank includes three aspects: capital adequacy ratio management, capital financing management, and economic capital management. Among these, capital adequacy ratio management is the focus of capital management. The Bank calculate the capital adequacy ratio in accordance with the guidelines issued by the CBIRC. The capital is divided into Core Tier-one Capital, Additional Tier-one Capital, and Tier-two Capital.

Capital adequacy ratio management is the key to capital management. The capital adequacy ratio reflects sound operations and risk management capabilities. The primary goal of capital adequacy ratio management is to determine the optimal capital adequacy ratio based on regulatory requirements, benchmarking against peers, and business environment and conditions of the Bank.

The Bank uses scenario analysis and stress testing methods, among others, to forecast, plan, and manage the capital adequacy ratio based on strategic development plans, business expansion, and risk trends.

Starting from January 1, 2024, the Bank calculate the capital adequacy ratio in accordance with the "Capital Management Measures for Commercial Banks" issued by the CBIRC on October 26, 2023, and other relevant regulations. From 2024 onwards, the capital adequacy ratio indicators will be calculated based on the consolidated regulatory framework of the banking industry. During the period of 2023, the Bank calculated the capital adequacy ratio according to the "Capital Management Measures for Commercial Banks (Trial)" issued by the CBRC on June 7, 2012, and other relevant regulations.

According to the "Capital Management Measures for Commercial Banks," the CBIRC requires commercial banks to maintain a minimum Core Tier-one Capital Adequacy Ratio of 5.00%, a Tier-one Capital Adequacy Ratio of 6.00%, and a Capital Adequacy Ratio of 8.00%. The countercyclical buffer requirement is 2.5% of risk-weighted assets, which must be met by Core Tier-one Capital.

On-balance-sheet and off-balance-sheet risk-weighted assets are measured using different risk weights, which are determined based on the credit risk, market risk, and other risks associated with each asset and counterparty, as well as any eligible collateral or guarantees.

The capital adequacy ratio and related data shown below are calculated based on the statutory financial statements prepared in accordance with Chinese Accounting Standards.



## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 33 CAPITAL MANAGEMENT (CONTINUED)

As of December 31, 2024 and 2023, the capital adequacy ratio of the bank, calculated in accordance with the relevant regulations of the NFRA and the CBIRC, is as follows:

	2024	2023
Total core tier-one capital		
– Share capital	14,588,047	14,588,047
– Qualifying portion of capital reserve	8,670,091	8,670,091
– Other comprehensive income	1,413,844	412,089
– Surplus reserve	3,354,828	2,976,977
– General reserve	6,150,000	5,590,000
– Retained earnings	14,630,669	12,681,219
Core tier-one capital	48,807,479	44,918,423
Core tier-one capital deductions	(2,655,906)	(1,724,589)
Net core tier-one capital	46,151,573	43,193,834
Other tier-one capital	3,499,484	3,499,484
Net tier-one capital	49,651,057	46,693,318
Tier-two capital		
– Surplus provision for loan impairment	4,272,870	4,373,001
Net tier-two capital	4,272,870	4,373,001
Net capital base	53,923,927	51,066,319
Total risk weighted assets	377,203,300	383,889,981
Core tier-one capital adequacy ratio	12.24%	11.25%
Tier-one capital adequacy ratio	13.16%	12.16%
Capital adequacy ratio	14.30%	13.30%

## Notes to the Financial Statements (Continued)

*(Expressed in thousands of Renminbi, unless otherwise stated)***34 NOTES TO THE STATEMENT OF CASH FLOWS****(a) Net (decrease)/increase in cash and cash equivalents**

	2024	2023
Cash and cash equivalents as at December 31	46,141,209	61,262,021
Less: cash and cash equivalents as at January 1	61,262,021	54,828,236
Net (decrease)/increase in cash and cash equivalents	(15,210,812)	6,433,785

**(b) Cash and cash equivalents**

	2024	2023
Cash on hand	536,045	481,083
Deposits with central bank other than restricted deposits	132,695	10,354,838
Deposits with banks and other financial institutions	5,529,674	5,974,322
Financial assets held under resale agreements	20,445,940	1,651,839
Trading securities	19,496,855	42,799,939
Total	46,141,209	61,262,021

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 34 NOTES TO THE STATEMENT OF CASH FLOWS (CONTINUED)

## (c) Reconciliation of liabilities arising from financing activities

The table below details changes in the Bank's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Bank's statement of cash flows as cash flows from financing activities.

	Debt securities issued	Lease liabilities
As at January 1, 2024	94,267,804	286,458
Changes from financing cash flows:		
Net proceeds from new debt securities issued	98,296,012	—
Cash paid for repayment of debt securities	(102,523,648)	—
Cash paid for interest paid on debt securities	(2,323,481)	—
Cash paid for repayment of lease liabilities	—	(140,137)
Total changes from financing cash flows	(6,551,117)	(140,137)
Other changes:		
Increase in lease liabilities	—	72,562
Interest expenses	2,368,962	10,255
Others	—	(8,598)
Total other changes	2,368,962	74,219
As at December 31, 2024	90,085,649	220,540

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

**34 NOTES TO THE STATEMENT OF CASH FLOWS (CONTINUED)****(c) Reconciliation of liabilities arising from financing activities (continued)**

	Debt securities issued	Lease liabilities
As at January 1, 2023	84,790,579	307,983
Changes from financing cash flows:		
Net proceeds from new debt securities issued	109,870,000	–
Cash paid for repayment of debt securities	(100,450,000)	–
Cash paid for interest paid on debt securities	(2,499,960)	–
Cash paid for repayment of lease liabilities	–	(135,139)
Total changes from financing cash flows	6,920,040	(135,139)
Other changes:		
Increase in lease liabilities	–	106,689
Interest expenses(Note 3)	2,557,185	11,604
Others	–	(4,679)
Total other changes	2,557,185	113,614
As at December 31, 2023	94,267,804	286,458

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 35 RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

## (a) Related parties of the Bank

## (i) Major shareholders

Major shareholders include shareholders of the Bank with direct or indirect 5% or above shareholding, or appointed a director in the Bank.

Shareholding proportion in the Bank:

	Note	2024	2023
Guizhou Provincial Financial Bureau (貴州省財政廳)		20.00%	20.00%
China Guizhou Maotai Wine Factory Co., Ltd. (中國貴州茅台酒廠(集團)有限責任公司)		12.00%	12.00%
Zunyi State-owned Assets Investment & Financing Management Co., Ltd. (遵義市國有資產投融資經營管理有限責任公司)		6.55%	6.55%
Guizhou Shuitou Water Group Co., Ltd. (貴州水投水務集團有限公司)	(1)/(2)	4.44%	4.44%
Guizhou Water Investment Group Co., Ltd. (貴州省水利投資(集團)有限責任公司)	(1)/(2)/(3)	–	1.14%
Guizhou Shuitou Capital Management Co., Ltd. (貴州水投資本管理有限責任公司)	(1)/(2)/(3)	1.31%	0.18%
Shenzhen Expressway Co., Ltd. (深圳高速公路集團股份有限公司)	(1)/(2)	2.92%	2.92%
Guizhou Expressway Group Co., Ltd. (貴州高速公路集團有限公司)	(1)/(2)	2.06%	2.06%

## Notes to the Financial Statements (Continued)

*(Expressed in thousands of Renminbi, unless otherwise stated)***35 RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)****(a) Related parties of the Bank (continued)****(i) Major shareholders (continued)**

- (1) As of December 31, 2024, Guizhou Expressway Group Co., Ltd. will no longer appoint directors to the Bank; The combined shareholding of Guizhou Shuitou Water Group Co., Ltd and Guizhou Shuitou Capital Management Co., Ltd., which is controlled by the same parent company, Guizhou Water Investment Group Co., Ltd., exceeds 5.00%; Shenzhen Expressway Co., Ltd. appointed a director to the Bank.
- (2) As of December 31, 2023, Guizhou Water Investment Group Co., Ltd., and its subsidiaries Guizhou Shuitou Water Group Co., Ltd and Guizhou Shuitou Capital Management Co., Ltd., hold more than 5.00% shares in total; Shenzhen Expressway Co., Ltd. and Guizhou Expressway Group Co., Ltd. respectively appointed one director to the Bank.
- (3) On April 28, 2024, the director of Directors of the Bank reviewed and approved the proposal of Guizhou Water Investment Group Co., Ltd., to transfer 166 million shares of the Bank to Guizhou Shuitou Capital Management Co., Ltd.. After the transfer, Guizhou Shuitou Capital Management Co., Ltd., held 1.31% of the Bank's equity.

**(ii) Associates of the Bank**

The detailed information of the Bank's associates is set out in Note 19.

**(iii) Other related parties**

Other related parties can be individuals or enterprises, which include: members of the Board of Directors, the board of supervisors and senior management, and close family members of such individuals; entities (and their subsidiary) controlled or jointly controlled or significantly influenced by members of the Board of Directors, the board of supervisors and senior management, and close family members of such individuals; and entities controlled or jointly controlled or significantly influenced by the major shareholders of the Bank as set out in Note 35(a) or their controlling shareholders.

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

**35 RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)****(b) Transactions with related parties other than key management personnel****(i) Transactions between the Bank and major shareholders:**

	2024	2023
Transactions during the year		
Interest income	70,483	100,173
Interest expense	79,828	79,323

	2024	2023
Balances at end of the year		
Loans and advances to customers	2,012,436	1,298,416
Financial investments	—	838,134
Deposits from customers	4,576,541	6,362,604

**(ii) Transactions between the Bank and other related parties:**

	2024	2023
Transactions during the year		
Interest income	129,159	160,388
Interest expense	931,827	698,070
Investment income	2,576	2,818

	2024	2023
Balances at end of the year		
Loans and advances to customers	1,583,270	3,068,999
Financial investments	2,008,096	608,774
Other assets	35,305	62,859
Deposits from banks and other financial institutions	7,700,027	13,326,695
Deposits from customers	31,276,815	26,293,217
Entrusted Loans	4,935,000	885,000
Bank acceptances and guarantee	80,541	244,210
Credit card unused limit	3,049	3,523
Credit card overdraft amount	88	433

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

**35 RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)****(c) Key management personnel**

The key management personnel are those persons who have the authority and responsibility to plan, direct and control the activities of the Bank, directly or indirectly, including members of the Board of Directors, the Board of Supervisors and executive officers.

**(i) Transactions between the Bank and key management personnel**

	2024	2023
Transactions during the year		
Interest income	–	11
Interest expense	213	309
Balances at end of the year		
Deposits from customers	6,587	8,935
Credit card unused limit	1,377	2,931
Credit card overdraft amount	53	79

**(ii) Key management personnel compensation**

The aggregate compensation of key management personnel is listed as follows:

	2024	2023
Key management personnel compensation during the year	10,067	9,867



Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

35 RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

(d) Loans and advances to directors, supervisors and key management personnel

	2024	2023
Aggregate amount of relevant loans outstanding at the end of the year	–	–
Maximum aggregate amount of relevant loans outstanding during the year	–	746

There was no amount due but unpaid, nor any impairment provision made against the principal or interest on these loans at December 31, 2024 (December 31, 2023: nil).

36 SEGMENT REPORTING

The Bank manages its business by business lines. Consistent with the way in which information is reported internally to the Bank’s most senior executive management for the purposes of resource allocation and performance assessment, the Bank defines reporting segments based on the following operating segments:

Corporate banking

This segment represents the provision of a range of financial products and services to corporations, government agencies and financial institutions. These products and services include corporate loans and advances, trade financing, deposit taking activities, agency services, wealth management services, consultancy services, settlement and clearing services and acceptance and guarantee services.

Retail banking

This segment represents the provision of a range of financial products and services to retail customers. These products and services include personal loans, deposit taking activities, personal wealth management services and remittance services.

## Notes to the Financial Statements (Continued)

*(Expressed in thousands of Renminbi, unless otherwise stated)*

### 36 SEGMENT REPORTING (CONTINUED)

#### Financial markets

This segment covers the Bank's financial markets business operations. The financial markets business enters into inter-bank money market transactions, repurchases transactions and investments. It also trades in debt securities. The financial markets business segment also covers management of the Bank's overall liquidity position, including the issuance of debts.

#### Others

These represent assets, liabilities, income and expenses which cannot directly attributable or can not be allocated to a segment on a reasonable basis.

Measurement of segment assets and liabilities and of segment income, expenses and results is based on the Bank's accounting policies.

Internal charges and transfer prices are determined with reference to market rates and have been reflected in the performance of each segment. Interest income and expense earned from third parties are referred to as "external net interest income/expense". Net interest income and expense arising from internal charges and transfer pricing adjustments are referred to as "internal net interest income/expense".

Segment income, expenses, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment income, expenses, assets and liabilities are determined before intra-bank balances and intra-bank transactions are eliminated as part of the consolidation process. Segment capital expenditure is the total cost incurred during the reporting periods to acquire property and equipment, intangible assets and other long-term assets.

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 36 SEGMENT REPORTING (CONTINUED)

	2024				
	Corporate banking	Retail banking	Financial markets	Others	Total
Operating income					
External net interest income/(expense)	11,112,595	(2,570,889)	620,345	–	9,162,051
Internal net interest (expense)/income	(4,362,078)	5,012,033	(649,955)	–	–
Net interest income/(expense)	6,750,517	2,441,144	(29,610)	–	9,162,051
Net fee and commission income/(expense)	120,817	(21,052)	201,246	–	301,011
Net trading gains	–	–	904,857	–	904,857
Net gains arising from investment securities	–	–	2,016,794	–	2,016,794
Other operating income/(expense)	17,120	(603)	(800)	17,234	32,951
Operating income	6,888,454	2,419,489	3,092,487	17,234	12,417,664
Operating expenses	(2,027,589)	(730,845)	(914,154)	(38,428)	(3,711,016)
Impairment (losses)/reversal on assets	(4,076,091)	(724,250)	257,508	–	(4,542,833)
Share of losses of associates	–	–	–	(9,774)	(9,774)
Profit/(loss) before tax	784,774	964,394	2,435,841	(30,968)	4,154,041
Segment assets	292,203,987	57,950,511	232,898,025	499,586	583,552,109
Deferred tax assets					6,434,783
Total assets					589,986,892
Segment liabilities	182,142,642	195,072,451	158,754,108	1,710,728	537,679,929
Total liabilities					537,679,929
Other segment information					
– Depreciation and amortisation	279,988	95,337	126,446	–	501,771
– Capital expenditure	119,004	40,521	53,744	–	213,269

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 36 SEGMENT REPORTING (CONTINUED)

	2023				
	Corporate banking	Retail banking	Financial markets	Others	Total
Operating income					
External net interest income/(expense)	10,853,963	(2,688,649)	584,704	–	8,750,018
Internal net interest (expense)/income	(5,026,694)	4,707,989	318,705	–	–
Net interest income	5,827,269	2,019,340	903,409	–	8,750,018
Net fee and commission income	189,897	14,948	133,404	–	338,249
Net trading gains	–	–	938,252	–	938,252
Net gains arising from investment securities	–	–	1,111,988	–	1,111,988
Other operating income	193,828	2,536	3,524	6,293	206,181
Operating income	6,210,994	2,036,824	3,090,577	6,293	11,344,688
Operating expenses	(2,193,928)	(741,326)	(1,002,448)	(32,045)	(3,969,747)
Impairment losses on assets	(2,170,586)	(376,980)	(776,536)	–	(3,324,102)
Share of losses of associates	–	–	–	(13,357)	(13,357)
Profit/(loss) before tax	1,846,480	918,518	1,311,593	(39,109)	4,037,482
Segment assets	287,045,135	61,535,026	221,625,573	602,092	570,807,826
Deferred tax assets					5,978,200
Total assets					576,786,026
Segment liabilities	180,524,780	177,486,427	169,229,967	936,453	528,177,627
Deferred tax liabilities					190,492
Total liabilities					528,368,119
Other segment information					
– Depreciation and amortisation	296,331	95,456	132,694	–	524,481
– Capital expenditure	166,690	53,695	74,642	–	295,027

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

### 37 RISK MANAGEMENT

The Bank has exposure to the following primary risks from its use of financial instruments: credit risk, market risk, liquidity risk and operational risk.

This note presents information about the Bank's exposure to each of the above risks and their sources, and the Bank's objectives, policies and procedures for measuring and managing these risks.

The Bank's risk management policies are established to identify and analyse the risks faced by the Bank, to set appropriate risk limits and internal controls, and to monitor risks and adherence to limits. Risk management policies and relevant internal control systems are reviewed regularly in order to adapt to the changes in market conditions and the Bank's operating activities. The internal audit department of the Bank undertakes both regular and ad-hoc reviews of risk management controls and procedures.

#### (a) Credit risk

Credit risk represents the potential loss that may arise from the failure of a debtor or counterparty to meet its contractual obligation or commitment to the Bank. Credit risk exposures arise principally from credit business and debt bond investment business. In addition, off-balance sheet items such as loan commitments, bank acceptances, letters of guarantee and letters of credit also include credit risks.

##### ***Credit business***

The Board of Directors formulates the Bank's risk management strategy and acceptable overall risk level, supervises the Bank's risk control, conducts regular assessments of risk status and risk management strategies, and advises on improving the Bank's internal controls related to risk management. The Bank integrates credit risk management into all stages of its credit business encompassing pre-loan investigation, credit review, and post-loan management. The Bank's functional departments engaging in credit risk management mainly include Credit Review Department and Risk Management Department, as well as Corporate Business Department, Small and Micro Business Department and Consumer Finance Department. Risk Management Department is responsible for the overall promotion of the comprehensive risk management system, formulating relevant policy, supervising related business lines and branches to strengthen post-loan management and risk monitoring in order to taking countermeasures to prevent and control risks immediately. Credit Review Department is independent of Customer Relationship and Product Management Department so as to ensure the independence of credit extension review. The front-line departments such as Corporate Business Department, Small and Micro Business Department and Consumer Finance Department, perform continuous monitoring and post-loan management regarding credit extension programs. The front-line departments such as branches and business divisions, carryout credit business in accordance with the Bank's risk management policies and procedures.

The Bank continuously improves the internal control mechanism and strengthens the management of the credit business. The Bank has established comprehensive assessment and inquiry mechanisms, assigning the credit management accountability to the relevant departments and individuals.

**Notes to the Financial Statements (Continued)***(Expressed in thousands of Renminbi, unless otherwise stated)***37 RISK MANAGEMENT (CONTINUED)****(a) Credit risk (continued)*****Credit business (continued)***

For corporate and institutional businesses, the Bank has formulated credit policy guidance. By strictly standardizing the credit operation process, it reinforces management of entire process, containing pre-loan investigation, credit rating assessment, review and approval procedures, disbursement review and post-loan monitoring.

For personal credit operation business, the Bank strengthens its work on credit assessment. During the assessment process, it mainly focusing on the income level, credit history and repayment ability of the applicant. The borrowers' repayment ability, status of collateral and any changes to their value are the key concerning factors during the post-lending monitoring phase. Once a loan becomes overdue, the Bank starts the recovery process according to standardised loan recovery procedures.

***Stages of risks in financial instrument***

The financial assets are categorised by the Bank into the following stages to manage the credit risk:

**Stage 1**

Financial assets have not experienced a significant increase in credit risk since origination and impairment recognised on the basis of 12 months expected credit losses.

**Stage 2**

Financial assets have experienced a significant increase in credit risk since origination and impairment is recognised on the basis of lifetime expected credit losses.

**Stage 3**

If there is objective evidence of impairment of financial instruments at the financial reporting date, the provision for impairment is recognised on the basis of lifetime expected credit losses.

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

### 37 RISK MANAGEMENT (CONTINUED)

#### (a) Credit risk (continued)

##### ***Stages of risks in financial instrument (continued)***

The Bank has set qualitative and quantitative criteria for assessing whether the credit risk of financial instruments has increased significantly since the initial recognition, including:

- Significant adverse changes in the debtor's or the issuer's business, financial and economic status;
- The risk classification of credit assets has changed from Performing upon initial recognition to Watch list;
- The internal rating of loans are below AA, but above D, with a decline of 3 grades (inclusive) or more compared to the previous period, and the previous period's rating result was below the entry-level (exclusive), the "entry-level" is determined according to credit management policies and other relevant factors;
- The PD of loan at the date of initial recognition be rated higher than 20% (inclusive);
- The external rating of bond issuers and that of financial institutions are below Baa 2 (inclusive) (International credit rating), but above D, and the external credit ratings have downgraded by two and more levels; or
- Principal (including advances) or interest is more than 30 days past due.

The Bank monitors credit risk of financial assets related to loans and treasury operations and conducts regular assessments at the counterparty level. The standards used in determining whether credit risk increases significantly are regularly monitored and reviewed by the management for the appropriateness.

As at December 31, 2024, the Bank has not considered that any of its financial assets has lower credit risk and no longer compared the credit risk at the balance sheet date with that at the initial recognition to identify whether there was a significant increase in credit risk.

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

**37 RISK MANAGEMENT (CONTINUED)****(a) Credit risk (continued)*****Definition of “default” and “credit-impaired assets”***

At each reporting date, the Bank assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

- Significant financial difficulty of the issuer or the debtor;
- The debtor constitutes a breach of contract, such as a default on interest or principal payments, etc;
- Concessions granted by the creditor to the debtor that would not have been made under any other circumstances due to economic or contractual considerations related to the debtor's financial hardship;
- It is probable that the debtor will enter into bankruptcy or other financial restructuring;
- The disappearance of an active market for that financial asset because of financial difficulties of the issuer or the debtor;
- The external rating of bond issuers and that of financial institutions are rated as “D” or default even occurred;
- Purchase or originate a financial asset at a substantial discount that reflects the credit losses incurred; or
- Principal or interest is more than 90 days overdue.

The above criteria apply to all financial assets of the Bank and they are consistent with the definition of “default” adopted by the internal management of credit risk.



## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

### 37 RISK MANAGEMENT (CONTINUED)

#### (a) Credit risk (continued)

##### ***Measurement of expected credit losses ("ECLs")***

The Bank adopts ECL model to measures provision for loss of financial assets based on the stages categorised above.

The ECL is the result of the discounted product of probability of default (PD), exposure at default (EAD) and loss given default (LGD). The definitions of these terms are as follows:

- PD refers to the likelihood that a borrower will be unable to meet his repayment obligations over the next 12 months or the remaining lifetime of the loan;
- EAD is the amount that the Bank should be reimbursed upon default of an obligor over the next 12 months or the remaining lifetime of the loan;
- LGD refers to the expected degree of loss arising from the exposure at default which is predicted by the Bank. LGD varies according to different types of counterparties, methods and priority of recovering debts and the availability of collaterals or other credit support.

The Bank determines the ECL by estimating the PD, LGD and EAD of individual exposure or asset portfolios in the 12 months and remaining lifetime. The Bank multiplies these three parameters and makes adjustments according to the probability of their continuance (i.e. there is no prepayment or default at an earlier period). By adopting this approach, the Bank can calculate the ECL for the 12 months and remaining lifetime. The results of calculation for each month are then discounted to the balance sheet date and added up. The discount rate used in the calculation of ECL is the initial effective interest rate or its approximate value.

The lifetime PD is deduced from using the maturity model or 12-month probability of default. The maturity model describes the development rule of the defaults of the asset portfolio over its lifetime. The model is developed based on historical observational data and applicable to all assets in the same portfolio with the same credit rating. The above method is supported by empirical analysis.

**Notes to the Financial Statements (Continued)***(Expressed in thousands of Renminbi, unless otherwise stated)***37 RISK MANAGEMENT (CONTINUED)****(a) Credit risk (continued)*****Measurement of expected credit losses ("ECLs") (continued)***

The 12-month EAD and lifetime EAD are determined based on expected repayment arrangements, which are different according to different types of products.

- In respect of the financial assets with instalment repayments and bullet repayment, the Bank determines 12-month or lifetime EAD according to the repayment schedule agreed in the contract and makes adjustment based on prediction of overlimit repayment and prepayments/refinancing made by the borrower.
- As to the off-balance sheet credit commitments, the parameter of EAD is calculated using the current exposure method and obtained from multiplying the nominal amount of the off-balance sheet items on the reporting date by the credit conversion factor ("CCF").
- The Bank determines the 12-month LGD and lifetime LGD based on the factors that affects post-default recovery. LGD for different product types are different.
- As to financial assets classified as guarantees, the Bank determines LGD according to the types of collaterals and their expected value, the discount rate at the compulsory sale, the recovery time and the estimated recovery cost.
- For credit-based financial assets, due to the limited variation in the amounts recoverable from different borrowers, the bank typically determines the loss given default (LGD) at the product level.

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

### 37 RISK MANAGEMENT (CONTINUED)

#### (a) Credit risk (continued)

##### ***Measurement of expected credit losses ("ECLs") (continued)***

Forward-looking information should be considered when determining the 12-month and lifetime probability of default, exposure at default and loss given default.

The Bank quarterly monitors and reviews assumptions related to the calculation of expected credit losses, including the changes in PD and the value of collaterals under the different time limits.

As of December 31, 2024 and December 31, 2023, there has been no significant changes in the estimate techniques and key assumptions.

The Bank forward-looking information included in the expected credit loss model is as follows:

- Both the assessment of significant increase in credit risk and the measurement of expected credit losses involve forward-looking information. Based on the analysis on historical data, the Bank identified critical economic indicators that affect the credit risk and ECL of all asset portfolios, including gross domestic product (GDP), industrial added value above designated size, industrial producer price index (PPI), consumer price index (CPI), and one year loan interest rate, etc. The Bank identified the relations between these economic indicators and the probability of default historically by conducting regression analysis and identified the expected probability of default by predicting the future economic indicators.
- When judging whether there is significant increase in credit risk, the Bank multiplies the lifetime PD at the benchmark and under other scenarios by the weight of the scenarios and considers the qualitative and maximum indicators. The Bank measures relevant provision for loss by the weighted 12-month ECL (for stage 1) or the weighted lifetime ECL (for stage 2 and stage 3). The above weighted credit losses are calculated from multiplying the ECL under the different scenarios by the weight of the corresponding scenarios.
- Similar to other economic forecasts, there is highly inherent uncertainty in the assessment of estimated economic indicators and the probability of occurrence, and therefore, the actual results may be materially different from the forecasts. The Bank believes that these forecasts reflect the Bank's best estimate of possible outcomes.
- Other forward-looking factors not incorporated in above scenarios, such as the impact of regulatory and legal changes, have also been taken into account. However, they were not considered to have significant impact and the expected credit losses were not adjusted accordingly. The Bank reviews and monitors the appropriateness of the above assumptions on a quarterly basis.

##### ***(i) Maximum credit risk exposure***

The maximum exposure to credit risk represents the worst credit risk exposure at the end of each reporting period, without taking account of any collateral held or other credit enhancements. For on-balance sheet assets, the maximum exposure to credit risk represents the carrying amount of financial assets after deducting any impairment allowance. In addition, off-balance sheet items such as loan commitments, credit card commitments, bank acceptances, letters of credit and guarantees also include credit risks.

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 37 RISK MANAGEMENT (CONTINUED)

## (a) Credit risk (continued)

**Measurement of expected credit losses ("ECLs") (continued)**

(ii) Financial assets analysed by credit quality are summarised as follows:

	2024			
	Loans and advances to customers	Deposits with banks and other financial institutions	Financial assets held under resale agreements	Financial investments (*)
Balances of financial assets that are assessed for expected credit losses over the next 12 months				
– Overdue but not credit-impaired	437,481	–	–	–
– Neither over due nor credit- impaired	298,337,275	7,489,684	20,445,940	192,255,497
Sub-total	298,774,756	7,489,684	20,445,940	192,255,497
Balances of financial assets that are not credit-impaired and assessed for lifetime expected credit losses				
– Overdue but not credit-impaired	580,407	–	–	16,129
– Neither over due nor credit- impaired	41,607,620	–	–	9,510,735
Sub-total	42,188,027	–	–	9,526,864
Balances of credit-impaired financial assets that are assessed for lifetime expected credit losses				
– Overdue and credit-impaired	4,768,480	–	–	177,825
– Credit-impaired but not overdue	1,353,739	–	–	1,412,889
Sub-total	6,122,219	–	–	1,590,714
Accrued interest	589,492	21,927	1,121	1,834,656
Less: provision for impairment losses	(18,825,137)	(9,672)	(18)	(1,909,382)
Net value	328,849,357	7,501,939	20,447,043	203,298,349

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 37 RISK MANAGEMENT (CONTINUED)

## (a) Credit risk (continued)

**Measurement of expected credit losses ("ECLs") (continued)**

(ii) Financial assets analysed by credit quality are summarised as follows: (continued)

	2023			
	Loans and advances to customers	Deposits with banks and other financial institutions	Financial assets held under resale agreements	Financial investments (*)
Balances of financial assets that are assessed for expected credit losses over the next 12 months				
– Overdue but not credit-impaired	497,661	–	–	800,000
– Neither over due nor credit- impaired	<u>298,920,949</u>	<u>5,974,322</u>	<u>1,651,839</u>	<u>200,987,251</u>
Sub-total	<u>299,418,610</u>	<u>5,974,322</u>	<u>1,651,839</u>	<u>201,787,251</u>
Balances of financial assets that are not credit-impaired and assessed for lifetime expected credit losses				
– Overdue but not credit-impaired	649,150	–	–	–
– Neither over due nor credit- impaired	<u>25,121,676</u>	<u>–</u>	<u>–</u>	<u>8,317,460</u>
Sub-total	<u>25,770,826</u>	<u>–</u>	<u>–</u>	<u>8,317,460</u>
Balances of credit-impaired financial assets that are assessed for lifetime expected credit losses				
– Overdue and credit-impaired	5,299,042	–	–	487,266
– Credit-impaired but not overdue	<u>1,460,058</u>	<u>–</u>	<u>–</u>	<u>1,496,694</u>
Sub-total	<u>6,759,100</u>	<u>–</u>	<u>–</u>	<u>1,983,960</u>
Accrued interest	680,049	3,426	–	2,158,364
Less: provision for impairment losses	<u>(16,018,352)</u>	<u>(3,503)</u>	<u>(602)</u>	<u>(2,290,142)</u>
Net value	<u>316,610,233</u>	<u>5,974,245</u>	<u>1,651,237</u>	<u>211,956,893</u>

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 37 RISK MANAGEMENT (CONTINUED)

## (a) Credit risk (continued)

**Measurement of expected credit losses ("ECLs") (continued)**

## (ii) Financial assets analysed by credit quality are summarised as follows: (continued)

\* Financial investments include financial investments measured at fair value through profit or loss, financial investments measured at fair value through other comprehensive income and financial investments measured at amortised cost.

## (iii) Loans and advances to customers analysed by credit quality

Within overdue but not credit impaired loans and advances and credit-impaired loans and advances, the portions covered and not covered by the collateral held as at December 31 are as follows:

	2024		2023	
	Over due but not credit-impaired loans and advances	Credit-impaired loans and advances	Over due but not credit-impaired loans and advances	Credit-impaired loans and advances
Portion covered	391,524	2,244,555	415,726	3,959,242
Portion not covered	626,364	3,877,664	731,085	2,799,858
Total	1,017,888	6,122,219	1,146,811	6,759,100

The collaterals mainly include land, buildings, machinery, and equipment, etc. The fair value of collaterals was estimated by the Bank based on the latest external valuations available, adjusted in light of disposal experience and current market conditions.

## (iv) Rescheduled loans and advances to customers

Rescheduled loans refer to the loans that the Bank adjusts the payment terms of the loan contract due to the deterioration of the borrower's financial condition or inability to repay. As at December 31, 2024, the Bank has rescheduled loans and advances to customers amounted to RMB2,808.02 million (2023: RMB1,262.80 million).

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 37 RISK MANAGEMENT (CONTINUED)

## (a) Credit risk (continued)

**Measurement of expected credit losses (“ECLs”) (continued)**

## (v) Credit rating

The Bank adopts a credit rating approach in managing the credit risk of the debt securities portfolio. Debt securities are rated with reference to major rating agencies where the issuers of the securities are located. The carrying amounts of debt securities investments analysed by the rating agency designations as at December 31 are as follows:

	2024	2023
Neither overdue nor impaired		
Ratings		
– AAA	73,518,659	37,868,020
– AA – to AA+	8,141,466	9,536,100
– BB+	280,518	–
Sub-total	81,940,643	47,404,120
Unrated	68,336,808	107,848,439
Total	150,277,451	155,252,559

For the year ended December 31, 2024, the unrated debt securities held by the Bank includes bonds issued by the Chinese government and quasi-governments (the Ministry of Finance, local government and policy banks) amounted to RMB52,681.21 million (2023: RMB84,670.32 million) and interbank deposited issued by commercial banks amounted to RMB687.72 million (2023: RMB5,757.31 million).

## Notes to the Financial Statements (Continued)

*(Expressed in thousands of Renminbi, unless otherwise stated)*

### 37 RISK MANAGEMENT (CONTINUED)

#### (b) Market risk

Market risk is the risk of loss, in respect of the Bank's activities, arising from adverse movements in market rates including interest rates, foreign exchange rates, commodity prices, stock prices and other prices.

The Board of Directors is ultimately responsible for monitoring the Bank's market risk management to ensure that the Bank effectively identifies, measures, monitors and controls various market risks faced by each business. The Risk Management Committee and Related Party Transaction Management Committee are responsible for monitoring market risk management within the authorised scope of the Board of Directors, reviewing the strategies, policies and procedures regarding market risk management, and recommendations for acceptable level of market risk proposed by senior management. The market risk faced by the Bank's business operations and development are mostly concentrated in the treasury operations. The Financial Markets Department is responsible for fund investment and proprietary trading. The Planning and Financial Department is responsible for the daily monitoring and management of interest rate risk under the Bank accounts; and the Transaction Banking Department is responsible for the daily monitoring and management of exchange rate risk. The Risk Management Department is responsible for drafting basic policies and procedures for market risk management, as well as identifying, measuring and monitoring the Bank's market risk.

The major source of market risk of the Bank is the asset and liability businesses involved in market operation and the risks in interest rate and exchange rate of products.

#### **Interest rate risk**

Interest rate risk refers to the risk that the adverse changes in interest rate levels and maturity structures will cause the Bank to suffer losses. The Bank's interest rate risk mainly comes from the repricing risk, trading interest rate risk and the inconsistent changes in the benchmark interest rate on which assets and liabilities are based.

#### **Repricing risk**

Repricing risk, which is also known as "maturity mismatch risk", is the most common form of interest rate risk. It is caused by the differences in timing between the maturities (related to fixed interest instruments) or repricing (related to floating interest instruments) of bank assets, liabilities and off-balance sheet items. The mismatch of repricing timing causes the Bank's income or its inherent economic value to vary with the movement in interest rates.

The Planning and Financial Department is responsible for the measurement, monitoring and management of interest rate risk of the banking book. In respect of measuring and managing risks, the Bank regularly assesses the impact of interest rate sensitivity repricing gaps and interest rate changes on the Bank's net interest income and economic value. The primary objective of interest rate risk management is to reduce the potential adverse effects of interest rate fluctuations on net interest income and economic value.



## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 37 RISK MANAGEMENT (CONTINUED)

## (b) Market risk (continued)

**Trading interest rate risk**

Trading interest rate risk mainly arises from the investment portfolios of financial markets. Interest rate risk is monitored using the effective duration analysis method. The Bank employs other supplementary methods to measure its interest rate sensitivity, which is expressed as changes in the fair value of investment portfolios given a 100 basis points (1%) movement in the interest rates.

- (i) The following tables indicate the financial assets and financial liabilities as at December 31 by the expected next repricing dates or by maturity dates, depending on which is earlier:

			2024			
	Total	Non-interest bearing	Less than three months	Between three months and one year	Between one year and five years	More than five years
<b>Assets</b>						
Cash and deposits with the central bank	18,923,134	545,719	18,377,415	–	–	–
Deposit with banks and other financial institutions	7,501,939	21,927	5,555,855	1,924,157	–	–
Financial assets held under resale agreements	20,447,043	1,121	20,445,922	–	–	–
Loans and advances to customers (Note (i))	328,849,357	589,492	61,650,126	176,990,216	44,114,593	45,504,930
Financial investments (Note (ii))	203,298,349	45,478,210	7,867,908	19,937,644	74,907,951	55,106,636
Others	230,494	230,494	–	–	–	–
Total assets	579,250,316	46,866,963	113,897,226	198,852,017	119,022,544	100,611,566
<b>Liabilities</b>						
Borrowings from the central bank	41,196,541	396,484	11,453,497	29,346,560	–	–
Deposits from banks and other financial institutions	22,788,159	121,828	4,809,331	17,857,000	–	–
Placements from banks and other financial institutions	3,707,481	2,481	2,800,000	905,000	–	–
Deposits from customers	375,001,832	7,962,591	178,688,233	57,736,719	127,113,486	3,500,803
Debt securities issued	90,085,649	301,893	22,549,243	58,234,697	8,999,816	–
Others	1,443,841	1,443,841	–	–	–	–
Total liabilities	534,223,503	10,229,118	220,300,304	164,079,976	136,113,302	3,500,803
Asset-liability gap	45,026,813	36,637,845	(106,403,078)	34,772,041	(17,090,758)	97,110,763

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 37 RISK MANAGEMENT (CONTINUED)

## (b) Market risk (continued)

## Trading interest rate risk (continued)

- (i) The following tables indicate the financial assets and financial liabilities as at December 31 by the expected next repricing dates or by maturity dates, depending on which is earlier: (continued)

		2023				
	Total	Non-interest bearing	Less than three months	Between three months and one year	Between one year and five years	More than five years
<b>Assets</b>						
Cash and deposits with the central bank	29,750,843	490,618	29,260,225	–	–	–
Deposit with banks and other financial institutions	5,974,245	3,426	5,970,819	–	–	–
Financial assets held under resale agreements	1,651,237	–	1,651,237	–	–	–
Loans and advances to customers (Note (i))	316,610,233	1,050,681	74,356,549	199,219,062	17,725,641	24,258,300
Financial investments (Note (iii))	211,956,893	45,681,990	13,913,461	25,599,129	87,973,362	38,788,951
Others	317,474	317,474	–	–	–	–
<b>Total assets</b>	<b>566,260,925</b>	<b>47,544,189</b>	<b>125,152,291</b>	<b>224,818,191</b>	<b>105,699,003</b>	<b>63,047,251</b>
<b>Liabilities</b>						
Borrowings from the central bank	43,458,074	444,374	9,580,000	33,433,700	–	–
Deposits from banks and other financial institutions	25,382,493	95,382	3,502,111	21,785,000	–	–
Placements from banks and other financial institutions	4,944,628	3,528	2,500,000	2,141,100	300,000	–
Deposits from customers	356,246,245	7,529,303	179,159,984	68,071,431	100,354,993	1,130,534
Debt securities issued	94,267,804	257,257	27,469,583	53,041,413	13,499,551	–
Others	678,375	678,375	–	–	–	–
<b>Total liabilities</b>	<b>524,977,619</b>	<b>9,008,219</b>	<b>222,211,678</b>	<b>178,472,644</b>	<b>114,154,544</b>	<b>1,130,534</b>
<b>Asset-liability gap</b>	<b>41,283,306</b>	<b>38,535,970</b>	<b>(97,059,387)</b>	<b>46,345,547</b>	<b>(8,455,541)</b>	<b>61,916,717</b>

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 37 RISK MANAGEMENT (CONTINUED)

## (b) Market risk (continued)

**Trading interest rate risk (continued)**

- (i) The following tables indicate the financial assets and financial liabilities as at December 31 by the expected next repricing dates or by maturity dates, depending on which is earlier: (continued)

- (i) As at December 31, 2024, for loans and advances to customers, the category “Less than three months” includes overdue amounts (net of provision for impairment losses) of RMB1,482.37 million (2023: RMB1,008.15 million).
- (ii) Financial investments include financial investments at fair value through profit or loss, financial investments at fair value through other comprehensive income and financial investments at amortised cost. As at December 31, 2024, for financial investments, the category “Less than three months” includes overdue amounts (net of provision for impairment losses) of RMB113.70 million (2023: RMB151.31 million).

- (ii) Interest rate sensitivity analysis

The Bank uses sensitivity analysis to measure the impact of changes in interest rate on the Bank’s net profit or loss and equity.

	2024 (Decrease)/increase	2023 (Decrease)/increase
Changes in net profit		
Up 100 bps parallel shift in yield curves	(1,062,770)	(566,464)
Down 100 bps parallel shift in yield curves	1,080,599	566,464
Changes in equity		
Up 100 bps parallel shift in yield curves	(1,987,704)	(1,911,145)
Down 100 bps parallel shift in yield curves	2,226,441	2,047,807

The sensitivity analysis above is based on a static interest rate risk profile of the Bank’s assets and liabilities. This analysis measures only the impact of changes in interest rates within one year, showing how annualised net profit or loss and equity would have been affected by repricing of the Bank’s assets and liabilities within the one-year period. The sensitivity analysis is based on the following assumptions:

**Notes to the Financial Statements (Continued)***(Expressed in thousands of Renminbi, unless otherwise stated)***37 RISK MANAGEMENT (CONTINUED)****(b) Market risk (continued)*****Trading interest rate risk (continued)*****(ii) Interest rate sensitivity analysis (continued)**

- Interest rate movements at the end of each of the reporting period apply to non-derivative financial instruments of the Bank;
- At the end of each of the reporting period, an interest rate movement of 100 basis points is based on the assumption of interest rates movement over the next 12 months;
- There is a parallel shift in the yield curve with the changes in interest rates;
- There are no other changes to the assets and liabilities portfolio;
- Other variables (including exchange rates) remain unchanged; and
- The analysis does not take into account the effect of risk management measures taken by the management.

Due to the adoption of the a forementioned assumptions, the actual changes in the Bank's net profit or loss and equity caused by an increase or decrease in interest rates might vary from the estimated results of this sensitivity analysis.

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 37 RISK MANAGEMENT (CONTINUED)

## (b) Market risk (continued)

**Foreign currency risk**

The Bank's currency risk mainly arises from foreign currency deposits with banks and other financial institutions and deposits from customers. The Bank manages currency risk by matching its foreign currency denominated assets with corresponding liabilities in the same currencies.

(i) The Bank's currency exposures as at December 31 were as follows:

	RMB	USD	2024 HKD	Other	Total
	(RMB equivalent)	(RMB equivalent)	(RMB equivalent)	(RMB equivalent)	(RMB equivalent)
<b>Assets</b>					
Cash and deposits with the central bank	18,914,609	8,525	–	–	18,923,134
Deposits with banks and other financial institutions	7,257,699	2,087	–	242,153	7,501,939
Financial assets held under resale agreements	20,447,043	–	–	–	20,447,043
Loans and advances to customers	328,618,290	231,067	–	–	328,849,357
Financial investments	203,298,349	–	–	–	203,298,349
Others	230,494	–	–	–	230,494
<b>Total assets</b>	<u>578,766,484</u>	<u>241,679</u>	<u>–</u>	<u>242,153</u>	<u>579,250,316</u>
<b>Liabilities</b>					
Borrowings from the central bank	41,196,541	–	–	–	41,196,541
Deposits from banks and other financial institutions	22,788,159	–	–	–	22,788,159
Placements from banks and other financial institutions	3,707,481	–	–	–	3,707,481
Deposits from customers	374,756,669	4,077	–	241,086	375,001,832
Debt securities issued	90,085,649	–	–	–	90,085,649
Others	1,211,907	231,934	–	–	1,443,841
<b>Total liabilities</b>	<u>533,746,406</u>	<u>236,011</u>	<u>–</u>	<u>241,086</u>	<u>534,223,503</u>
<b>Net position</b>	<u>45,020,078</u>	<u>5,668</u>	<u>–</u>	<u>1,067</u>	<u>45,026,813</u>
<b>Off-balance sheet credit commitments</b>	<u>21,631,348</u>	<u>82,684</u>	<u>–</u>	<u>–</u>	<u>21,714,032</u>

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 37 RISK MANAGEMENT (CONTINUED)

## (b) Market risk (continued)

**Foreign currency risk (continued)**

(i) The Bank's currency exposures as at December 31 were as follows: (continued)

	2023				
	RMB	USD	HKD	Other	Total
	(RMB equivalent)	(RMB equivalent)	(RMB equivalent)	(RMB equivalent)	(RMB equivalent)
<b>Assets</b>					
Cash and deposits with the central bank	29,744,774	6,069	–	–	29,750,843
Deposits with banks and other financial institutions	5,818,974	6,725	–	148,546	5,974,245
Financial assets held under resale agreements	1,651,237	–	–	–	1,651,237
Loans and advances to customers	316,388,545	221,688	–	–	316,610,233
Financial investments	211,956,893	–	–	–	211,956,893
Others	317,474	–	–	–	317,474
<b>Total assets</b>	<u>565,877,897</u>	<u>234,482</u>	<u>–</u>	<u>148,546</u>	<u>566,260,925</u>
<b>Liabilities</b>					
Borrowings from the central bank	43,458,074	–	–	–	43,458,074
Deposits from banks and other financial institutions	25,382,493	–	–	–	25,382,493
Placements from banks and other financial institutions	4,944,628	–	–	–	4,944,628
Deposits from customers	356,092,229	5,445	–	148,571	356,246,245
Debt securities issued	94,267,804	–	–	–	94,267,804
Others	455,763	222,612	–	–	678,375
<b>Total liabilities</b>	<u>524,600,991</u>	<u>228,057</u>	<u>–</u>	<u>148,571</u>	<u>524,977,619</u>
<b>Net position</b>	<u>41,276,906</u>	<u>6,425</u>	<u>–</u>	<u>(25)</u>	<u>41,283,306</u>
<b>Off-balance sheet credit commitments</b>					
	<u>24,284,654</u>	<u>27,982</u>	<u>–</u>	<u>–</u>	<u>24,312,636</u>

Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

37 RISK MANAGEMENT (CONTINUED)

(b) Market risk (continued)

Foreign currency risk (continued)

(ii) Exchange rate sensitivity analysis

Changes in net profit	2024	2023
	(Decrease)/increase	(Decrease)/increase
Foreign exchange rate decrease by 100 bps	(51)	(48)
Foreign exchange rate increase by 100 bps	51	48

The sensitivity analysis mentioned above is based on a static foreign exchange exposure profile of assets and liabilities and certain simplified assumptions as set out below:

- The foreign exchange sensitivity is the gain and loss recognised as a result of 100 basis points fluctuation in the foreign currency exchange rates against RMB based on the closing rate of reporting date;
- The fluctuation of exchange rates by 100 basis points is based on the assumption of exchange rates movement over the next 12 months;
- The exchange rates against RMB for the US dollars and other foreign currencies change in the same direction simultaneously; and
- Other variables (including interest rates) remain unchanged.

The analysis does not take into account the effect of risk management measures taken by the Bank. Due to the assumptions adopted, actual changes in the Bank’s net profit or loss resulting from the increase or decrease in foreign exchange rates may vary from the estimated results of this sensitivity analysis.

**Notes to the Financial Statements (Continued)***(Expressed in thousands of Renminbi, unless otherwise stated)***37 RISK MANAGEMENT (CONTINUED)****(c) Liquidity risk**

Liquidity risk refers to the risk of the failure to obtain sufficient funds in a timely manner at reasonable prices for meeting assets growth or repaying mature debts, although the commercial banks are capable of paying off debts. The Bank monitors its future cash flows based on liquidity risk management policies and ensures that appropriate levels of highly liquid assets are maintained.

The Liquidity Risk Management Committee is responsible for the overall liquidity of the Bank. The committee is responsible for formulating liquidity policies in accordance with regulatory requirements and prudential principles. Policy objectives include:

- Maintain a sound and adequate liquidity level and establish a sound liquidity risk management system to ensure timely payment obligations and the satisfaction of liquidity requirements arising from assets, liabilities and off-balance sheet businesses, thereby balancing the effectiveness and safety of funds; and
- Make timely and reasonable adjustments to the scale and structure of assets and liabilities based on market changes and business development, and under the premise of ensuring liquidity, moderately pursue profit maximisation and cost minimisation, and realise the centralisation of safety, liquidity and efficiency for the Bank's funds.

The Planning and Financial Department takes the lead in implementing the liquidity risk management policy and is responsible for formulating and timely revising the liquidity risk management strategy, and the identification, measurement, monitoring and mitigation management of the Bank's liquidity risk. In the meantime, the Planning and Financial Department and the Financial Markets Department are responsible for daily position management and forecasting and maintaining an appropriate level of highly liquid portfolio based on liquidity management strategies. The Financial Markets Department operates in accordance with the instructions from the Planning and Financial Department. In case of significant payment crisis or structural changes, the Financial Markets Department should report to the Liquidity Risk Management Committee and make recommendations in a timely manner.

Most of the sources of funds for the assets held by the Bank are deposits from customers. In recent years, the Bank's deposits from customers continue to grow, with diversified categories and types of maturities, it has become a stable source of funds.

The Bank mainly adopts liquidity gap analysis to measure liquidity risk and uses different scenario analysis and stress tests to assess the impact of liquidity risk.



## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 37 RISK MANAGEMENT (CONTINUED)

## (c) Liquidity risk (continued)

The following tables provide an analysis of assets and liabilities of the Bank into relevant maturity groupings based on the remaining periods to repayment at December 31:

	2024							Total
	Indefinite Note (i)	Repayable on demand	Within one month	Between one month and three months	Between three months and one year	Between one year and five years	More than five years	
<b>Assets</b>								
Cash and deposits with the central bank	18,244,720	678,414	–	–	–	–	–	18,923,134
Deposits with banks and other financial institutions	–	5,546,865	–	29,945	1,925,129	–	–	7,501,939
Financial assets held under resale agreements	–	–	20,477,043	–	–	–	–	20,477,043
Loans and advances to customers	1,642,324	437,760	11,788,342	18,655,451	74,435,280	85,896,719	135,993,481	328,849,357
Financial investments	43,875,416	–	3,099,020	4,672,146	20,114,542	75,860,689	55,676,536	203,298,349
Others	230,494	–	–	–	–	–	–	230,494
Total assets	63,992,954	6,663,039	35,334,405	23,357,542	96,474,951	161,757,408	191,670,017	579,250,315
<b>Liabilities</b>								
Borrowings from the central bank	–	–	2,448,747	9,203,693	29,544,101	–	–	41,196,541
Deposits from banks and other financial institutions	–	1,250,171	2,536,187	1,087,651	17,914,150	–	–	22,788,159
Placements from banks and other financial institutions	–	–	300,247	2,501,681	905,553	–	–	3,707,481
Deposit from customers	–	140,634,422	18,010,866	24,318,767	58,834,494	129,668,405	3,534,878	375,001,832
Debt securities issued	–	–	7,261,967	15,537,613	58,286,253	8,999,816	–	90,085,649
Others	861,627	582,214	–	–	–	–	–	1,443,841
Total liabilities	861,627	142,466,807	30,558,014	52,649,405	165,484,551	138,668,221	3,534,878	534,223,503
Net position	63,131,670	(135,803,768)	4,776,391	(29,291,863)	(69,009,600)	23,089,187	188,135,139	45,026,813

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 37 RISK MANAGEMENT (CONTINUED)

## (c) Liquidity risk (continued)

The following tables provide an analysis of assets and liabilities of the Bank into relevant maturity groupings based on the remaining periods to repayment at December 31: (continued)

	2023							
	Indefinite Note (f)	Repayable on demand	Within one month	Between one month and three months	Between three months and one year	Between one year and five years	More than five years	Total
<b>Assets</b>								
Cash and deposits with the central bank	18,905,388	10,845,455	–	–	–	–	–	29,750,843
Deposits with banks and other financial institutions	–	5,974,245	–	–	–	–	–	5,974,245
Financial assets held under resale agreements	–	–	1,651,237	–	–	–	–	1,651,237
Loans and advances to customers	1,495,394	556,350	16,171,200	15,804,572	82,425,206	89,818,056	110,339,455	316,610,233
Financial investments	268,756	–	48,767,856	9,537,296	26,620,672	87,973,362	38,788,951	211,956,893
Others	317,474	–	–	–	–	–	–	317,474
Total assets	20,987,012	17,376,050	66,590,293	25,341,868	109,045,878	177,791,418	149,128,406	566,260,925
<b>Liabilities</b>								
Borrowings from the central bank	–	–	3,080,209	6,725,729	33,652,136	–	–	43,458,074
Deposits from banks and other financial institutions	–	62,121	470,990	3,020,726	21,828,656	–	–	25,382,493
Placements from banks and other financial institutions	–	–	500,368	2,003,159	2,141,101	300,000	–	4,944,628
Deposit from customers	–	134,199,154	17,624,545	29,365,279	70,008,487	103,916,297	1,132,483	356,246,245
Debt securities issued	–	–	4,304,089	23,362,367	53,101,797	13,499,551	–	94,267,804
Others	331,981	346,394	–	–	–	–	–	678,375
Total liabilities	331,981	134,607,669	25,980,201	64,477,260	180,732,177	117,715,848	1,132,483	524,977,619
Net position	20,655,031	(117,231,619)	40,610,092	(39,135,392)	(71,686,299)	60,075,570	147,995,923	41,283,306

- (i) Indefinite amount of cash and deposits with the central bank represents the statutory deposit reserves and fiscal deposits with the central bank. Impaired deposits with banks and other financial institutions represents in indefinite category. Indefinite amount of loans and advances to customers includes all the credit-impaired loans, as well as those overdue more than one month. Loans and advances to customers with no impairment but overdue within one month are classified into the category of repayable on demand. Indefinite amount of investments represents credit-impaired investments or those overdue more than one month. Equity investments are listed in the category of indefinite.

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 37 RISK MANAGEMENT (CONTINUED)

## (c) Liquidity risk (continued)

The following tables provide an analysis of the contractual undiscounted cash flow of the non-derivative financial liabilities of the Bank at December 31:

	2024							
	Carrying amount	Contractual undiscounted cashflow	Repayable on demand	Within one month	Between one month and three months	Between three months and one year	Between one year and five years	More than five years
<b>Non-derivative financial liabilities</b>								
Borrowings from the central bank	41,196,541	41,639,418	-	2,450,000	9,274,779	29,914,639	-	-
Deposits from banks and other financial institutions	22,788,159	23,149,255	1,250,171	2,545,147	1,104,866	18,249,071	-	-
Placements from banks and other financial institutions	3,707,481	3,730,160	-	300,608	2,514,972	914,580	-	-
Deposits from customers	375,001,832	382,982,566	140,634,422	18,218,700	24,702,387	60,366,785	135,335,527	3,724,745
Debt securities issued	90,085,649	92,850,645	-	7,436,851	15,837,996	60,233,298	9,342,500	-
Total non-derivative financial liabilities	532,779,662	544,352,044	141,884,593	30,951,306	53,435,000	169,678,373	144,678,027	3,724,745

	2023							
	Carrying amount	Contractual undiscounted cashflow	Repayable on demand	Within one month	Between one month and three months	Between three months and one year	Between one year and five years	More than five years
<b>Non-derivative financial liabilities</b>								
Borrowings from the central bank	43,458,074	44,053,960	-	3,083,646	6,798,030	34,172,284	-	-
Deposits from banks and other financial institutions	25,382,493	25,832,199	62,121	471,768	3,133,947	22,164,363	-	-
Placements from banks and other financial institutions	4,944,628	4,997,720	-	500,847	2,028,182	2,168,083	300,608	-
Deposits from customers	356,246,245	369,724,558	134,199,154	17,643,295	29,517,384	71,293,649	115,733,182	1,337,894
Debt securities issued	94,267,804	96,285,956	-	4,310,000	23,676,972	54,146,884	14,152,100	-
Total non-derivative financial liabilities	524,299,244	540,894,393	134,261,275	26,009,556	65,154,515	183,945,263	130,185,890	1,337,894

This analysis of the non-derivative financial liabilities by contractual undiscounted cash flow might diverge from actual results.

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

### 37 RISK MANAGEMENT (CONTINUED)

#### (d) Operational risk

Operational risk is the risk of losses due to problems with internal procedures, personnel and information systems, or external events.

The Board is ultimately responsible for the bank's operational risk management and the senior management leads our day-to-day operational risk management. The Bank has established "three lines of defense" against operational risk. The first line of defense is formed by various business and management departments of our head office, branches and sub-branches, directly managing and assuming operational risk. The second line of defense is our Risk and Legal Compliance Department, which are responsible for supervising and guiding the management of operational risk in the first line of defense. The third line of defense is our Audit Department, which is responsible for supervising and evaluating the performance of our operational risk management in the first and second lines of defense and their effectiveness.

During the Reporting Period, the Bank clarified the operational risk management policy, improved the operational risk management related system, strengthened the application of operational risk management system, continuously strengthened the application of operational risk management tools, actively prevented and responded to various operational risks, and further promoted the Bank's operational risk management capability and effectiveness to support the healthy development of its business. Firstly, the Bank revised the management system for dealing with employees' violations of rules and disciplines and minor non-compliance points, strengthened accountability, sorted out the key points of job separation, and formulated the management system for incompatible posts to continuously consolidate the basis for the management and control of operational risks; secondly, the Bank continued to maintain the stable operation of the three management tools, namely, "Operational Risk and Control Self-Assessment" (RCSA), "Key Risk Indicator" (KRI), and "Loss Data Collection" (LDC)", and deployed some of the product-type and behavioral management monitoring models based on the actual situations to strengthen the monitoring, early-warning and analysis of operational risks; thirdly, the Bank insisted on the guidance of science and technology, launched and put into operation the operational risk and internal control and compliance management system, and optimized the information management process of operational risk and internal control and compliance to boost the Bank's digital risk control capability of operational risk and internal control and compliance to a new stage; fourthly, relying on the system, the Bank built a whole-process management system for inspection, rectification and accountability, strengthened the base of operational risk management, and highlighted the effect of visualization of risk control to enhance the risk management and control capability of the first line of defense of operational risks; fifthly, the Bank completed the operational risk stress testing, established the operational risk capital measurement scheme in accordance with the requirements of the new capital regulations, and completed the system function renovation to ensure that the Bank has the ability to regularly carry out measurements, analyses and reports on operational risk-weighted assets by adopting the new standard approach; sixthly, the Bank revised and improved the management measures for outsourcing risks, incorporated the scope of outsourcing activities into the catalogue management, improved the management mechanism of outsourcing declaration authority, organized special inspections of business manpower outsourcing management around the management priorities, and conducted regular inspections of IT manpower outsourcing execution to strengthen the management of operational risk mitigation; and seventhly, the Bank expanded the scope of access channels, optimised the monitoring rule model, improved the system functions, and continuously improved the ability to prevent external fraud risks relying on the anti-fraud application platform.

During the Reporting Period, the Bank managed and controlled operational risk in strict accordance with the Commercial Bank Operational Risks Management Guidelines《商業銀行操作風險管理指引》) and the Operational Risk Management Measures of Bank of Guizhou《貴州銀行操作風險管理辦法》) and the overall operational risk was controllable.

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

### 38 FAIR VALUE

#### (a) Methods and assumptions for measurement of fair value

The Bank adopts the following methods and assumptions when evaluating fair values:

##### (i) **Debt securities and equity investments**

The fair values of debt securities and equity investments that are traded in an active market are based on their quoted market prices in an active market at the end of the reporting period. If quoted market prices are not available, then fair values are estimated on the basis of pricing models or discounted cash flows.

##### (ii) **Investments and other non-derivative financial assets**

Fair values are estimated as the present value of the future cash flows, discounted at the market interest rates at the end of the reporting period.

##### (iii) **Debt securities issued and other non-derivative financial liabilities**

Fair values of debt securities issued are based on their quoted market prices at the end of the reporting period, or the present value of estimated future cash flows. The fair values of other non-derivative financial liabilities are valued at the present value of estimated future cash flows. The discount rates are based on the market interest rates at the end of the reporting period.

The Bank has established policies and internal controls with respect to the measurement of fair values, specify the framework of fair value measurement of financial instruments, fair value measurement methodologies and procedures.

#### (b) Fair value measurement

##### (i) **Financial assets**

The Bank's financial assets mainly consist of cash and deposits with the central bank, deposits with banks and other financial institutions, loans and advances to customers, and investments.

Deposits with the central bank, deposits with banks and other financial institutions and financial assets held under resale agreements are mostly priced at market interest rates and due within one year. Accordingly, the carrying amounts approximate the fair values.

Loans and advances to customers are mostly priced at floating rates close to the PBOC rates. Accordingly, the carrying amounts approximate the fair values. The fair values of loans and advances to customers measured at fair value through other comprehensive income are based on valuation techniques.

## Notes to the Financial Statements (Continued)

*(Expressed in thousands of Renminbi, unless otherwise stated)***38 FAIR VALUE (CONTINUED)****(b) Fair value measurement (continued)****(i) Financial assets (continued)**

Financial investments at fair value through other comprehensive income and financial assets at fair value through profit or loss are stated at fair value. Financial investments at amortised cost are the reasonable approximations of their fair values because, for example, they are repriced at current market rates frequently.

**(ii) Financial liabilities**

The Bank's financial liabilities mainly include deposits from banks and other financial institutions, placements from banks and other financial institutions, financial assets sold under repurchase agreements, deposits from customers and debt securities issued.

The book value and fair value of debt securities issued is presented in Note 27. The carrying amounts of other financial liabilities approximate their fair value.

**(c) Fair value hierarchy**

The following table presents the fair value of financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date;
- Level 2: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available; and
- Level 3: Fair value measured using significant unobservable inputs.

If there is a reliable market quote for financial instruments, the fair value of financial instruments is based on quoted market prices. If a reliable quoted market price is not available, the fair value of the financial instruments is estimated using valuation techniques. Valuation techniques applied include reference to the fair value of another instrument that is substantially the same, discounted cash flow analysis. The inputs used in valuation techniques include risk-free and benchmark interest rates and credit spreads. Where discounted cash flow analysis is used, estimated cash flows are based on management's best estimates and the discount rate used is reference to another instrument that is substantially the same.

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 38 FAIR VALUE (CONTINUED)

## (c) Fair value hierarchy (continued)

	2024			
	Level 1	Level 2	Level 3	Total
<b>Recurring fair value measurements</b>				
Assets				
<i>Loans and advances to customers measured at fair value through other comprehensive income</i>				
– Discounted bills	–	8,510,175	–	8,510,175
<i>Financial investments at fair value through profit or loss</i>				
– Debt securities	–	28,665,562	–	28,665,562
– Investment funds	–	43,605,804	–	43,605,804
<i>Financial investments at fair value through other comprehensive income</i>				
– Debt securities	–	53,979,950	–	53,979,950
– Asset-backed securities	–	376,022	–	376,022
– Equity investments	–	–	37,750	37,750
Total	–	135,137,513	37,750	135,175,263

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 38 FAIR VALUE (CONTINUED)

## (c) Fair value hierarchy (continued)

	Level 1	2023 Level 2	Level 3	Total
<b>Recurring fair value measurements</b>				
Assets				
<i>Loans and advances to customers measured at fair value through other comprehensive income</i>				
– Discounted bills	–	11,457,527	–	11,457,527
<i>Financial investments at fair value through profit or loss</i>				
– Debt securities	–	36,817,214	–	36,817,214
– Investment funds	–	43,485,875	–	43,485,875
– Structured notes issued by securities companies	–	–	103,817	103,817
<i>Financial investments at fair value through other comprehensive income</i>				
– Debt securities	–	56,344,483	–	56,344,483
– Asset-backed securities	–	383,782	–	383,782
– Equity investments	–	–	37,750	37,750
Total	–	148,488,881	141,567	148,630,448



## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 38 FAIR VALUE (CONTINUED)

## (c) Fair value hierarchy (continued)

The movement during the year ended December 31, 2024 in the balance of Level 3 fair value measurements is as follows:

	January 1, 2024	Transfer into Level 3	Transfer out of Level 3	Total gains or losses		Purchases, issues, sales and settlements		December 31, 2024	Total gains or losses for the year included in profit or loss for assets held at the end of the year
				Recorded in profit or loss	Recorded in other comprehensive income	Purchases	Settlements		
<b>Assets</b>									
Financial investments at fair value through profit or loss – structured notes issued by securities companies	103,817	-	-	1,087	-	-	(104,904)	-	-
Financial investments at fair value through other comprehensive income – equity investments	37,750	-	-	-	-	-	-	37,750	-
<b>Total</b>	<b>141,567</b>	<b>-</b>	<b>-</b>	<b>1,087</b>	<b>-</b>	<b>-</b>	<b>(104,904)</b>	<b>37,750</b>	<b>-</b>

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 38 FAIR VALUE (CONTINUED)

## (c) Fair value hierarchy (continued)

The movement during the year ended December 31, 2023 in the balance of Level 3 fair value measurements is as follows:

	January 1, 2023	Transfer into Level 3	Transfer out of Level 3	Total gains or losses Recorded in profit or loss	Recorded in other comprehensive income	Purchases, issues, sales and settlements Purchases	Settlements	December 31, 2023	Total gains or losses for the year included in profit or loss for assets held at the end of the year
<b>Assets</b>									
Financial investments at fair value through profit or loss – structured notes issued by securities companies	-	-	-	3,817	-	100,000	-	103,817	-
Financial investments at fair value through other comprehensive income – equity investments	37,750	-	-	-	-	-	-	37,750	-
<b>Total</b>	<u>37,750</u>	<u>-</u>	<u>-</u>	<u>3,817</u>	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>141,567</u>	<u>-</u>

During the years ended December 31, 2024 and 2023, the carrying amounts of financial instruments valued with significant unobservable inputs were immaterial, and the effects of changes in significant unobservable assumptions to reasonably possible alternative assumptions were also immaterial.

## Notes to the Financial Statements (Continued)

*(Expressed in thousands of Renminbi, unless otherwise stated)***38 FAIR VALUE (CONTINUED)****(c) Fair value hierarchy (continued)**

The valuation techniques used and the qualitative and quantitative information of key parameters for recurring fair value measurements categorised within Level 3.

Quantitative information of Level 3 fair value measurement is as below:

	Fair value as at December 31, 2024	Valuation techniques	Unobservable inputs
<b>Financial investments at fair value through other comprehensive income</b>			
– Equity investments	37,750	Discounted cash flow	Risk-adjusted discount rate, cash flow
<b>Financial investments at fair value through profit or loss</b>			
– structured notes issued by securities companies	103,817	Discounted cash flow	Risk-adjusted discount rate, cash flow
<b>Financial investments at fair value through other comprehensive income</b>			
– Equity investments	37,750	Discounted cash flow	Risk-adjusted discount rate, cash flow

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 38 FAIR VALUE (CONTINUED)

## (c) Fair value hierarchy (continued)

During the year ended December 31, 2024, there were no significant changes in the valuation techniques (2023: nil).

As at December 31, 2024 and 2023, unobservable inputs such as risk-adjusted discount rate and cash flow were used in the valuation of financial assets at fair value classified as Level 3, which were mainly equity investments and wealth management products. The fair value of these financial assets fluctuates according to the changes in the unobservable inputs.

The sensitivity of the fair value on changes in unobservable inputs for Level 3 financial instruments is measured at fair value on an ongoing basis.

The fair value of financial instruments is, in certain circumstances, measured using valuation models which incorporate assumptions that are not supported by prices from observable current market transactions in the same instrument and are not based on observable market data. The following table shows the sensitivity of fair value due to parallel movement of plus or minus 1 percent of change in fair value to reasonably possible alternative assumptions.

As at December 31, 2024, the level 3 financial instrument has no sensitivity of fair value.

	2023			
	Effect on net profit		Effect on other comprehensive income	
	Favorable	(Unfavourable)	Favorable	(Unfavourable)
<b>Financial investments at fair value through profit or loss</b>				
– structured notes issued by securities companies	38	(38)	–	–

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

### 39 ENTRUSTED LENDING BUSINESS

The Bank provides entrusted lending business services to customers. All entrusted loans are funded by entrusted funds from these customers. The Bank does not take any credit risk in relation to these transactions. The Bank acts as an agent to hold and manage these assets and liabilities at the direction of the entrust or and receives fee income for the services provided. The entrusted assets are not the assets of the Bank and are not recognised in the statements of financial position. Surplus funding is accounted for as deposits from customers.

	2024	2023
Entrusted loans	38,351,571	44,213,505
Entrusted funds	38,351,571	44,213,505

### 40 COMMITMENTS AND CONTINGENT LIABILITIES

#### (a) Credit commitments

The Bank's credit commitments take the form of approved loans with signed contracts, credit card commitments, bank acceptances, letters of credit and financial guarantees.

The contractual amounts of loans commitments represent the amounts should the contracts be fully drawn upon. The Bank provides financial guarantees and letters of credit to guarantee the performance of customers to third parties. Acceptances comprise of undertakings by the Bank to pay bills of exchange drawn on customers. The Bank expects most acceptances to be settled simultaneously with the reimbursement from the customers.

	2024	2023
Credit card commitments	14,070,190	12,891,294
Sub-total	14,070,190	12,891,294
Acceptances	5,870,993	9,627,067
Letters of credit	621,734	899,874
Letters of guarantees	1,151,115	894,401
Total	21,714,032	24,312,636

## Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

**40 COMMITMENTS AND CONTINGENT LIABILITIES (CONTINUED)****(a) Credit commitments (continued)**

The Bank maybe exposed to credit risk in all the above credit businesses. Management periodically assesses credit risk and makes provision for any probable losses. As the facilities may expire without being drawn upon, the total of the contractual amounts shown above is not representative of expected future cash outflows.

**(b) Credit risk-weighted amount**

	2024	2023
Credit risk-weighted amounts	7,155,902	7,598,827

The credit risk-weighted amount represents the amount calculated with reference to the guidelines issued by the CBRC.

**(c) Capital commitments**

As at December 31, the Bank's authorised capital commitments are as follows:

	2024	2023
Contracted but not paid for	87,000	201,071
Authorised but not contracted for	–	2,713
Total	87,000	203,784

**(d) Outstanding litigations and disputes**

As at December 31, 2024, the Bank was the defendant in certain pending litigations and disputes with an estimated gross amount of RMB200.45 million (December 31, 2023: RMB209.73 million). The Bank has assessed the impact of the above outstanding litigation and disputes that may lead to an outflow of economic benefits based on the legal opinion from internal and external lawyers. Management believes that the Bank is extremely unlikely to be liable for compensation. Therefore, the Bank did not recognise any litigation provision.

Notes to the Financial Statements (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

41 SUBSEQUENT EVENTS

The Bank has no material events for disclosure subsequent to the end of the reporting period.

42 COMPARATIVE FIGURES

For financial statements disclosure purpose, the Bank made reclassification adjustments to some comparative figures.

43 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED DECEMBER 31, 2024

Up to the date of issue of these financial statements, a number of amendments, new standards and interpretations are issued which are not yet effective for the year ended December 31, 2024 and which have not been adopted in these financial statements. These include the following which maybe relevant to the Bank.

	Effective for accounting period beginning on or after
Lack of Convertibility (Revised IAS 1)	January 1, 2025
Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	January 1, 2026
Annual amendments to IFRS (Volume 11)	January 1, 2026
Presentation and Disclosure in Financial Statements (IFRS 18)	January 1, 2027
Disclosure by Non-Public Sector Subsidiaries (IFRS 19)	January 1, 2027
Sales or Contributions of Assets between an Investor and Its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	To be determined

The Bank is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the financial statements.

# Unaudited Supplementary Financial Information

(Expressed in thousands of Renminbi, unless otherwise stated)

The information set out below does not form part of the financial statements, and is included herein for information purpose only.

In accordance with the Hong Kong Listing Rules and Banking (Disclosure) Rules, the Bank discloses the unaudited supplementary financial information as follows:

## 1 LIQUIDITY COVERAGE RATIO AND LEVERAGE RATIO

### Liquidity coverage ratio

	2024	Average for 2024
Liquidity coverage ratio (RMB and foreign currency)	271.91%	281.55%
	2023	Average for 2023
Liquidity coverage ratio (RMB and foreign currency)	365.70%	392.55%

Pursuant to the Administrative Measures for Liquidity Risk Management of Commercial Banks (Provisional), the liquidity coverage ratio of commercial banks shall reach 100% by the end of 2018.

### Leverage Ratio

	2024	2023
Leverage Ratio	8.31%	7.95%

Pursuant to the Leverage Ratio Management of Commercial Banks issued by the CBRC and was effective since April 1, 2015, a minimum leverage ratio 4% is required for commercial banks.

The above liquidity coverage ratio and leverage ratio are calculated in accordance with the formula promulgated by the former CBRC and based on the financial information prepared in accordance with PRC GAAP.



## Unaudited Supplementary Financial Information (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

## 2 CURRENCY CONCENTRATIONS

	At December 31, 2024			Total
	USD (RMB equivalent)	HKD (RMB equivalent)	Others (RMB equivalent)	
Spot assets	243,658	–	242,204	485,862
Spot liabilities	(5,318)	–	(242,204)	(247,522)
Net position	238,340	–	–	238,340

	At December 31, 2023			Total
	USD (RMB equivalent)	HKD (RMB equivalent)	Others (RMB equivalent)	
Spot assets	235,714	–	148,571	384,285
Spot liabilities	(6,315)	–	(148,571)	(154,886)
Net position	229,399	–	–	229,399

The Bank has no structural position at December 31, 2024.

## Unaudited Supplementary Financial Information (Continued)

(Expressed in thousands of Renminbi, unless otherwise stated)

### 3 INTERNATIONAL CLAIMS

The Bank is principally engaged in business operations within Mainland China and regards all claims on third parties outside Mainland China as international claims.

International claims include loans and advances to customers, and amounts due from banks and other financial institutions.

A country or geographical area is reported where it constitutes 10% or more of the aggregate amount of international claims, after taking into account all risk transfers. Risk transfers are only made if the claims are guaranteed by a party in a country which is different from that of the counterparty or if the claims are on an overseas branch of a bank whose Head Office is located in another country.

As at December 31, 2024, the Bank has no international claims in all areas outside China.

### 4 GROSS AMOUNT OF OVERDUE LOANS AND ADVANCES

	2024	2023
Gross loans and advances which have been overdue with respect to either principal or interest for periods of		
– Within three months (inclusive)	1,234,689	2,130,515
– Overdue more than three months to one year (inclusive)	2,264,661	3,099,909
– Overdue more than one year	2,287,018	1,215,429
Total	5,786,368	6,445,853
As a percentage of gross loans and advances		
– Within three months (inclusive)	0.36%	0.64%
– Overdue more than three months to one year (inclusive)	0.65%	0.93%
– Overdue more than one year	0.66%	0.37%
Total	1.67%	1.94%

## Appendix: Information on Branches

No.	Region	Name of Institution	Address of Institution
1	Guiyang	Guiyang branch Business Department of Bank of Guizhou Co., Ltd.	Shops (No.1–2) on 1/F, 39–45/F, 47–49/F, Guizhou Tourism Building, No.68 Beijing Road, Yunyan District, Guiyang, Guizhou Province
2	Guiyang	Guiyang Zunyi Road sub-branch of Bank of Guizhou Co., Ltd.	No. 1 1/F, No. 1 2/F, No. 1 3/F, Unit A & B, Chengshi Fangzhou, No.25 Zunyi Road, Nanming District, Guiyang, Guizhou Province
3	Guiyang	Guiyang Qianjiang Road sub-branch of Bank of Guizhou Co., Ltd.	Shop No.2, 1/F, Building 5 (former Building 1), Yunkaixiyuan Phase II, No.29 Qianjiang Road, Guiyang Economic & Technology Development Zone, Guiyang, Guizhou Province
4	Guiyang	Guiyang Ruijin sub-branch of Bank of Guizhou Co., Ltd.	Nos. 2&3 1/F and 14/F, Yuhui Commercial Center, No. 68 Ruijin North Road, Yunyan District, Guiyang, Guizhou Province
5	Guiyang	Guiyang Huaxi sub-branch of Bank of Guizhou Co., Ltd.	Shops 1–6, 1–7, 1–8, 1–9, 1–10, 1/F & Shops 1–24, 1–25, 1–26, 1–27, 2/F, Building 1, Huaxi District Liangjiapo Big Data Comprehensive Industry Zone, Junction of Mingzhu Avenue and Huatong Road, Huaxi District, Guiyang, Guizhou Province
6	Guiyang	Guiyang Yunyan sub-branch of Bank of Guizhou Co., Ltd.	No. 77 Ruijin Middle Road, Guiyang, Guizhou Province
7	Guiyang	Guiyang Nanming sub-branch of Bank of Guizhou Co., Ltd.	Shops 6, 7, 8, 9, 11, Block C, Junyue Huating, No. 19 Xinhua Road, Nanming District, Guiyang, Guizhou Province
8	Guiyang	Guiyang Youyi sub-branch of Bank of Guizhou Co., Ltd.	Nos. 1–7 Youyi Road, Yunyan District, Guiyang, Guizhou Province
9	Guiyang	Guiyang Baoshan sub-branch of Bank of Guizhou Co., Ltd.	1/F & 2/F, Zhongke Jiayuan annex building (on the side facing Guanshui Road), Institute of Geochemistry Chinese Academy of Sciences, No. 46 Guanshui Road, Nanming District, Guiyang, Guizhou Province
10	Guiyang	Guiyang Fushui Road sub-branch of Bank of Guizhou Co., Ltd.	Annex building of Hengfeng Yipin, No. 31 Fushui South Road, Nanming District, Guiyang, Guizhou Province
11	Guiyang	Guiyang Jinyang Keji sub-branch of Bank of Guizhou Co., Ltd.	Building No. 1, Western China (Guiyang) High-tech Production and R&D base, No. 28 Changling South Road, National High-tech Zone, Guiyang, Guizhou Province
12	Guiyang	Guiyang Shijicheng Xingfu Road sub-branch of Bank of Guizhou Co., Ltd.	1–2/F, Units 7–11, Comprehensive Market periphery, Group M, Shijicheng, Guanshanhu District, Guiyang, Guizhou Province
13	Guiyang	Guiyang Taiciqiao sub-branch of Bank of Guizhou Co., Ltd.	No. 2, B1, Yijingchuntian, No. 560, North Section of Huaxi Avenue, Nanming District, Guiyang, Guizhou Province
14	Guiyang	Guiyang Xiaohe sub-branch of Bank of Guizhou Co., Ltd.	1/F, Building No. 1, Daxing Commercial Building, No. 418 Huanghe Road, Xiaohe District, Guiyang, Guizhou Province
15	Guiyang	Guiyang Shixin sub-branch of Bank of Guizhou Co., Ltd.	Shops 15–18, Basement 1, Block 8–12, Phase One, Manpo Xiaoshicheng, Guiyang, Guizhou Province
16	Guiyang	Guiyang Zhongtian Garden sub-branch of Bank of Guizhou Co., Ltd.	No. 14 overhead 1/F, Zhongtian Garden Sports Field, No. 289, South section of Xintian Avenue, Yunyan District, Guiyang, Guizhou Province

## Appendix: Information on Branches (Continued)

No.	Region	Name of Institution	Address of Institution
17	Guiyang	Guiyang Xinxingyuan sub-branch of Bank of Guizhou Co., Ltd.	No. 9 Basement 3, Block 4, Xinxingyuan, No. 198 North section of Xintian Avenue, Wudang District, Guiyang, Guizhou Province
18	Guiyang	Guiyang Exhibition Center sub-branch of Bank of Guizhou Co., Ltd.	No. 65 Zunyi Road, Nanming District, Guiyang, Guizhou Province
19	Guiyang	Guiyang Guikai Road sub-branch of Bank of Guizhou Co., Ltd.	Commercial units on 1/F & residential units on 11/F, No. 47 Guiwu North Road, Yunyan District, Guiyang, Guizhou Province
20	Guiyang	Guiyang Yunhuan Road Community sub-branch of Bank of Guizhou Co., Ltd.	Nos. F-1-14, F-1-15, F-1-16, F-1-20, F-1-21, F-1-22, F-1-23, Beishang Huacheng Shopping Center, Yunhuan Road, Baiyun District, Guiyang, Guizhou Province
21	Guiyang	Guiyang Shinan Road community sub-branch of Bank of Guizhou Co., Ltd.	No. 11 1/F, No. 69 Shinan Road, Nanming District, Guiyang, Guizhou Province
22	Guiyang	Guiyang Wudang sub-branch of Bank of Guizhou Co., Ltd.	No. 1 1/F and 2/F, Commodity Building Block 22, No. 22 Xintian Avenue, Wudang District, Guiyang, Guizhou Province
23	Guiyang	Guiyang Jinyang North Road sub-branch of Bank of Guizhou Co., Ltd.	Shops 1-1, 1-2, 1-3, 1-4, No. 6, Guanfu No.1, PowerChina Real Estate, No.378, Jinyang North Road, Guanshanhu District, Guiyang, Guizhou Province
24	Guiyang	Guiyang Zhongdu sub-branch of Bank of Guizhou Co., Ltd.	1/F, Zhongdu Building, No. 149 Zhonghua South Road, Nanming District, Guiyang, Guizhou Province
25	Guiyang	Guiyang Zaoshan Road Community sub-branch of Bank of Guizhou Co., Ltd.	Shop No.2, 1/F, Tiedao Building, No. 31 Zaoshan Road, Yunyan District, Guiyang, Guizhou Province
26	Guiyang	Guiyang Zhongtie Yidu Community sub-branch of Bank of Guizhou Co., Ltd.	Nos. 1, 2, 19, 20, 1/F, Unit 8, Block DS-6, 8, 10, 12, 14, Group D, Zhongtie Yidu International, No. 300 Shilin Road, Guanshanhu District, Guiyang, Guizhou Province
27	Guiyang	Guiyang Jinyang South Road Community sub-branch of Bank of Guizhou Co., Ltd.	Nos. 44, 45, 46, 47, 48, 1/F, Guoxi Center Construction Project, Phase I, Next to the side facing Jinyang South Road, Karst Park, Guanshanhu District, Guiyang, Guizhou Province
28	Guiyang	Guiyang Huizhan City sub-branch of Bank of Guizhou Co., Ltd.	1/F, Block D1, SOHO Area, Jinyang International Convention and Exhibition Center, Guanshanhu District, Guiyang, Guizhou Province
29	Guiyang	Guiyang Xifeng sub-branch of Bank of Guizhou Co., Ltd.	No. 1-1 1/F, Block 1, Kunlun Building, Hucheng Avenue, Yongjing Town, Xifeng County, Guiyang, Guizhou Province
30	Guiyang	Guiyang Liyang sub-branch of Bank of Guizhou Co., Ltd.	1/F, 601 Complex Building, Guiyang Liyang Aero Engine Co., Ltd., Baiyun District, Guiyang, Guizhou Province
31	Guiyang	Kaiyang sub-branch of Bank of Guizhou Co., Ltd.	1/F, No. 395 Kaizhou Avenue, Kaiyang County, Guiyang, Guizhou Province
32	Guiyang	Xiuwen sub-branch of Bank of Guizhou Co., Ltd.	1/F, Unit 1, Block 1, Chaoyang Road, Xiuwen County, Guiyang, Guizhou Province
33	Guiyang	Guiyang Qingzhen sub-branch of Bank of Guizhou Co., Ltd.	1/F, high-rise residence Block A, Hongshu Dongfang, Yunling East Road, Qingzhen City, Guiyang, Guizhou Province
34	Guiyang	Gui'an New Area sub-branch of Bank of Guizhou Co., Ltd.	Building A4, Double Innovation Park, Guizhou Light Industry Vocational and Technical College, Huaxi University City, Gui'an New Area, Guizhou Province

## Appendix: Information on Branches (Continued)

No.	Region	Name of Institution	Address of Institution
35	Guiyang	Guiyang Huaguoyuan sub-branch of Bank of Guizhou Co., Ltd.	Nos. 1005A & 1005B, phase one, Huaguoyuan Project, Zhongshan South Road, Guiyang, Guizhou Province
36	Guiyang	Guiyang Shuanglong Air Harbor sub-branch of Bank of Guizhou Co., Ltd.	Shop B, No.28, -3/F, Building B, phase one, Longdongbao E-Business Port, No. 9 Airport Road, Nanming District, Guiyang, Guizhou Province
37	Guiyang	Guiyang Shibei Road sub-branch of Bank of Guizhou Co., Ltd.	No. 1 Shibei Road, Yunyan District, Guiyang, Guizhou Province
38	Guiyang	Guiyang Beijing Road sub-branch of Bank of Guizhou Co., Ltd.	No. 9 Beijing Road, Yunyan District, Guiyang, Guizhou Province
39	Guiyang	Guiyang Baiyun sub-branch of Bank of Guizhou Co., Ltd.	Nos. 2&3, 1/F, No. 65 Zhonghuan Road, Baiyun District, Guiyang, Guizhou Province
40	Guiyang	Guiyang Lanhua Plaza sub-branch of Bank of Guizhou Co., Ltd.	Shops S113, S114, S115, S116, Block 4, J Section, Huaguoyuan, Nanming District, Guiyang, Guizhou Province
41	Guiyang	Guiyang Weilai Fangzhou sub-branch of Bank of Guizhou Co., Ltd.	Nos. 16–18 Basement 7, Group E4, Weilai Fangzhou, Yu'an Anjin Area, Yunyan District, Guiyang, Guizhou Province
42	Guiyang	Guiyang Zhujiang Road sub-branch of Bank of Guizhou Co., Ltd.	Room 7&8 1/F, Block 14, Wanke Daduhui, No. 368 Zhujiang Road, Huaxi District, Guiyang, Guizhou Province
43	Guiyang	Guiyang Beijing West Road sub-branch of Bank of Guizhou Co., Ltd.	Around the corner on 1/F, Building No. 5, Longquan Resettlement Community, intersection between Beijing West Road and Jinyuan Street, Guanshanhu District, Guiyang, Guizhou Province
44	Guiyang	Guiyang Daqing Road sub-branch of Bank of Guizhou Co., Ltd.	Shop No. 5, 1/F, No. 17 Meishu Yangguang Community, No. 288 Daqing Road, Nanming District, Guiyang, Guizhou Province
45	Guiyang	Guiyang Huansha Road sub-branch of Bank of Guizhou Co., Ltd.	1/F of attached building, No. 157 Huansha Road, Yunyan District, Guiyang, Guizhou Province
46	Guiyang	Guiyang Xiaochehe Road sub-branch of Bank of Guizhou Co., Ltd.	Shops 103 & 104, 1/F, Block 2, R2 Section, Xiaochehe Road, Huaguoyuan, Nanming District, Guiyang, Guizhou Province
47	Guiyang	Guiyang Dongshan Road sub-branch of Bank of Guizhou Co., Ltd.	Nos. 1–23, Block 1–4, Group Nine & Ten, Zhongtian Shiji New Town, No. 198 Dongshan Road, Yunyan District, Guiyang, Guizhou Province
48	Guiyang	Guiyang Huaxi Avenue sub-branch of Bank of Guizhou Co., Ltd.	No. 3078, Qingxi Road, Huaxi District, Guiyang, Guizhou Province
49	Guiyang	Guiyang Financial City sub-branch of Bank of Guizhou Co., Ltd.	Part of 1/F at No. 9 Yongchang Road, Guanshanhu District, Guiyang, Guizhou Province
50	Guiyang	Guiyang Yanwu Street sub-branch of Bank of Guizhou Co., Ltd.	No. 35 Yanwu Street, Yunyan District, Guiyang, Guizhou Province
51	Guiyang	Guiyang Huguo Road sub-branch of Bank of Guizhou Co., Ltd.	No. 1 Basement 1, Shangri-La Building, No. 82 Huguo Road, Nanming District, Guiyang, Guizhou Province
52	Guiyang	Guiyang Youlin Road sub-branch of Bank of Guizhou Co., Ltd.	No. 1 Basement 1, Group G4, Weilai Fangzhou, Yu'an Anjin Area, Yunyan District, Guiyang, Guizhou Province
53	Guiyang	Qingzhen Yunling Middle Road sub-branch of Bank of Guizhou Co., Ltd.	No.91 Qingzhen Yunling Middle Road. Qingzhen, Guizhou Province

## Appendix: Information on Branches (Continued)

No.	Region	Name of Institution	Address of Institution
54	Guiyang	Guiyang Shachong North Road sub-branch of Bank of Guizhou Co., Ltd.	No. 2, 1/F, Block I, J, K, G, California Sunshine New Town, No.145 Shachong North Road, Guiyang, Guizhou Province
55	Zunyi	Zunyi branch Business Department of Bank of Guizhou Co., Ltd.	Middle Section of Xiamen Road, Huichuan District, Zunyi, Guizhou Province
56	Zunyi	Zunyi Hangtian sub-branch of Bank of Guizhou Co., Ltd.	No. 36 Beijing Road, Honghuagang District, Zunyi, Guizhou Province
57	Zunyi	Zunyi Waihuan Road sub-branch of Bank of Guizhou Co., Ltd.	Unit 4, 1/F, Block Caiyunjian, Dasenxin Town, Waihuan Road, Honghuagang District, Zunyi, Guizhou Province
58	Zunyi	Zunyi Nangongshan sub-branch of Bank of Guizhou Co., Ltd.	Units 004, 005 & 006, 1/F, Block 5, Zone B, Xinxueyu Southwestern Agricultural Products Trading Center, Zunyi Xiangjiang Industry Zone, Nanguan Street Office, Honghuagang District, Zunyi, Guizhou Province
59	Zunyi	Meitan County sub-branch of Bank of Guizhou Co., Ltd.	Nos. 1-1, 2-1, Chengtou No. 4 Building, Tianwen Avenue, Meijiang Community, Meitan County, Zunyi, Guizhou Province
60	Zunyi	Zunyi Huichuan sub-branch of Bank of Guizhou Co., Ltd.	Haoxin Building, Hong Kong Road, Huichuan District, Zunyi, Guizhou Province
61	Zunyi	Zunyi Hong Kong Road sub-branch of Bank of Guizhou Co., Ltd.	Baoli Building, Hong Kong Road, Huichuan District, Zunyi, Guizhou Province
62	Zunyi	Zunyi Jinshan sub-branch of Bank of Guizhou Co., Ltd.	Shops 17-18, 1/F, East Section of Guangzhou Road, Huichuan District, Zunyi, Guizhou Province
63	Zunyi	Zunyi Nanjing Road sub-branch of Bank of Guizhou Co., Ltd.	1/F, Office Building, Land and Resources Branch, Zunyi Economic-Technological Development Area, Junction of Nanjing Road and Ningbo Road, Huichuan District, Zunyi, Guizhou Province
64	Zunyi	Zunyi Zhongnan sub-branch of Bank of Guizhou Co., Ltd.	Nos. 84-88 Zhonghua South Road, Honghuagang District, Zunyi, Guizhou Province
65	Zunyi	Zunyi Xinhua sub-branch of Bank of Guizhou Co., Ltd.	Nos. 54-56 Xinhua Road, Honghuagang District, Zunyi, Guizhou Province
66	Zunyi	Zunyi Tianyu sub-branch of Bank of Guizhou Co., Ltd.	Commercial Units 1, 2 & 3, 1/F, Block A, Jingteng Construction Materials Market, Waihuan Road, Honghuagang District, Zunyi, Guizhou Province
67	Zunyi	Zunyi Donggongsi sub-branch of Bank of Guizhou Co., Ltd.	Unit 1-1, Block 1, Feiyang Tiandi, Huichuan Avenue, Zunyi, Guizhou Province
68	Zunyi	Zunyi Zhongbei sub-branch of Bank of Guizhou Co., Ltd.	Shops 6, 7, 8 & 9, 1/F, Family Dormitory Building, Dongjiu Factory, Zhonghua North Road, Honghuagang District, Zunyi, Guizhou Province
69	Zunyi	Zunyi Shanghai Road sub-branch of Bank of Guizhou Co., Ltd.	Shops 7 & 8, 1/F, Block B, Phase II of Longquan Changqingteng Garden, Shanghai Road, Huichuan District, Zunyi, Guizhou Province
70	Zunyi	Zunyi Court Street sub-branch of Bank of Guizhou Co., Ltd.	Shops B11, B12, B13 & B14, 1/F, Zone B, Longhua Laocheng New Street, Honghuagang District, Zunyi, Guizhou Province

## Appendix: Information on Branches (Continued)

No.	Region	Name of Institution	Address of Institution
71	Zunyi	Zunyi Xima Road sub-branch of Bank of Guizhou Co., Ltd.	Shops 9 & 10, Block B, Meilunhuaxiang, Xima Road, Zunyi, Guizhou Province
72	Zunyi	Zunyi Honghuagang sub-branch of Bank of Guizhou Co., Ltd.	Middle Section of Haier Avenue, Honghuagang District, Zunyi, Guizhou Province
73	Zunyi	Zunyi Haier Avenue sub-branch of Bank of Guizhou Co., Ltd.	2-1 Yongcheng Building, Yongshengting Ruiyuan, Haier Avenue, Honghuagang District, Zunyi, Guizhou Province
74	Zunyi	Zunyi Lanjiabao sub-branch of Bank of Guizhou Co., Ltd.	Shops 8-9, Block 18, Lanjiabao Community, Honghuagang District, Zunyi, Guizhou Province
75	Zunyi	Zunyi Yinghong Bridge sub-branch of Bank of Guizhou Co., Ltd.	Unit 1-392, 1/F, Phase I Podium, Zone A, Zhongtian Wanli Xiangjiang, Wanli Road, Honghuagang District, Zunyi, Guizhou Province
76	Zunyi	Zunyi Bozhou sub-branch of Bank of Guizhou Co., Ltd.	Unit 1-10, 1/F, Block 5, Modern Town Square, Avenue South Section, Bozhou District, Zunyi, Guizhou Province
77	Zunyi	Zunyi Goujiang sub-branch of Bank of Guizhou Co., Ltd.	Junction of Dongnan Avenue and Goujiang Avenue, Goujiang Town, Bozhou District, Zunyi, Guizhou Province
78	Zunyi	Zunyi Majiawan sub-branch of Bank of Guizhou Co., Ltd.	No. 262 Tianchi Avenue, Longkeng Street, Bozhou District, Zunyi, Guizhou Province
79	Zunyi	Renhuai sub-branch of Bank of Guizhou Co., Ltd.	Commercial & Administrative Complex, Jiudu Xinjing Town Garden, east side of Guojiu Avenue, Jiudu New District, Renhuai, Zunyi, Guizhou Province
80	Zunyi	Renhuai Guojiu Road sub-branch of Bank of Guizhou Co., Ltd.	No. 6-7 Guojiu Middle Road, Renhuai, Zunyi, Guizhou Province
81	Zunyi	Renhuai Maotai sub-branch of Bank of Guizhou Co., Ltd.	Shop 122, Maotai Lobby Commercial Square, South of 1915 Square, Maotai Town, Renhuai, Zunyi, Guizhou Province
82	Zunyi	Renhuai Zhongshu sub-branch of Bank of Guizhou Co., Ltd.	A26-1-1-1, A26-1-1-2, A26-1-1-3, A26-1-1-4 and A26-1-1-5, Huibang International Building, Chengnan Community, Yanjin Street Office, Renhuai, Zunyi, Guizhou Province
83	Zunyi	Chishui City sub-branch of Bank of Guizhou Co., Ltd.	Shop 8, Jinwei Jiezu, Xiangyang Road, Chishui, Zunyi, Guizhou Province
84	Zunyi	Tongzi County sub-branch of Bank of Guizhou Co., Ltd.	Block 4, Zone 11, Wenbi Road, Loushangan Town, Tongzi County, Zunyi, Guizhou Province
85	Zunyi	Tongzi County Loushan sub-branch of Bank of Guizhou Co., Ltd.	Building 2, East Block 2 Area, Dongqing South Road, Loushangan Town, Tongzi County, Zunyi, Guizhou Province
86	Zunyi	Xishui County sub-branch of Bank of Guizhou Co., Ltd.	Units 1-13, 1/F, "Huijing Xincheng • Wealth Square", Cross of Ruijin Road and Zunyi Road, Xiancheng West Area, Xishui County, Zunyi, Guizhou Province
87	Zunyi	Yuqing sub-branch of Bank of Guizhou Co., Ltd.	Xinglong Road, Baini Town, Yuqing County, Zunyi, Guizhou Province
88	Zunyi	Fenggang sub-branch of Bank of Guizhou Co., Ltd.	Xinggangwan Community, Longquan Town, Fenggang County, Zunyi, Guizhou Province
89	Zunyi	Zheng'an sub-branch of Bank of Guizhou Co., Ltd.	Nos. B-11, B-12, B-13, Shizishan Relocation Community, ShijiFuyuan, Tongdu Avenue, Chengdong Area, Fengyi Town, Zheng'an County, Zunyi, Guizhou Province

## Appendix: Information on Branches (Continued)

No.	Region	Name of Institution	Address of Institution
90	Zunyi	Zunyi Shenyang Road sub-branch of Bank of Guizhou Co., Ltd.	Shops 17#, 18#, 19#, Block 60, Tianyang Community, Shenyang Road, Huichuan District, Zunyi, Guizhou Province
91	Zunyi	Chishui Hongjun Avenue sub-branch of Bank of Guizhou Co., Ltd.	Units 1-9, 1-10, 1-11, Mingyi Building, "Junhao Town Garden", Hongjun Avenue, Chishui, Zunyi, Guizhou Province
92	Zunyi	Zunyi Nanbai sub-branch of Bank of Guizhou Co., Ltd.	Nos. 0-1-34, 0-1-35 and 0-2-2, Block 1-2, Shanty Town Transformation Project in Wanxiang Square Area, Nanbai Street Office, Bozhou District, Zunyi, Guizhou Province
93	Zunyi	Wuchuan sub-branch of Bank of Guizhou Co., Ltd.	Shops 2-1-8, 2-1-9 & 2-1-10, 1/F, Block 2, Wuxing Xingang, Dongsheng Avenue, Yangcun Village, Duru Town, Wuchuan Mulao and Miao Autonomous County, Zunyi, Guizhou Province
94	Zunyi	Daozhen sub-branch of Bank of Guizhou Co., Ltd.	Basement 1, Block 1, Linda Yangguang Jiayuan, Zunyi Road, Yuxi Town, Daozhen Mulao and Miao Autonomous County, Zunyi, Guizhou Province
95	Zunyi	Suiyang sub-branch of Bank of Guizhou Co., Ltd.	Shops 1-1, 1-2, 1-3, 1-4, 1-15, 1-16, 1-17 & 1-18, Zone K, Group II Project, Phase I of "Luyuan Town Square" Binhe 1st Road, Yangchuan Town, Suiyang County, Zunyi, Guizhou Province
96	Zunyi	Zunyi Xiazi sub-branch of Bank of Guizhou Co., Ltd.	South side of 1/F, Block 5#, R&D Zone, Xinpu Economic Development Area, Xiazi Town, Honghuagang District, Zunyi, Guizhou Province
97	Zunyi	Xishui County Fuxi Road sub-branch of Bank of Guizhou Co., Ltd.	1/F, Guifu Haoyuan, Fuxi Road, Xishui County, Zunyi, Guizhou Province
98	Zunyi	Zunyi Hexing Avenue sub-branch of Bank of Guizhou Co., Ltd.	Shops B33-1-70 & B33-2-54, Zhongjian • Happiness Town, west side of Hexing Avenue, Xinpu New District, Zunyi, Guizhou Province
99	Zunyi	Zunyi Dongxin Avenue sub-branch of Bank of Guizhou Co., Ltd.	Commercial Units -2-11, -2-12 & -2-13, Block D49&50, Zone 4, Group D, Dongxin Caihong Town, Dongxin Avenue, Honghuagang District, Zunyi, Guizhou Province
100	Zunyi	Meitan County Meijiang sub-branch of Bank of Guizhou Co., Ltd.	Shops 3, 4, 5, 6, 7 and 8 of the urban shantytown renovation project in the Tea Township North Road Industrial and Commercial Bureau area of Meijiang Community Office, Meitan County, Zunyi, Guizhou Province
101	Zunyi	Zunyi Biyun sub-branch of Bank of Guizhou Co., Ltd.	Shops 2-3, Housing Office Alternation, Chengdu Military Region, No. 01-1-08 Biyun Road, Honghuagang District, Zunyi, Guizhou Province
102	Zunyi	Zunyi Xinpu sub-branch of Bank of Guizhou Co., Ltd.	No. 1-2, Building 1, Linda Yangguang New Town, Xinpu New Area, Bozhou Avenue, Xinpu New Area, Zunyi, Guizhou Province
103	Anshun	Anshun sub-branch Business Department of Bank of Guizhou Co., Ltd.	1-5/F, Block B, Yinxiang Anshun • Wealth Center, Huangguoshu Street, Xixiu District, Anshun, Guizhou Province



## Appendix: Information on Branches (Continued)

No.	Region	Name of Institution	Address of Institution
104	Anshun	Anshun Xihang Road sub-branch of Bank of Guizhou Co., Ltd.	No. 136, Xihang Road, Economic and Technological Development Zone, Anshun, Guizhou Province
105	Anshun	Pingba sub-branch of Bank of Guizhou Co., Ltd.	Zhongshan Building, Zhongshan Road, Pingba District, Anshun, Guizhou Province
106	Anshun	Puding County sub-branch of Bank of Guizhou Co., Ltd.	No. 116, Guangming Road, Chengguan Town, Puding County, Anshun, Guizhou Province
107	Anshun	Zhenning County sub-branch of Bank of Guizhou Co., Ltd.	Shops 24–31, 1/F, Longcheng Impression, south side of Yanhe Road, Zhenning County, Anshun, Guizhou Province
108	Anshun	Guanling County sub-branch of Bank of Guizhou Co., Ltd.	No. 12, Binhe Road, Guansuo Town, Guanling County, Anshun, Guizhou Province
109	Anshun	Anshun Dashizi sub-branch of Bank of Guizhou Co., Ltd.	No. 2 Tashan East Road, Xixiu District, Anshun, Guizhou Province
110	Anshun	Anshun Dongguan sub-branch of Bank of Guizhou Co., Ltd.	Dongsheng Xingyuan at intersection of Ruofei East Road and Jianshe Road, Anshun, Guizhou Province
111	Anshun	Anshun Tuobao Mountain sub-branch of Bank of Guizhou Co., Ltd.	Xixiu District Government Financial Center, Tuobao Mountain, Huangguoshu Street, Xixiu District, Anshun
112	Anshun	Anshun Xiaoshizi sub-branch of Bank of Guizhou Co., Ltd.	Shops 1–4&1–5, Block 1-B, Xichun Garden, Zhonghua North Road, Anshun
113	Anshun	Anshun Fenghuangshan sub-branch of Bank of Guizhou Co., Ltd.	Nos. 54, 55, 56, 57, “Longfeng Chengxiang” Basement 2, Longquan Road, Anshun, Guizhou Province
114	Anshun	Anshun Longqing Road sub-branch of Bank of Guizhou Co., Ltd.	Nos. 1–9&1–10, Yincheng Dijing, Longqing Road, Xixiu District, Anshun, Guizhou Province
115	Anshun	Anshun Development Zone sub-branch of Bank of Guizhou Co., Ltd.	Basement 3–2, Block A3, Jiangshan Garden (Panshan Longting) on Jianyanpo, west side of North 2nd Ring Road, Anshun, Guizhou Province
116	Anshun	Anshun Nanhua sub-branch of Bank of Guizhou Co., Ltd.	Block A, Shun’an Shiji New Town, Nanhua Road, Anshun, Guizhou Province
117	Anshun	Anshun Jian’an sub-branch of Bank of Guizhou Co., Ltd.	Block 1, Plot 3, Group three, phase two, Dongguan Economically Affordable Housing Community, Zhonghua East Road, Xixiu District, Anshun, Guizhou Province
118	Anshun	Anshun Qianzhong sub-branch of Bank of Guizhou Co., Ltd.	Shops 1–8, 1–9 and 1–10, Cuilu Jincheng, Anshun, Guizhou Province
119	Anshun	Ziyun sub-branch of Bank of Guizhou Co., Ltd.	Shop No. 101, 1/F, Block C, Hongtai Trade Mart, middle section of Getu Avenue, Ziyun Miao and Bouyei Autonomous County, Anshun, Guizhou Province
120	Anshun	Huangguoshu New City sub-branch of Bank of Guizhou Co., Ltd.	No. 1, 1/F, Suofei’er Hotel, New City, Guanling Bouyei and Miao Autonomous County, Anshun, Guizhou Province
121	Anshun	Anshun Ruofei sub-branch of Bank of Guizhou Co., Ltd.	Shops 1-11, 1-12 and 1-13, Block 1 and 2, Honghu Zhi Zhou, north-east of the intersection of Beishan Road and Hongshanhu Road, Xixiu District, Anshun, Guizhou Province
122	Qiannan	Qiannan branch Business Department of Bank of Guizhou Co., Ltd.	1–5/F, Block 1, Guanlan Shengdingcheng Office Building, No. 25, Xishan Avenue, Duyun, Qiannan Bouyei and Miao Autonomous Prefecture, Guizhou Province

## Appendix: Information on Branches (Continued)

No.	Region	Name of Institution	Address of Institution
123	Qiannan	Duyun Jianjiang sub-branch of Bank of Guizhou Co., Ltd.	1/F and 3/F, Poly Star Mansion, No. 70, Doupengshan Road, Duyun, Qiannan Bouyei and Miao Autonomous Prefecture, Guizhou Province
124	Qiannan	Longli sub-branch of Bank of Guizhou Co., Ltd.	Shop 1 Basement 2 & Shop 2 Basement 2, Block A & Block B, Laiyinbao Community, Jinlong West Road, Guanshan Street, Longli County, Qiannan Prefecture, Guizhou Province
125	Qiannan	Fuquan sub-branch of Bank of Guizhou Co., Ltd.	1/F & 2/F, 6#, Block 4, Zhongxincheng • Tianjie, Chaoyang Road, Fuquan, Qiannan Prefecture, Guizhou Province
126	Qiannan	Guiding sub-branch of Bank of Guizhou Co., Ltd.	No. 71 Hongqi Road, Guiding County, Qiannan Prefecture, Guizhou Province
127	Qiannan	Weng'an sub-branch of Bank of Guizhou Co., Ltd.	Block 1, Zone B, Lvcheng Central Park, Hexi New District, Yongyang Town, Weng'an County, Qiannan Prefecture, Guizhou Province
128	Qiannan	Huishui sub-branch of Bank of Guizhou Co., Ltd.	Shops in 1/F and 2/F, Jinhui Building, Huixing Road, Huishui County, Qiannan Bouyei and Miao Autonomous Prefecture, Guizhou Province
129	Qiannan	Changshun sub-branch of Bank of Guizhou Co., Ltd.	Units 2, 3 & 4, 1/F, Block 2, Xinhe Building, Chengnan Avenue, Chengnan New District, Changshun County, Qiannan Prefecture, Guizhou Province
130	Qiannan	Sandu sub-branch of Bank of Guizhou Co., Ltd.	Units 1 & 2, 1/F, Commercial Building, 68 Fudi, Zhonghua Road, Sanhe Town, Sandu County, Qiannan Prefecture, Guizhou Province
131	Qiannan	Pingtang sub-branch of Bank of Guizhou Co., Ltd.	Shops 22–25, 1/F & Shops 21–22, 2/F, Podiums 3 & 4, Central Street Community, Pingtang County, Qiannan Prefecture, Guizhou Province
132	Qiannan	Dushan sub-branch of Bank of Guizhou Co., Ltd.	Unit 11, 1/F, Fuzun Huating Commerce, Zhongnan Road, Dushan County, Qiannan Prefecture, Guizhou Province
133	Qiannan	Luodian sub-branch of Bank of Guizhou Co., Ltd.	Shops in 1/F and 2/F, Fashion Shopping Center, Block B, Guizhou Mingqiang Real Estate Development, Co., Ltd., Hebin Road, Luodian County, Qiannan Bouyei and Miao Autonomous Prefecture, Guizhou Province
134	Qiannan	Libo sub-branch of Bank of Guizhou Co., Ltd.	Units 101 & 102, No. 4 Zhangjiang East Road, Yuping Town, Libo County, Qiannan Prefecture, Guizhou Province
135	Qiannan	Duyun Dalong sub-branch of Bank of Guizhou Co., Ltd.	Shops 5–7 & 18–19, 1/F, Block 8, Yudufu, Dalong Avenue, Duyun, Qiannan Prefecture, Guizhou Province
136	Qiannan	Weng'an Middle Street sub-branch of Bank of Guizhou Co., Ltd.	Units 1–8 & 9, Block 7, Wenfeng Middle Road, Wengshui Huazhu Community, Weng'an County, Qiannan Prefecture, Guizhou Province
137	Qiannan	Duyun Shidai sub-branch of Bank of Guizhou Co., Ltd.	1/F, Times Square, No. 66 Jianjiang Middle Road, Duyun, Qiannan Prefecture, Guizhou Province
138	Qiandongnan	Qiandongnan branch Business Department of Bank of Guizhou Co., Ltd.	No. 138, No. 140, 1/F, Base Building, Building 01 and Floors 4–10, Tower A, No. 2 Yingui Avenue, Kaili City, Qiandongnan Miao and Dong Autonomous Prefecture, Guizhou Province

## Appendix: Information on Branches (Continued)

No.	Region	Name of Institution	Address of Institution
139	Qiandongnan	Kaili Ningbo Road sub-branch of Bank of Guizhou Co., Ltd.	Shops 1 & 2, Block B1, Xinding Guoji Mingju, No. 33 Ningbo Road, Kaili, Guizhou Province
140	Qiandongnan	Kaili Dashizi sub-branch of Bank of Guizhou Co., Ltd.	No. 11, Beijing East Road, Kaili City, Guizhou Province
141	Qiandongnan	Rongjiang sub-branch of Bank of Guizhou Co., Ltd.	Huilong Commercial Square, No. 9–1 Dongbingjiang Avenue, Rongjiang County, Guizhou Province
142	Qiandongnan	Danzhai sub-branch of Bank of Guizhou Co., Ltd.	1/F & 2/F, Cultural, Sports, Broadcast, Television & Tourism Bureau Building, east side of middle section of Longquan Avenue, Danzhai County, Guizhou Province
143	Qiandongnan	Jianhe sub-branch of Bank of Guizhou Co., Ltd.	No. 3 Yang'ashadong Avenue, Gedong Town, Jianhe County, Guizhou Province
144	Qiandongnan	Tianzhu sub-branch of Bank of Guizhou Co., Ltd.	Old Office Building, Land Tax Bureau, Commercial Zone II Road, Fengcheng Town, Tianzhu County, Guizhou Province
145	Qiandongnan	Kaili Century Town sub-branch of Bank of Guizhou Co., Ltd.	Shops 9 & 10, 1/F, Century Town, No. 22 Wenhua North Road, Kaili, Guizhou Province
146	Qiandongnan	Huangping sub-branch of Bank of Guizhou Co., Ltd.	No. 2 Feiyun Road, Xinzhou Town, Huangping County, Guizhou Province
147	Qiandongnan	Taijiang sub-branch of Bank of Guizhou Co., Ltd.	No. 8 Miaojiang East Avenue, Taigong Town, Taijiang County, Guizhou Province
148	Qiandongnan	Liping sub-branch of Bank of Guizhou Co., Ltd.	Shops 12–15 and portion of 2/F, Block 8, Li'nan Jiayuan, Wukai South Road, Defeng Town, Liping County, Guizhou Province
149	Qiandongnan	Zhenyuan sub-branch of Bank of Guizhou Co., Ltd.	Former Hardware Factory's Dormitory, Lianhe Street, Wuyang Town, Zhenyuan County, Guizhou Province
150	Qiandongnan	Sansui sub-branch of Bank of Guizhou Co., Ltd.	Shops 1–3 and portion of 3/F, Jinxiu Qiancheng, Fuzheng West Road, Bagong Town, Sanshui County, Guizhou Province
151	Qiandongnan	Congjiang sub-branch of Bank of Guizhou Co., Ltd.	Block 1 & Block 2, Trade Town, Jian'an Road, Bingmei Town, Congjiang County, Guizhou Province
152	Qiandongnan	Leishan sub-branch of Bank of Guizhou Co., Ltd.	No. 115 Leigongshan Avenue, Danjiang Town, Leishan County, Guizhou Province
153	Qiandongnan	Majiang sub-branch of Bank of Guizhou Co., Ltd.	1/F & 2/F, Land and Resources Bureau Building, Fenghuang Avenue, Xingshan Town, Majiang County, Guizhou Province
154	Qiandongnan	Jinping sub-branch of Bank of Guizhou Co., Ltd.	Shops 13–18, State-owned company settlement building, north side of Binjiang Avenue, Sanjiang Town, Jinping County, Guizhou Province
155	Qiandongnan	Cengong sub-branch of Bank of Guizhou Co., Ltd.	No. 1 Wushui Road, Xinxing, Cengong County, Guizhou Province
156	Qiandongnan	Shibing sub-branch of Bank of Guizhou Co., Ltd.	Liu Li/Yin Quanren, 1/F, Self-built House, Baijatang East Road, Chengguan Town, Shibing County, Guizhou Province
157	Qiandongnan	Kaili Weilaicheng sub-branch of Bank of Guizhou Co., Ltd.	Shops 90, 92–97, 101, 1/F, North Zone of the Commercial Plaza, Jiahe Shengshi Phase Two, No. 140, Kaimian Road, Kaili, Guizhou Province

## Appendix: Information on Branches (Continued)

No.	Region	Name of Institution	Address of Institution
158	Qiandongnan	Kaili Shaoshan Road sub-branch of Bank of Guizhou Co., Ltd.	Two commercial units with street frontage, 1/F, Kaili Hexie Dunpu Hotel, No. 70, Shaoshan South Road, Kaili City, Qiandongnan Miao and Dong Autonomous Prefecture, Guizhou Province
159	Tongren	Tongren branch Business Department of Bank of Guizhou Co., Ltd.	No. 256 Jinlin Avenue, Wanshan District, Tongren, Guizhou Province
160	Tongren	Dejiang sub-branch of Bank of Guizhou Co., Ltd.	No. 4 Wujiang North Road, Qinglong Street, Dejiang County, Tongren, Guizhou Province
161	Tongren	Songtao sub-branch of Bank of Guizhou Co., Ltd.	1/F, Block 1, Zone C, Binjiang Garden, Qixing Avenue, Liaogao Street Office, Songtao Miao Autonomous County, Tongren, Guizhou Province
162	Tongren	Tongren Dashizi sub-branch of Bank of Guizhou Co., Ltd.	Unit 101-3, Fulin Building, Jiefang Road, Bijiang District, Tongren, Guizhou Province
163	Tongren	Tongren Train Station sub-branch of Bank of Guizhou Co., Ltd.	7#, Planned Zone D, Railway Station Square, Bijiang District, Tongren, Guizhou Province
164	Tongren	Yuping sub-branch of Bank of Guizhou Co., Ltd.	1/F, Yuanda Caizhi Center, Yuping, Maoping New District, Yuping Dong Autonomous County, Tongren, Guizhou Province
165	Tongren	Yanhe sub-branch of Bank of Guizhou Co., Ltd.	Tuanjie Avenue, Development Area, Yanhe Tujia Autonomous County, Tongren, Guizhou Province (Opposite to County SAT Bureau)
166	Tongren	Si'nan sub-branch of Bank of Guizhou Co., Ltd.	1/F & 2/F, Water Resources Bureau Office Building, Guizhou Xinyue Group Shengshi Haoting, Chengbei Street, Si'nan County, Tongren, Guizhou Province
167	Tongren	Yinjiang sub-branch of Bank of Guizhou Co., Ltd.	Xiyuan Road, Eling Town, Yinjiang Tujia and Miao Autonomous County, Tongren, Guizhou Province (1/F, Commercial & Residential Building, Duowei Guoji)
168	Tongren	Tongren Jinjiang sub-branch of Bank of Guizhou Co., Ltd.	Ancillary Building, Jinjiang Hotel, No. 8 Jinjiang South Road, Tongren, Guizhou Province
169	Tongren	Jiangkou sub-branch of Bank of Guizhou Co., Ltd.	No. 1-5 to 1-12, 1/F and No. 2-3 to 2-11, 2/F, Block 18, Lot 2#, Qilong Impression, Samsung Road, Shuangjiang Street, Jiangkou County, Tongren, Guizhou Province
170	Tongren	Shiqian sub-branch of Bank of Guizhou Co., Ltd.	1/F, Guoji Minghao, Fodingshan South Road, Wenbi Community, Quandu Street Office, Shiqian County, Tongren, Guizhou Province
171	Tongren	Tongren Bijiang sub-branch of Bank of Guizhou Co., Ltd.	Unit 3, 1/F, Block B, Bandao Haoyuan, No. 19 Nanchangcheng Road, Bijiang District, Tongren, Guizhou Province
172	Bijie	Bijie branch Business Department of Bank of Guizhou Co., Ltd.	Block A, Jinyuanda Time Square, Baili Dujuan Road, Qixingguan District, Bijie, Guizhou Province
173	Bijie	Qixingguan sub-branch of Bank of Guizhou Co., Ltd.	1/F, Block A, Shangcheng International, Biyang Avenue, Qixinguan District, Bijie, Guizhou Province
174	Bijie	Jinsha sub-branch of Bank of Guizhou Co., Ltd.	Block F0026, Zone B, Kaiming Tongxin City, Yuping Community, Guchang Street, Jinsha County, Bijie, Guizhou Province

## Appendix: Information on Branches (Continued)

No.	Region	Name of Institution	Address of Institution
175	Bijie	Zhijin sub-branch of Bank of Guizhou Co., Ltd.	Zijin Huafu, No. 2 Jinan Road, Chengguan Town, Zhijin County, Bijie, Guizhou Province
176	Bijie	Qianxi sub-branch of Bank of Guizhou Co., Ltd.	Fulin International, Wenhua Road, Qianxi City, Bijie, Guizhou Province
177	Bijie	Weining sub-branch of Bank of Guizhou Co., Ltd.	Building No. 1, Yangguang 100 International New City, Binhai Avenue, Weining County, Bijie, Guizhou Province
178	Bijie	Nayong sub-branch of Bank of Guizhou Co., Ltd.	1/F Yonghuafu, Jingsi Road, Yongxi Town, Nayong County, Bijie, Guizhou Province
179	Bijie	Dafang sub-branch of Bank of Guizhou Co., Ltd.	1/F, Dongfang Hotel, west side of middle section of Shexiang Avenue, Dafang County, Bijie, Guizhou Province
180	Bijie	Hezhang sub-branch of Bank of Guizhou Co., Ltd.	Longquan Road, Chengguan Town, Hezhang County, Bijie, Guizhou Province
181	Bijie	Bijie Jinhaihu New District sub-branch of Bank of Guizhou Co., Ltd.	1/F Block 1, Jinhai Xinyuan, Jinhaihu New District, Bijie, Guizhou Province
182	Bijie	Bijie Hongshan sub-branch of Bank of Guizhou Co., Ltd.	1/F, Hongshan Wealth International, No. 5 Hongshan Road, Qixinguan District, Bijie, Guizhou Province
183	Bijie	Weining Liuqiao sub-branch of Bank of Guizhou Co., Ltd.	1/F, Jinse Yangguang Building, west side of Renmin North Road, Liuqiao Street, Weining County, Bijie, Guizhou Province
184	Bijie	Bijie Tianhe sub-branch of Bank of Guizhou Co., Ltd.	1/F Block 9, Tianhe Farmer's Market, Tianhe Road, Qixinguan District, Bijie, Guizhou Province
185	Bijie	Baili Dujuan sub-branch of Bank of Guizhou Co., Ltd.	1/F, Building No. 23, Pengcheng Community, Pudi Township, Dafang County, Bijie, Guizhou Province
186	Bijie	Jinsha Zhonghua sub-branch of Bank of Guizhou Co., Ltd.	No. 157 Zhonghua Road, Guchang Street, Jinsha County, Bijie, Guizhou Province
187	Bijie	Dafang Yingbin sub-branch of Bank of Guizhou Co., Ltd.	Shops No. 7-8, Jiuhuan International Phase I, Yingbin Avenue Road No.4, Xinzhuang Village, Shunde Street, Dafang County, Bijie, Guizhou Province
188	Bijie	Zhijin Anju sub-branch of Bank of Guizhou Co., Ltd.	1/F, State-owned company settlement building No. 3-4, Anju Road, Shuangyan Street, Zhijin County, Bijie, Guizhou Province
189	Liupanshui	Liupanshui branch business department of Bank of Guizhou Co., Ltd.	Baolong International Building, No.36 Zhongshan West Road, Liupanshui, Guizhou Province
190	Liupanshui	Liupanshui Liangdu sub-branch of Bank of Guizhou Co., Ltd.	No. 37, Zhongshan West Road, Liupanshui, Guizhou Province
191	Liupanshui	Liupanshui Qunli sub-branch of Bank of Guizhou Co., Ltd.	Shops 1-1 & 1-2, Block A, Jiusheng Building, east side of Guangchang Road, Liupanshui, Guizhou Province
192	Liupanshui	Liupanshui Jinxing sub-branch of Bank of Guizhou Co., Ltd.	Nos. 8, 9, 10 affiliated to No. 14, Renmin Middle Road, Liupanshui, Guizhou Province
193	Liupanshui	Liupanshui Yinxing sub-branch of Bank of Guizhou Co., Ltd.	Room 103 affiliated to No. 25, Zhongshan Middle Road, Liupanshui, Guizhou Province
194	Liupanshui	Liuzhi Special Region sub-branch of Bank of Guizhou Co., Ltd.	A-08 & A-09, 1/F Gongkuang Building, No. 22 Renmin Road, Pingzhai Town, Liuzhi Special Region, Liupanshui, Guizhou Province

## Appendix: Information on Branches (Continued)

No.	Region	Name of Institution	Address of Institution
195	Liupanshui	Panzhou Shuangfeng sub-branch of Bank of Guizhou Co., Ltd.	No. 57 Yanhe South Road, Shuangfeng Town, Panzhou City, Liupanshui, Guizhou Province
196	Liupanshui	Panzhou sub-branch of Bank of Guizhou Co., Ltd.	1/F, Shangpin International Commercial Square, Shengjing Avenue, Yizi Street, Panzhou City, Liupanshui, Guizhou Province
197	Liupanshui	Liupanshui Guanting sub-branch of Bank of Guizhou Co., Ltd.	No. 101 affiliated to No. 24 Renmin East Road, Zhongshan District, Liupanshui, Guizhou Province
198	Liupanshui	Liupanshui Hecheng sub-branch of Bank of Guizhou Co., Ltd.	1/F & 2/F, Block B, Mingdu Commercial Plaza, Zhongshan District, Liupanshui, Guizhou Province
199	Liupanshui	Liupanshui Huangtupo sub-branch of Bank of Guizhou Co., Ltd.	Opposite to Suning Appliance, intersection of Kangle South Road, Zhongshan District, Liupanshui, Guizhou Province
200	Liupanshui	Shuicheng sub-branch of Bank of Guizhou Co., Ltd.	No. 126 Jinshan Road, Shuangshui Development Area, Shuicheng District, Liupanshui, Guizhou Province
201	Liupanshui	Panzhou Boguo sub-branch of Bank of Guizhou Co., Ltd.	1/F, Jianhe Commercial Center, Yanjiang West Road, Boguo Town, Panzhou City, Liupanshui, Guizhou Province
202	Liupanshui	Liupanshui Gangcheng sub-branch of Bank of Guizhou Co., Ltd.	No. 452279, Shuigang Baxi Middle Road, Liupanshui, Guizhou Province
203	Liupanshui	Panzhou Panjiang sub-branch of Bank of Guizhou Co., Ltd.	No. 5 Panjiang North Road, Hanlin Street, Panzhou City, Guizhou Province
204	Liupanshui	Liupanshui Zhongshan sub-branch of Bank of Guizhou Co., Ltd.	1/F for commercial purpose, Block A3, Deyuan • Future City, Fenghuang New District, Zhongshan District, Liupanshui, Guizhou Province
205	Liupanshui	Liupanshui Jintai sub-branch of Bank of Guizhou Co., Ltd.	Jintai Building, No. 73, Zhongshan Middle Road, Liupanshui
206	Liupanshui	Liuzhi Jiankang sub-branch of Bank of Guizhou Co., Ltd.	1/F & 2/F, Block E, Jiankang Road, Pingzhai Town, Liuzhi Special District
207	Liupanshui	Liupanshui Dexinyuan sub-branch of Bank of Guizhou Co., Ltd.	Shops 103 and 104, Building 3, Zhonglian-HuiXi Garden, Southeast corner of the intersection of Zhongshan West Road and Deyue Road, Dewu District, Liupanshui, Guizhou Province
208	Liupanshui	Panzhou Hongguo sub-branch of Bank of Guizhou Co., Ltd.	1/F, Office Building, Guizhou Panxing Energy Development Investment Limited, Yizi Street, Panzhou City, Liupanshui, Guizhou Province
209	Liupanshui	Liupanshui Hongqiao sub-branch of Bank of Guizhou Co., Ltd.	1/F, Outlets International Plaza, Hongqiao New District, Liupanshui
210	Qianxinan	Qianxinan branch Business Department of Bank of Guizhou Co., Ltd.	Intersection of Jishan Avenue and Xiangshui Road, Xingyi, Qianxinan Bouyei and Miao Autonomous Prefecture, Guizhou Province
211	Qianxinan	Xingren sub-branch of Bank of Guizhou Co., Ltd.	Shops 6-1-6, 6-1-7, 6-1-8, 6-1-9, 1/F, Unit 6 and Shops 6-2-1, 6-2-7, 6-2-8, 2/F, Unit 6, Jinxiu Duhui, Huanhu Road, Donghu Street Office, Xingren, Qianxinan Bouyei and Miao Autonomous Prefecture, Guizhou Province
212	Qianxinan	Zhenfeng sub-branch of Bank of Guizhou Co., Ltd.	Side of New Transit Center, Yongfeng Avenue, Mingu Town, Zhenfeng County, Guizhou Province

[Appendix: Information on Branches \(Continued\)](#)

No.	Region	Name of Institution	Address of Institution
213	Qianxinan	Anlong sub-branch of Bank of Guizhou Co., Ltd.	Unit 108, Stone Factory Group, Xihe Village, Zhaodi Street Office, Anlong County, Guizhou Province
214	Qianxinan	Xingyi Ruijin sub-branch of Bank of Guizhou Co., Ltd.	No.1 Panjiang Road, Xingyi, Qianxinan Prefecture, Guizhou Province
215	Qianxinan	Puan sub-branch of Bank of Guizhou Co., Ltd.	Block 2 Jinqiao Baihui, Nanhu Street, Puan County, Qianxinan Prefecture, Guizhou Province
216	Qianxinan	Qinglong sub-branch of Bank of Guizhou Co., Ltd.	East Street, Northeast Community, Liancheng Town, Qinglong County, Qianxinan Prefecture, Guizhou Province
217	Qianxinan	Wangmo sub-branch of Bank of Guizhou Co., Ltd.	South side of Wangmu Square, Wangmo County, Qianxinan Prefecture, Guizhou Province
218	Qianxinan	Ceheng sub-branch of Bank of Guizhou Co., Ltd.	Former SAT Bureau Office Building, Crossroad of Qianjin Road, Zhelou Street Office, Ceheng County, Qianxinan Prefecture, Guizhou Province
219	Qianxinan	Xingyi Wanfeng sub-branch of Bank of Guizhou Co., Ltd.	Side of Civil Aviation Avenue in Xingyi City, Qianxinan Prefecture, Guizhou Province
220	Qianxinan	Xingyi Jushan sub-branch of Bank of Guizhou Co., Ltd.	1/F, Aocheng Community, Ruijin Avenue, Xingyi City, Qianxinan Bouyei and Miao Autonomous Prefecture, Guizhou Province



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