



东方证券

— D F Z Q —

*(A joint stock company incorporated in the People's Republic of China
with limited liability under the Chinese corporate name "东方证券股份有限公司"
and carrying on business in Hong Kong as "東方證券" (in Chinese) and "DFZQ" (in English))*

Stock code: 03958



2025 Environmental, Social And Governance Report

DFZQ 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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STATEMENT OF THE BOARD ON ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) MANAGEMENT

The year 2025 marks the dual-completion year of the “14th Five-Year Plan” and the action to deepen and enhance state-owned enterprise (SOE) reform, as well as the year for strategizing and laying out the framework for the “15th Five-Year Plan”. DFZQ has comprehensively implemented the spirit of the 20th National Congress of the Communist Party of China (CPC) and the various plenary sessions of the 20th CPC Central Committee, while profoundly grasping General Secretary Xi Jinping’s important expositions on following the path of financial development with Chinese characteristics and building a financial powerhouse. We have actively integrated into the national development strategy, achieving dual leaps in both business scale and development quality, and injecting robust financial momentum into the accelerated construction of Shanghai as an international financial center and a science and technology innovation center with global influence.

2025 also marks the concluding year of the Sustainable Development Plan of DFZQ. Over the past five years, the Company has embraced the philosophy of “Enjoying Beautiful Life” and thoroughly implemented the “Sustainable Development Plan of DFZQ”, conducting management and practical work centered on the four dimensions of governance, economy, environment and society, dedicated to creating sustainable and comprehensive value for its stakeholders.

Consolidating the foundation of governance and fortifying the bottom line of sustainable development. The Company continues to refine its “Decision-making Level – Management Level – Implementation Level” sustainable development governance structure. In 2025, the “Strategy Committee of the Board” was upgraded to the “Strategy and Sustainable Development Committee of the Board”, with the Board of Directors (the “Board”) being responsible for determining the Company’s sustainable development strategy, ESG vision, and goals, as well as reviewing and approving the list of sustainability-related topics and materiality prioritization results annually. The Strategy and Sustainable Development Committee of the Board is tasked with researching and providing recommendations on the Company’s sustainability-related (ESG) policies, targets, and management approaches. At the management level, the Company has established the Leading Group for Comprehensive and Deepened Reform, which oversees ten dedicated task forces, including the Special Task Force for Green Finance Development, to effectively enhance the quality and efficiency of sustainability-related management. Simultaneously, the Company has further reinforced the management of sustainable investment and financing and inclusive finance, having newly formulated the Statement of Sustainable Investment and Financing Philosophy in the Environmental Field (《環境領域可持續投融資理念聲明》) and the Statement on Inclusive Finance (《普惠金融聲明》).

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Focusing on its core responsibilities and principal businesses, creating long-term value through professional services. Grounded in serving national strategies, the Company leverages its professional strengths to support real economy enterprises, integrates ESG considerations into its investment and financing operations, and continuously optimizes its products and services. In serving the real economy, the Company fully practices the path of financial development with Chinese characteristics, aligns closely with the development of Shanghai's "Five Centers", and strives to excel in the "Five Major Articles" of technology finance, green finance, inclusive finance, pension finance, and digital finance. In terms of ESG risk management, the Company has fully implemented its ESG risk management system and continues to refine ESG due diligence frameworks tailored to various business lines. Regarding product innovation and customer service, the Company is strengthening the research and development of artificial intelligence technologies, accelerating the deployment of AI application scenarios, and taking concrete actions to provide comprehensive financial services characterized by both breadth and depth.

Championing green development to empower a low-carbon future. The Company actively responds to China's "30 · 60" carbon peak and carbon neutrality goals by continuously refining its climate-related risk management framework across the dimensions of "governance – strategy – management of impacts, risks and opportunities – indicators and targets". The Company conducts climate scenario analyses, actively implements key climate actions, and advances its climate transition plan. In the area of green finance, the Company has bolstered its efforts in green investment and financing, carbon finance, and green research to channel more capital into low-carbon industries. Regarding green operations, the Company integrates green and low-carbon philosophies into all aspects of its daily office activities, organizing carbon-neutral conferences, launching carbon-neutral exhibition halls, and advancing operational carbon neutrality. By promoting the transition to green energy supplemented by the procurement and cancellation of carbon credits such as CCERs, the Company has achieved carbon neutrality across its operations.

Enhancing public well-being and delivering the warmth of financial services. Always upholding its original aspiration of "Serving the People with Finance", the Company makes continuous efforts in engaging in social philanthropy, promoting rural revitalization, empowering the Company through talent development, and deepening investor education and protection. In terms of social philanthropy, following a decade of dedication, the Xindeyizhang Public Welfare Foundation hosted the 10th-anniversary charity exhibition theme day event "Gathering Light and Colors, Enjoying Orient" and the charity concert "Walking Together with Light, Painting the Future Together", exploring a sustainable path for philanthropy that promotes heritage through education. Regarding rural revitalization, the Company fulfills its mission and responsibilities as a state-owned financial enterprise, ensuring the effective execution of the rural revitalization strategy and the precise allocation of assistance resources under the "One Company, One County" initiative. In terms of caring for employee growth, the Company adheres to the talent philosophy of "people-oriented and respecting value", striving to foster a diverse and inclusive workplace environment. Regarding investor education, relying on its national-level internet investor education base, the Company extends its reach into rural areas, schools, business districts, communities, and enterprises, thereby enhancing the breadth and depth of financial investor protection.

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In 2025, the Company's performance in sustainable development garnered widespread recognition. As the sole domestic securities firm, the Company was once again included in the S&P Global *Sustainability Yearbook (China Edition)*. The Company's MSCI ESG rating was upgraded from AA to AAA, the highest level among global industry peers, placing it in the top 10% of the industry globally. Furthermore, the Company attained an 'A' rating in the Hang Seng A-Share Corporate Sustainability Index assessment and has been included in the Hang Seng A-Share Corporate Sustainability Index Series for five consecutive years.

Looking ahead, DFZQ will consistently uphold its original aspiration of serving the country through finance and fulfill its mission of delivering financial services for the people. With reform as its sails and innovation as its oars, the Company will continue to deepen state-owned enterprise reform, focus on the strategy of coordinated development in energy and finance, and take concrete actions to stabilize market expectations and boost confidence. Striding forward along the path of serving national strategies, empowering the real economy, and enhancing public well-being, DFZQ will strive resiliently to forge ahead in building a first-class modern investment bank.

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1. SUSTAINABLE DEVELOPMENT MANAGEMENT

1.1 Sustainable Development Governance and Strategies

1.1.1 Sustainable development philosophy

Upholding the idea of “Enjoying Beautiful Life”, DFZQ strives to provide high-quality and comprehensive financial services to create long-term value, make responsible investment, adopt a people-oriented approach and contribute to building a harmonious community, thereby generating sustainable and comprehensive value for stakeholders including shareholders, customers, employees, government and regulatory authorities, partners, and environmental community.



Explanation of objectives and actions for sustainable development of DFZQ

Stakeholders	Objectives	Actions
Shareholders and partners	Create long-term value	Through compliance management, honest operation and standardized governance, the Company will achieve stable development, provide long-term returns to shareholders and cooperate with shareholders, suppliers and partners to achieve a win-win situation.

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Stakeholders	Objectives	Actions
Customers	Make responsible investment	The Company will fully utilize its advantages in comprehensive financial services to provide professional, efficient, caring and high-quality services to support the real economy and green industries, and contribute to achieving the national goals of peaking carbon emissions before 2030 and achieving carbon neutrality before 2060.
Employees	Adopt a people-oriented approach	The Company upholds a people-oriented and joint efforts “family” culture and builds a positive, inclusive, happy and energetic workplace to develop with its staff.
Government, regulatory authorities and environmental community	Contribute to building a harmonious community	The Company actively responds to the government’s call and the industry’s advocacy, proactively serves the national strategy, actively fulfills its social responsibility, promotes green operations, creates a more harmonious and better environmental community and supports sustainable social development.

1.1.2 Sustainable development governance structure

DFZQ continues to improve its governance structure and management mechanisms related to sustainable development. In 2025, the Company established a “decision-making level – management level – implementation level” sustainable development governance structure, upgraded the “Strategic Committee of the Board” as the “Strategic and Sustainable Development Committee of the Board” and added sustainable development-related responsibilities, which include researching and providing recommendations on the Company’s sustainable development policies, targets and management approaches.

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Sustainable Development Governance Structure of DFZQ

Decision-making Level

To supervise and be ultimately responsible for all sustainability matters

- The Board shall review and approve the Company's sustainable development strategies and the vision and targets of ESG, and is responsible for their effectiveness.
- The Strategic and Sustainable Development Committee of the Board shall research and provide recommendations on the Company's sustainable development(ESG) related policies, targets and management principle.



Management level

To identify risks and opportunities, develop concepts and targets, and conduct regular performance assessments

- A leading group for comprehensively deepening reform has been established, which is responsible for coordinating and leading efforts to carry out the work of the “Five Major Articles” in finance. Ten task forces have been formed under this group, including a dedicated green finance development task force, with senior management of the Company serving as the leaders.



Implementation level

To implement sustainable development tasks

- Relevant functional and business departments, as well as subsidiaries, are responsible for implementing various initiatives related to sustainable development.
- The green finance development work group is primarily responsible for conducting research on green finance topics, advancing the four major product systems of green investment, green financing, green transactions and green asset management, and enhancing the capabilities of green finance.

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The Company's Strategic and Sustainable Development Committee of the Board actively fulfilled its supervisory responsibilities regarding sustainable development matters. In 2025, the Board held meetings to consider and approve two proposals related to sustainable development, including the Company's 2024 Sustainable Development/ESG Report and the contents of the Company's 2025-2027 Strategic Plan regarding sustainable development, the enhancement of ESG governance standards and brand influence. Concurrently, Strategic and Sustainable Development Committee of the Board held two meetings to consider and approve one proposal related to sustainable development, which coordinate the planning of key tasks in the Company's sustainable development.

In 2025, the Company updated and released five ESG management system documents, including the Anti-Corruption Statement of DFZQ 《東方證券股份有限公司商業反腐敗行為聲明》, the Employee Rights and Development Management Statement of DFZQ 《東方證券股份有限公司員工權益與發展管理聲明》, the Statement on Exercising Voting Rights Externally by DFZQ 《東方證券股份有限公司對外行使投票表決權聲明》, the Statement on Responsible Investment of DFZQ 《東方證券股份有限公司責任投資聲明》 and the Environmental, Social and Governance (ESG) Risk Management Statement of DFZQ 《東方證券股份有限公司環境、社會及公司治理(ESG)風險管理聲明》. Meanwhile, in line with the latest requirements for sustainable development management and high-quality financial development from the China Securities Regulatory Commission and stock exchanges, and the key concerns of ESG rating agencies, the Company newly formulated additional ESG management system documents, including the Sustainable Investment and Financing Principles in the Environmental Sector Statement of DFZQ 《東方證券股份有限公司環境領域可持續投融資理念聲明》 and the Inclusive Finance Statement of DFZQ 《東方證券股份有限公司普惠金融聲明》.

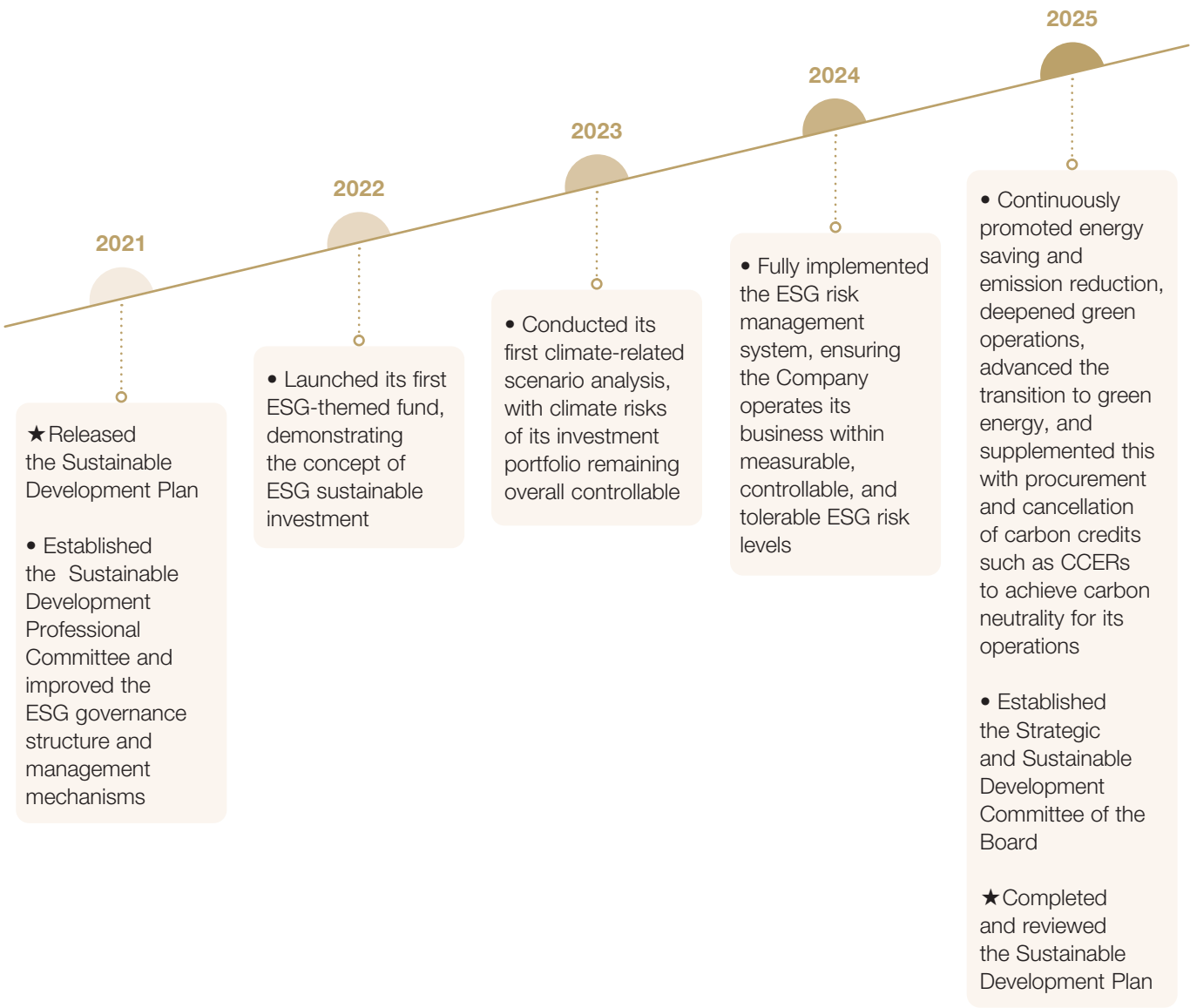
1.1.3 Sustainable development plan and progress

In 2021, the Company issued the "DFZQ Sustainable Development Plan", upholding the idea of "Enjoying Beautiful Life", the Plan sets goals across four key areas of governance, economic, environment and society to direct the Company's sustainable development from 2021 to 2025.

To effectively implement the Sustainable Development Plan, the Company has formulated a comprehensive roadmap, clarifying the main tasks for the planning layout phase (2021-2022), the comprehensive promotion phase (2023-2024) and the target sprint phase (2025). Progress on the Plan has been continuously disclosed in its ESG reports from 2021 to 2024. The year 2025 marks the concluding year of DFZQ's Sustainable Development Plan. Over these five years, the Company has progressed step by step, tackling core challenges annually. It has transformed sustainable development from a concept into action and integrated it from top-level design into daily operations, achieving steady improvement in its sustainable development management.

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DFZQ achieved steady improvement in its sustainable development management from 2021 to 2025



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Sustainable Development Planning Targets and Achievements of DFZQ

Governance: Establishing a target-oriented governance structure for sustainable development

- **Target:** Achieve 100% sustainability performance appraisal coverage by 2025.

Note: Sustainability performance includes culture construction performance and corporate sustainability management performance, etc.



- **Progress:** In 2025, in respect of sustainable development such as industry culture construction, compliance and risk management, the Company's performance appraisal achieved 100% coverage.
- **Topic concerned:** Corporate governance, risk management, ESG risk management, business practices, and promoting culture building

Core actions as planned

Main actions and results within the planned period

- | | |
|--|--|
| (1) Improve the sustainable development governance structure and enhance operational efficiency | <ul style="list-style-type: none"> The Company established a governance structure related to sustainable development. At the decision-making level, it upgraded the "Strategic Committee of the Board" as the "Strategic and Sustainable Development Committee of the Board", adding sustainable development-related responsibilities. The Company established green finance development work group, with a clear operational mechanisms, to carry out relevant works. |
| (2) Integrate ESG into the Company's comprehensive risk management | <ul style="list-style-type: none"> The Company established a formal ESG risk management system, formulating management documents such as the ESG Risk Management Measures of DFZQ 《東方證券股份有限公司 ESG 風險管理辦法》 and the ESG Due Diligence Guidelines of DFZQ 《東方證券股份有限公司 ESG 盡職調查指引》. It developed a comprehensive risk management system based on the Basic System for Comprehensive Risk Management of DFZQ 《東方證券股份有限公司全面風險管理基本制度》, covering various specialized risk management systems, subsidiary risk management, and risk inspections. |
| (3) Including industry cultural development and sustainable development performance into assessment and incentive policies | <ul style="list-style-type: none"> The Company clarified the sustainable development-related performance assessment indicator system for all departments. |

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Economy: Expanding the positive impact of financial services on the society and the environment

- **Target:** During the “14th Five-Year Plan” period (2021-2025), the Company will channel RMB450 billion into sustainable development sector through investment and financing business, and maintain the average annual growth rate of sustainable investment and financing at a minimum of 9%.



Note: Statistics on sustainable investment and financing targets include investment and financing amounts in areas such as energy conservation and environmental protection, clean production, clean energy and green upgrading of infrastructure, which are the focus of support at the environmental level, as well as consolidating poverty alleviation achievements and facilitating rural revitalization at the social level. In particular, the sustainable investment amount represents the point-in-time data up to the end of 2025, and the sustainable financing amount represents the total amount from 2021 to 2025.

- **Progress:** During the planned period, the Company actively directed the capital of over 600 billion into the sustainable development sector through investment and financing business, with an average annual growth rate of sustainable investment and financing scale over 10%.
- **Topic concerned:** Serving the real economy, responsible investment, customer service quality, strengthening financial technology empowerment, information security and privacy protection, technology ethics, investor education

Core actions as planned

Main actions and results within the planned period

- | | |
|---|--|
| <p>(1) Incorporating ESG factors into assessing investment and financing business</p> | <ul style="list-style-type: none"> • The Company formulated and published the Statement on Responsible Investment of DFZQ 《東方證券股份有限公司責任投資聲明》, the Statement on the Exercise of Voting Rights of DFZQ 《東方證券股份有限公司對外行使投票表決權聲明》, establishing the structure of Responsible Investment management and advancing the application of responsible investment strategies in the business such as negative exclusion, positive selection, integration of ESG elements and active ownership. • The Company leverages its professional financial strengths to focus on the “Five Major Articles” of technology finance, green finance, inclusive finance, pension finance and digital finance to accelerate the building of a first-class modern investment bank. |
| <p>(2) Enhancing the accessibility of financial services for individual and small and micro enterprises</p> | <ul style="list-style-type: none"> • The Company actively participates in the development of inclusive financial services on the Beijing Stock Exchange and the NEEQ, strengthening financial services support for micro, small and medium-sized enterprises and private enterprises through equity and bond financing. • The Company continuously enhances customer service levels, enriches the supply of financial products and services to meet the rapidly growing wealth management needs of residents and investors. |
| <p>(3) Carrying out investor protection, safeguard data security and user privacy</p> | <ul style="list-style-type: none"> • The Company relies on the National Internet investor education base and its national branches, and has established an online and offline one-stop investor protection and investment education service platform, deepening investor education. • The Company formulated and published Privacy and Data Security Statement of DFZQ 《東方證券股份有限公司隱私及資料安全管理聲明》, continuously strengthening data security system, internal data security management and deepening the construction of customer privacy protection. |

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Environment: Supporting the goals of “Carbon Peaking and Carbon Neutrality”/ Responding to climate change

- **Target:** Strive to achieve carbon neutrality on direct operations by 2025; Strive to achieve net zero emissions from the investment portfolio by 2060.



Note: The Company's 2025 carbon neutrality target for operating activities covers Scope 1 (including carbon emissions from the combustion of natural gas, petrol and diesel in its own vehicles), Scope 2 (including carbon emissions from purchased electricity), and part of Scope 3 (including carbon emissions from leased data centers and staff business travel).

- **Progress:** In 2025, based on the implementation of various energy-saving measures, the Company promoted the green transformation of the energy structure by purchasing and cancelling green electricity certificates, supplemented by the purchase and cancellation of China Certified Emission Reduction (CCER), Shanghai Carbon Emission Reduction Certified Type I (SHCERCIR1), and International Verified Carbon Units (VCU), thus achieving carbon neutrality target at the operational level.

Note: In 2025, due to improvements in data statistics and management capabilities, the Company conducted a more comprehensive review of its emission sources during greenhouse gas accounting. Based on this, the scope of the 2025 operational carbon neutrality covers the headquarters and branches of DFZQ's parent company. It includes Scope 1 (carbon emissions generated from the combustion of natural gas, gasoline for company-owned vehicles, diesel, and refrigerant fugitive emissions), Scope 2 (carbon emissions generated from purchased electricity and purchased heat), and certain Scope 3 (carbon emissions from leased data centres and employee business travel). Compared with the statistical scope of the original operational carbon neutrality target, this expanded scope includes refrigerant fugitive emissions and carbon emissions generated from purchased heat.

- **Topic concerned:** responding to climate change and supporting the goals of “carbon peak and carbon neutrality”, Green and low-carbon operation

Core actions as planned	Main actions and results within the planned period
(1) Actively promoting green operations	The Company carried out a number of initiatives in energy management, water resources management, waste reduction, paperless office, green server room construction and other aspects to practice green operation.
(2) Innovating green financial products and publicing Carbon Neutral Index	The Company innovates green financial products by launching the “DFZQ CFETS CGT Green Bond Basket” and issuing carbon neutrality index and the carbon neutrality bonds and other ways.
(3) Driving more enterprises to make green transition by financial service such as investment, financing, and consulting	- In terms of green finance, the Company sets a goal, being an annual growth target of 10% for green bond investment with its own funds. In 2025, green bond investments with its own funds grew 10.28%. - In terms of sustainable studies, the Company published ESG-related research reports and participated in green theme exchange activities.
(4) Driving Stakeholders to practice green lifestyles	Committed to protecting the ecological environment, the Company drives the participation of employees, customers, the public and other interested parties in environmental causes from the inside out through impact projects and promotes the development of a green culture.

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Society: Working with partners to build a better society

- **Target:** During the “14th Five-Year Plan” period (2021-2025), DFZQ and its subsidiaries will invest over RMB100 million in social welfare, and the voluntary service coverage rate of employees will reach 30%.



Note: Investment in social welfare includes public welfare foundation expenditure and expenditure in targeted poverty alleviation, environmental protection projects and other public welfare projects. The statistics on employee volunteer participation rates are based on the headquarter of the parent company of DFZQ.

- **Progress:** During the planning period, DFZQ and its subsidiaries have invested RMB143.39 million in social welfare, and the voluntary service coverage rate of employees was 34.52%.
- **Topic concerned:** Promoting rural revitalization, contributions to the society, human capital development, supplier management

Core actions as planned	Main actions and results within the planned period
(1) Support national strategies and promote rural revitalization	The Company is continuing to carry out rural revitalization work in the areas of industrial assistance, consumption assistance, public welfare assistance, cultural assistance, ecological assistance and intellectual assistance, etc. by developing assistance brands such as “Orient Guniang”, “Dong Fang Hong Yi Black Tea” and “Oriental Coffee”.
(2) Engage in social welfare activities and motivate employees and customers to participate in public welfare actions	Leveraging the Shanghai DFZQ Xindeyizhang Public Welfare Foundation, the Company implemented initiatives including the preservation of Tujia brocade cultural heritage, the “Encountering Beauty in the West Dunhuang” cultural conservation and inheritance programme, the “Inheriting Intangible Heritage · Encountering Shadow Puppetry” public welfare campaign for shadow puppetry culture, and the “Xindeyizhang Art Classroom” project.
(3) Create a positive and active workplace for employees	The Company fosters a diverse and inclusive workplace environment by offering comprehensive remuneration and benefits packages, a robust training system and clear career progression pathways, thereby fostering harmonious labour relations.

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1.2 Topic Materiality Analysis

1.2.1 Process of topic materiality analysis

Conducting topic materiality analysis is the starting point and an important foundation for the Company’s sustainable development management and information disclosure. A working group comprising internal and external experts has been established to review or update the list of topics annually in response to changes in external policies and regulatory requirements, as well as the Company’s management status. In addition, stakeholder engagement surveys on material topics are conducted every two to three years to better respond to the demands and expectations of stakeholders.

Process of topic materiality analysis of DFZQ

Process	Main content
Step 1 Understanding the context of the Company’s sustainability	- Analyzing the Company’s activities and business relationships with the external environment considered to identify key impacted stakeholders. - Conducting a value chain analysis of the Company’s primary activities and business relationships. As a financial institution, the Company has a relatively simple upstream supplier type and lower material risk. The Company must closely adhere to regulatory requirements for its own business, face intense competition for talent, and, as a state-owned enterprise, exemplify best practices in rural revitalization and social responsibility. Downstream mainly includes individual and institutional clients targeted by the Company’s diversified financial products, as well as the broader public as potential clients. Providing comprehensive client service is a direct reflection of the Company’s value.
Step 2 Establishing a list of material topics	Interpreting macroeconomic policies and industry trends for 2025, benchmarking against the latest requirements of the Guidance of SSE and the ESG Code of Hong Kong Stock Exchange, and referring to international standards such as GRI and SASB, the focus areas of ESG rating agencies, along with the key topics prioritized by peers. Considering the outcomes of ongoing stakeholder communications and the Company’s sustainability-related due diligence to identify and filter sustainability topics relevant to the Company, establishing a list of topics.

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Process	Main content
Step 3 Assessing materiality	• Impact materiality assessment: This refers to evaluating whether the Company's performance on a given topic could have a material impact on the external economy, society and environment. Based on stakeholder engagement survey results, internal and external experts, considering external requirements and industry practices, score and calibrate topic scores based on "severity of impact" (scale, scope, irreversibility) and "likelihood of impact", generating an impact materiality matrix. • Financial materiality assessment: This involves evaluating whether each topic is expected to have a significant impact on the Company's business model, operational activities, development strategy, financial position, operating results, cash flow, financing methods and costs in the short, medium and long term. In 2025, building on the financial materiality assessment results of previous years, internal and external experts comprehensively evaluated the financial materiality of each topic against the latest industry trends based on "likelihood of occurrence" and "magnitude of financial impact". Through on-site interviews and assessments conducted with the Company's relevant finance personnel, the financial materiality matrix was jointly confirmed and established. • Double materiality results aggregation: Normalizing the impact materiality and financial materiality matrix to create a double materiality matrix, and defining thresholds for materiality determination.
Step 4 Reporting on material topics and management	• The Board of the Company has reviewed and confirmed the results of the materiality assessment. This report discloses the management of the identified material topics.

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1.2.2 Due diligence and communication with stakeholders

The Company has formed a dedicated task force comprising internal and external experts to conduct regular sustainability-related due diligence, so as to assesses the actual and potential impacts, risks, and opportunities associated with sustainability topic, and identify any adverse sustainability-related impacts or risks in a timely manner. Each section of this report will disclose the Company's specific measures and effectiveness in addressing relevant risks and managing negative impacts.

2025 Topics of DFZQ and its Related Impacts, Risks and Opportunities

Dimensions	Topic	Main Types of Impact		Key Risks and Opportunities
Corporate governance	Business practices	Potential Impact	Negative	Reputational risk, compliance risk
	Corporate governance	Actual Positive Impact		Reputational risk, compliance risk
	Promoting culture building	Actual Positive Impact		Reputational risk
	Risk management	Potential Impact	Negative	Market risk, credit risk, liquidity risk, operational risks, compliance risk, money laundering risk, technology risk, reputational risk, ESG risk
	ESG Risk management	Actual Positive Impact		
Economy	Serving the real economy	Actual Positive Impact		Products and services opportunities
	Responsible investment	Actual Positive Impact		Products and services opportunities
	Investor education	Actual Positive Impact		Market opportunity
	Information security and privacy protection	Potential Impact	Negative	Business risk, reputational risk
	Strengthening financial technology empowerment	Actual Positive Impact		Compliance risks, technology risk, AI ethical risks; products and services opportunities, resource efficiency opportunities, market opportunity
	Technology ethics	Potential Impact	Negative	Compliance risks, reputational risk
	Customer service quality	Actual Positive Impact		Market opportunity

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Dimensions	Topic	Main Types of Impact	Key Risks and Opportunities
Environment	Responding to climate change and supporting the goals of “carbon peak and carbon neutrality”	Actual Positive Impact	Policy and legal risks, market risk, reputational risk, chronic and acute physical risks; products and services opportunities, market opportunity
	Green and low-carbon operation	Actual Positive Impact	Reputational risk; resource efficiency opportunities
Society	Human capital development	Actual Positive Impact	Reputational risk, operational risks; market opportunity
	Supplier management	Actual Positive Impact	Adaptability/resilience opportunities
	Promoting rural revitalization	Actual Positive Impact	Reputational risk; market opportunity
	Contributions to the society	Actual Positive Impact	Reputational risk; market opportunity

Stakeholder communication is an important means for the Company to continuously optimize its sustainability management. The Company systematically identifies affected parties across its value chain, defines key groups based on its governance structure, operating model, and responsibilities, and establishes regular communication mechanisms through real-time, periodic, or ad-hoc channels and methods. Through engagement with stakeholders, the Company identifies their core concerns, systematically facilitate identification, assessment and management of material topics, thereby promoting the deep integration of relevant concerns into topic management and daily operation decision.

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Topics of concern to stakeholders and the communication and response of DFZQ

Value chain	Key stakeholders	Stakeholders' representative	Major topics of concern	Communication channel and method
Upstream value chain	Suppliers and partners	Financial market and information service providers, technology providers, and office operations product and service suppliers	• Supplier management • Business practices	• Cooperation and exchange • Bidding procurement standards • Supplier admission and management system
Self-operation	Shareholders and investors	Controlling shareholders and individual investors, etc.	• Business practices • Corporate governance • Responding to climate change and supporting the goals of "carbon peak and carbon neutrality"	• General meetings • Information disclosure • Results presentation • SSE E interactive platform • Investor research • Green investment and financing practices • Promoting green operations
	Government and regulatory authorities	State Council and local people's government, China Securities Regulatory Commission, National Financial Regulatory Administration, State-owned Assets Supervision and Administration Commission of the State Council and its local branches	• Business practices • Promoting culture building • Risk management • Technology ethics • Responding to climate change and supporting the goals of "carbon peak and carbon neutrality" • Green and low-carbon operation • Promoting rural revitalization	• Conducting compliance promotion activities • Communication and report • Institutional inspection • Anti-corruption training • Assistance projects • Participating in assessment of industry culture building practices • Green investment and financing practices • Promoting green operations

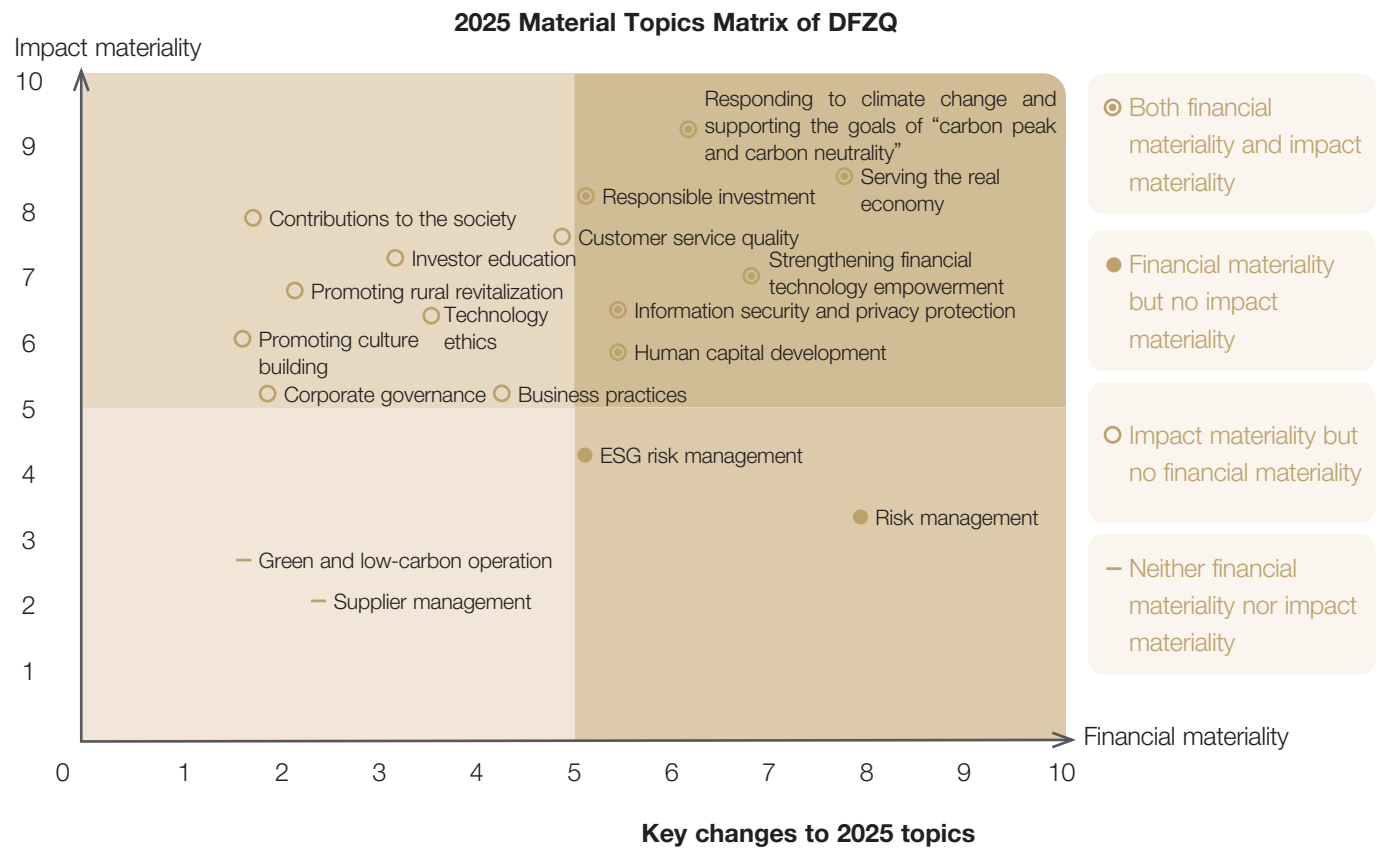
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Value chain	Key stakeholders	Stakeholders' representative	Major topics of concern	Communication channel and method
	Employees	Employees, trade unions	Human capital development	- Work unions and employee congress - Multi-level staff training system - Employee cultural festival
Downstream value chain	Customers	Individual and institutional clients targeted by the Company's diversified financial products	- Serving the real economy - Responsible investment - Customer service quality - Investor education - Strengthening financial technology empowerment - Technology ethics - Information security and privacy protection	- Conducting investment and financing business - Implementing responsible investment strategy - Customer enquiry and complaints 95503 customer service hotline "Orient Winners (東方贏家)"App
	Community and environment	Governments of the streets where operating sites are located and in the locations of rural revitalization projects	- Promoting rural revitalization - Contributions to the society - Green and low-carbon operation	- Industrial revitalization assistance projects "Insurance + Futures" and other financial assistance projects - Art classroom construction - Green and low-carbon operation

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1.2.3 Results of topic materiality analysis

In 2025, the Company incorporated policy research, industry benchmarking, and expert judgment. This comprehensive approach facilitated the updating, filtering, and evaluation of material topics, resulting in a list of 18 topics, and based on the materiality assessment results of 2024, the financial and impact significance of each of these 18 topics was then further evaluated, and adjusted the priority order of topic management.



2025 topics	2024 topics	Changes
Technology ethics	—	Add new topics
Human capital development	Employee equality and diversity	Merge topics
	Employee Rights and Benefits	
	Employee training and development	
—	Responsible marketing	Delete the topic and merge key points into “Business practices”

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2. ENVIRONMENT: ALIGNING TARGETS AND RESPONDING TO CLIMATE CHANGE

2.1 GOVERNANCE

DFZQ has established a comprehensive climate-related governance system. In 2025, the Company upgraded the original Strategic Committee of the Board as the Strategy and Sustainable Development Committee, which is responsible for monitoring the climate impact of the Company’s operations, making decisions on the business development strategies within the context of climate change, and annually reviewing the sustainability report, which includes the topic of “responding to climate change”. The Company has established a Leading Group for Comprehensively Deepening Reform and a Green Finance Research Institute to optimise the green finance management system.

DFZQ Climate-related Governance System

Hierarchy	Responsible Organization	Content of Responsibilities and Working Mechanism
The Board	Strategic and Sustainable Development Committee of the Board	• The Board is responsible for supervising the formulation of the Company’s climate-related policies, strategies and goals, and considering and approving the Sustainable Development Report/ESG Report of DFZQ through annual meetings, which includes the formulation of climate-related policies and the progress of achieving goals. • Responsible for comprehensively guiding climate-related risk management related work, integrating climate change-related risks and opportunities into the Company’s strategy, and clarifying the key tasks and priorities related to the Company’s issues. • In order to ensure the effective supervision of climate topics at the Board level and promote the effectiveness of response to climate risks and opportunities, the Board of the Company has enhanced its professional experience in climate change topics by engaging directors with climate and energy-related background and providing them with training on climate topics. • The Company has formulated a sustainable development plan, and set up climate-related management goals. In the future, the Company will further clarify that climate-related management objectives will be incorporated into the Company’s management remuneration and performance appraisal system.

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Hierarchy	Responsible Organization	Content of Responsibilities and Working Mechanism
Senior management	Comprehensive Deepening Reform Leadership Group	Coordinate and lead the efforts in the “Five Major Articles” of Finance, which include green finance closely related to addressing climate change.
Implementation level	Green Finance Development Working Group	- Primarily responsible for conducting research on green finance topics, advancing the four major product systems of green investment, green financing, green trading, and green assets management, and enhancing the capabilities of green finance. - In 2025, the working group has formulated the <i>2025 Key Task List for the Green Finance Development Working Group</i>, specifying quantifiable assessment indicators and timelines for each task.
	Green Finance Institute	- Build a high-end research think tank, focusing on research areas such as ESG and sustainable development, energy and new energy industries, carbon finance and climate finance, and green financial products. - Collaborate with government departments, universities, research institutions, and industry associations to establish a green finance “cooperative ecosystem”, providing output and policy support.

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Board Expertise in Climate Change

Director Yang Bo, who also serves as the vice president and secretary of the Board of Directors of Shenergy Company Limited, possesses expertise in climate and energy; Director Ren Zhixiang, concurrently serving as general manager of Zhejiang Energy Capital Holdings Co., Ltd. also possesses expertise in climate and energy. He participated in the establishment of several green funds, including the Zhejiang Zheneng Green Carbon Equity Investment Fund and the Zheneng Green Industry Fund, promoting the development of green and low-carbon industries.

To enhance the Directors' capabilities in addressing climate change, the Company organized the 2025 specialized training on "Climate Change Response" for all Directors. This training was designed to guide Directors in accurately grasping the policy direction and regulatory expectations related to climate governance, deepen their systematic understanding of climate-related management practices, and improve the Board's analysis and decision-making capabilities regarding climate topics.

Active Participation in Climate Change Governance by Directors

In September 2025, the Company's Board of Directors collectively participated in a green energy research initiative, conducting in-depth studies on the photovoltaic projects of Shenergy in Tajik Autonomous County, Tacheng Prefecture and the Karamay Urho District, Xinjiang. The initiative aimed to enhance understanding of emerging alternative energy sources, strengthen green finance decision-making capabilities, and support efforts to address climate change.

2.2 Strategy

Analysis of climate-related risks and opportunities

DFZQ is keenly aware of the imminent challenges posed by climate change. In 2025, the Company focused on analysing the time horizons of the impacts of the 8 identified climate-related risks and 2 climate-related opportunities, their effects on the Company's business model and value chain, as well as their current and anticipated financial impacts on the Company. This ensures that the climate actions taken are targeted and capable of driving the Company's long-term value creation.

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Specific impact analysis of climate-related risks and opportunities

Type of risks/ opportunities	Physical/ transition drivers	Specific description	Time of impact ¹	Impact on business model and value chain	Financial impact for 2025	Anticipated financial impact
Climate-related transition risks						
Policy and legal risks	①Enhanced climate-related information disclosure obligations	With the further improvement of the strategic layout of the "carbon peaking and carbon neutrality", the national and industrial regulatory authorities have gradually strengthened the requirements for financial institutions to carry out environmental information disclosure; Specifically, the Shanghai Stock Exchange (SSE) has released the Guidelines No. 14 for Self-Regulation of Listed Companies – Sustainability Report (Trial), explicitly identifying responding to climate change as a key topic. The SSE also released the accompanying Guide No. 4 for Self-Regulatory Supervision on Listed Companies – Compilation of Sustainable Development Reports: No. 2 Responding to Climate Change, which guides listed companies on key aspects of the topic of responding to climate change. The Hong Kong Stock Exchange (HKEX) has added Part D to its Environmental, Social and Governance (ESG) Reporting Code, effective from January 1, 2025, which sets out specific climate-related disclosure requirements. Furthermore, the HKEX plans to implement sustainability disclosure standards aligned with the ISSB Standards by 2028. Financial institutions that fail to meet these evolving policies and regulatory requirements may face compliance risks.	Short-term, medium-term and long-term	Operation end: - In order to meet the stricter regulatory requirements, the Company is required to carry out additional actions such as carbon emission measurement of investment portfolios, climate stress testing and scenario analysis, and purchase third-party databases or third-party consulting services; - Inappropriate or insufficient disclosure of carbon information/ environmental-related information will also result in penalties for violations by the government and industry regulatory authorities.	In 2025, the Company and its subsidiaries incurred approximately RMB300,000 in expenses for conducting climate scenario analysis and procuring ESG rating databases. In 2025, the Green Finance Institute carried out sustainability research, generating revenue of over RMB800,000.	- Increase in operating costs - Increase in compliance costs - Decrease in operating income - Decrease in value of investment portfolio

Note 1: In 2025, the Company adjusted the definition of its time horizons based on the SSE's "Guidelines" regarding the definitions of "short, medium and long term" and by taking into account the Company's actual circumstances. Accordingly, the short term is defined as 0 to 1 year (inclusive), the medium term as 2 to 5 years (inclusive), and the long term as 6 years and above.

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Type of risks/ opportunities	Physical/ transition drivers	Specific description	Time of impact ¹	Impact on business model and value chain	Financial impact for 2025	Anticipated financial impact
Climate-related transition risks						
	②Regulatory constraints on high-carbon emission industries have tightened	As climate change has become a key topic of global concern, various economies have successively issued policies and regulations related to environmental protection such as carbon tariffs, and China's national and local governments have also successively issued environmental protection policies and normative documents. The binding on the traditional "two high and one surplus" industries will gradually increase. The Company' customers or investment targets may be subject to the risks such as legal liability, regulatory measures, and property loss according to the laws due to their failure to comply with relevant policies or laws.	Short-term, medium-term and long-term	Financial business end: – The further increase in the binding effect on the traditional "two high and one surplus" industries will lead to a decrease in the number of customers and business scale of the Company's related industries, and there will be a negative impact on the operating income of the Company's investment targets in related industries as well.		
Market risk	③Changes in consumer preferences	The low-carbon economic transformation may lead to the risks such as changes in consumer preferences, decline in demand for high-carbon products and services, stranding of brown assets, and issuer defaults, which may be transmitted to the Company through the business chain.	Short-term, medium-term and long-term	Financial business end: – The market demand for investment products in coal, electricity and other high-energy-consuming and high-emission industries involved by the Company declined, which affected the profitability of related products; the financing business related to customers in high energyconsuming and high-emission industries is facing contraction.	In 2025, market risk did not materially impact the Company's operations and had a minimal financial impact. However, the Company's investment portfolio remained exposed to certain risks. Orient Securities Asset Management's public funds held high-carbon assets totaling RMB10.361 billion, which could potentially affect operating income, primarily through management fees, with a potential impact estimated at approximately RMB0.111 billion.	– Decrease in operating income – Decrease in value of investment portfolio – Increase in operating costs
	④The competitiveness of the high-carbon ranking industry declined	The technologies in the fields such as new energy, clean transportation and green buildings have been continuously improved, the costs have gradually decreased, so that Carbon-intensive enterprises involved in the Company's investment portfolio will face higher carbon quota costs, and their high-carbon assets be depreciated faster or retired early, resulting in higher corporate costs, capital and income damage, and affecting investors' interests.				

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Type of risks/ opportunities	Physical/ transition drivers	Specific description	Time of impact ¹	Impact on business model and value chain	Financial impact for 2025	Anticipated financial impact
Climate-related transition risks						
Reputational risk	⑤Failed to achieve the publicly committed operational carbon neutrality target	As climate change topics are becoming more and more important, the Company's operations do not effectively manage the Company's energy consumption and greenhouse gas emissions, and fail to actively and effectively fulfill climate-related commitments, which will lead to reputational risks for the Company and damage to the brand value.	Short-term, medium-term and long-term	Operation end: – The Company has formulated the Sustainable Development Plan to set the carbon neutrality target at the operational level and the net zero emission target of investment and financing portfolios. In order to fulfill the commitment on time, the Company needs to continue to advance energy conservation and emissions reduction practices, consider the feasibility of purchasing green power and high-quality carbon credits, or make arrangements in advance to store some carbon assets.	In 2025, the Company made steady progress towards its operational carbon neutrality goals and net- zero emissions targets for its investment and financing portfolios. No financial impact stemming from reputational risk has been observed to date.	– Increase in operating costs – Decrease in operating income – Decrease in value of investment portfolio

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Type of risks/ opportunities	Physical/ transition drivers	Specific description	Time of impact ¹	Impact on business model and value chain	Financial impact for 2025	Anticipated financial impact
Climate-related physical risks						
Acute physical risk	⑥ Extreme weather events cause the Company's operations to be disrupted	The Company may face damage to data centers, computer rooms and business outlets due to the increase in the frequency and severity of extreme weather events (such as typhoons and floods), which may cause damage to the Company's operational physical assets and even interrupt the Company's operations.	Short-term, medium-term and long-term	Operation end: – The Company's current data centers are located in Shanghai and Guangzhou. Among them, Guangzhou is exposed to high risks of extreme weather such as rainstorms and typhoons, and the data centers of the Company are exposed to certain risks of damage.	In 2025, the Company's investment in data center disaster recovery showed an increasing trend, the Company's operating locations experienced any material impact from physical risks, resulting in no current financial impact. In 2025, within the scope of available data, neither the Company nor its counterparties experienced any material impact from acute physical risks, resulting in no current financial impact.	– Increase in operating costs – Decrease in operating income – Decrease in value of investment portfolio
	⑦ Extreme weather events cause business disruptions in climate-sensitive industries	Customers and the entities operating the investment targets may face property loss or operation interruption due to extreme climate disasters such as typhoons, floods and storms.		Financial business end: – The Company's business around high climate risk/climate-sensitive industries may face the risk of interruption.		
Chronic physical risk	⑧ Rising average temperatures and rising sea levels	Climate change may lead to sea level rise and changes in soil productivity, damage to infrastructure, impacts on agriculture and ecosystems, and have a greater impact on industries such as transportation, energy, forestry, agriculture and tourism, affect their profitability and repayment ability, interrupt the Company's financing services and reduce the value of investment portfolios.	Medium-term and long-term			

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Type of risks/ opportunities	Physical/ transition drivers	Specific description	Time of impact ¹	Impact on business model and value chain	Financial impact for 2025	Anticipated financial impact
Climate-related opportunities						
Products and Services opportunities	⑨Increased demand for green financial products and services	With China's increasingly mature green financial products and market system, relevant assets are increasingly favored by global investors. By creating green financial products and services, the Company improves its competitive position and benefits from the change in investors' preferences.	Medium-term and long-term	Financial business end: - The Company incorporates climate-related risk factors into its business considerations and relied on the energy advantage of Shenergy Group, a major shareholder. The Company promoted the construction of energy investment banks, promoted the green finance-related plans, improved the green finance business, and provided financial support for the clean energy field; - Based on the existing green investment and financing business model, the Company continuously innovated green investment and financing products and services, further expanded the scale of green investment and financing business, and enhanced business diversification.	By the end of 2025, the total investment in green sectors held by Orient Securities Asset Management's public offering products was approximately RMB38.948 billion. Assuming the total investment in green sectors within public offering products remains at the end-of-2025 level, and combining with the current management fee rates of the corresponding products, it is estimated that this will affect Orient Securities Asset Management's asset management business management fee income by approximately RMB399 million annually.	- Increase in operating income - Increase in value of investment portfolio

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Type of risks/ opportunities	Physical/ transition drivers	Specific description	Time of impact ¹	Impact on business model and value chain	Financial impact for 2025	Anticipated financial impact
Market opportunity	⑩Enter the new markets of transition finance and green finance	The introduction of policies related to green finance and carbon finance has a guiding effect on the financial business and market. If the Company follows the development trend of the green finance market, actively deploys green investment and financing services, provides financial support for green industry customers, helps them develop new markets and businesses, it will help to increase the revenue generated from the green finance business.	Medium-term and long-term	Financial business end: – The Company is a licensed securities firm qualified for carbon emission business, providing favorable opportunities for the Company to actively carry out carbon finance business and bring new revenue growth points.	By actively increasing its carbon asset reserves, the Company facilitated liquidity and cyclical adjustments within the carbon market, providing two-way quotes and assisting regulated emitters in meeting their contract fulfillment obligations and annual trading volume surged by over 103% year-over-year.	

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Climate scenario analysis

DFZQ continuously explores climate scenario analysis, utilizing forward-looking models to comprehensively assess the climate risk exposure of its investment portfolios, thereby implementing scientific mitigation measures to address climate risks.

In 2025, the Company expanded its climate physical risk and transformation risk scenario analysis on a regular basis based on the entire stock position of the publicly offered funds under Orient Securities Asset Management, a subsidiary, as of the end of 2024 as a sample. The physical risk analysis selected two scenarios, namely RCP8.5 and RCP4.5 of the Intergovernmental Panel on Climate Change (IPCC), and the transformation risk scenario analysis selected two scenarios, namely the “delayed transformation” and the “global temperature control target of 2°C” of the Network of Central Banks and Supervisors for Greening the Financial System (NGFS), to better understand the difference in transformation risk and resilience that the investment portfolios may face under both extreme and moderate change in climate policies, and a scenario of steady progress.

Specific scenarios selected by DFZQ for climate scenario analysis

	Physical risks		Transformation risk	
Scenario source	Intergovernmental Panel on Climate Change (IPCC)		Network of Central Banks and Supervisors for Greening the Financial System (NGFS)	
Scenario name	RCP4.5	RCP8.5	Global temperature control target of 2°C	Delayed transformation
Warming by the end of the century	Within 3°C	Above 4°C	Within 2°C	Within 2°C
Features	Moderate emissions	High emissions	Orderly transformation	Disruptive transformation
Scenario description	Greenhouse gas emissions increase until around 2050 and then decline. Global climate policies are implemented with moderate intensity, but the most stringent emissions reduction targets are not met.	Greenhouse gas emissions continue to increase without any climate policy intervention, representing the risks under an extreme climate change scenario.	Climate policies are introduced globally in the present and gradually strengthened over time, resulting in a smooth and orderly transition pathway with moderate technological change.	Stringent climate policies are introduced late and abruptly, leading to a disruptive transition pathway. Technological change is slow initially and then accelerates rapidly.

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The climate scenario analysis followed a four-step process: defining the scope, identifying risk factors, selecting scenarios, and conducting the analysis. Each step involved specific calculations.

Process of DFZQ for climate scenario analysis

	1-Defining the scope	2-Identifying risk factors	3-Selecting	4-Conducting quantitative analysis
Physical risks	Entire stock position of the publicly offered funds under Orient Securities Asset Management.	Risk Type: Based on climate risk identification results, selected seven physical risks: high temperature and heat wave, extreme coldness, drought, floods, rise of sea level, water shortage, and ecological environmental damage. Variables: Climate factors, asset classes, geographic location, socioeconomic factors, etc.	Selected contrasting scenarios, including a high emissions scenario (RCP8.5) with higher physical risks and a moderate emissions scenario (RCP4.5).	Conducted quantitative analysis of climate-related physical and transformation risks for individual listed companies. Took the proportion of the investment balance in the stock of each listed company to the entire sample portfolio as the weight, weighted and summed the physical and transformation risk scores of each listed company under each scenario to obtain the physical or transformation risk scores of the entire sample portfolio under the scenario.
Transformation risk		Variables: Carbon price (also known as shadow price of carbon). The carbon price setting considers the marginal abatement costs under various climate policies, including carbon taxes, subsidies, prices of CO ₂ emission permits, and environmental standards.	Selected contrasting scenarios, including an orderly transition scenario (aligned with the global temperature control target of 2°C) and a disruptive transformation scenario (delayed transformation).	

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In the scenario analysis, the Company obtained the physical risk score or transformation risk score of the sample listed companies under the corresponding scenarios based on the third-party professional climate risk assessment database. Among them, the physical risk score comprehensively reflected the disaster degree, vulnerability and exposure level of seven climate disasters such as water shortage, high temperature and heat wave, extreme coldness, drought, flood, ecological environmental damage and rise of sea level faced by the enterprise; the transformation risk score reflected the Carbon Value-at-Risk (CVaR) of the enterprise.

The results of the scenario analysis indicate that, in terms of physical risk, under the medium-emissions RCP4.5 scenario, where global temperature rise is projected to be contained within 3°C, over 90% of the sample assets managed by Orient Securities Asset Management are classified as having low-to-medium or low physical risk levels. Under the high-emissions RCP8.5 scenario, which involves increasingly severe climate hazards, more than 70% of the assets exhibit a physical risk level of medium or below. In both scenarios, the sector-weighted physical risk levels of the sample assets are generally aligned with the overall distribution of physical risk levels across all A-shares, indicating that climate physical risks remain broadly manageable.

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Climate Physical Risk of the Sample Portfolio by Industry of DFZQ			
Industry Classification	Proportion (%)	RCP4.5	RCP8.5
Manufacture of Electrical Machinery and Equipment, Computers, Communication and Other Electronic Equipment	21.15%	Low-to-Medium	Medium
Processing of Raw Materials and Manufacturing	15.46%	Low-to-Medium	Medium
Mining	8.86%	Low-to-Medium	Medium
Information Transmission, Software and Information Technology Services	7.28%	Low-to-Medium	Medium
Manufacture of Transport Equipment and General/Special Purpose Machinery	7.11%	Low-to-Medium	Medium
Financials	6.46%	Low-to-Medium	Medium-to-High
Transportation, Warehousing and Postal Services	5.64%	Low-to-Medium	Medium-to-High
Production and Supply of Electricity, Heat, Gas and Water	4.70%	Low	Medium
Other Services	4.43%	Low-to-Medium	Medium
Manufacture of Timber, Textiles, Apparel, and Educational & Sports Goods	3.66%	Low-to-Medium	Medium
Pharmaceutical Manufacturing	3.32%	Low-to-Medium	Medium
Manufacture of Food and Beverage	3.12%	Low-to-Medium	Medium
Water Conservancy, Environment and Public Facilities Management	2.61%	Low-to-Medium	Medium
Automobile Manufacturing	2.29%	Low-to-Medium	Medium
Agriculture, Forestry, Animal Husbandry and Fishery	2.04%	Low-to-Medium	Medium
Construction	1.08%	Low-to-Medium	Medium-to-High
Real Estate	0.60%	Low-to-Medium	Medium
Health Services	0.19%	Low-to-Medium	Medium

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In terms of transformation risk, under the scenario of global temperature control target of 2°C, the strength of climate policies will gradually increase over time, and the impact of climate policies on 83.5% of the sample assets will be at a low level. Under the delayed transformation scenario, the lowcarbon transformation policy will be postponed but suddenly introduced, the sample assets as a whole will face higher transformation risks. In both transformation scenarios, the sector-weighted transition risk levels of the sample assets were lower than those of all A shares, reflecting the Company's proactive management and control of climate risks within its investment research and decision-making process.

Climate Transformation Risk of the Sample Portfolio by Industry of DFZQ			
Industry Classification	Proportion (%)	Global temperature control target of 2°C	Delayed transformation
Manufacture of Electrical Machinery and Equipment, Computers, Communication and Other Electronic Equipment	21.15%	Low-to-Medium	Medium-to-High
Processing of Raw Materials and Manufacturing	15.46%	High	High
Mining	8.86%	Low-to-Medium	High
Information Transmission, Software and Information Technology Services	7.28%	Low-to-Medium	High
Manufacture of Transport Equipment and General/Special Purpose Machinery	7.11%	Low-to-Medium	High
Financials	6.46%	Low-to-Medium	Medium-to-High
Transportation, Warehousing and Postal Services	5.64%	Medium-to-High	High
Production and Supply of Electricity, Heat, Gas and Water	4.70%	Low-to-Medium	Medium-to-High
Other Services	4.43%	Low-to-Medium	High
Manufacture of Timber, Textiles, Apparel, and Educational & Sports Goods	3.66%	Medium	High
Pharmaceutical Manufacturing	3.32%	Low-to-Medium	Medium-to-High
Manufacture of Food and Beverage	3.12%	Low-to-Medium	Medium-to-High

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Climate Transformation Risk of the Sample Portfolio by Industry of DFZQ			
Industry Classification	Proportion (%)	Global temperature control target of 2°C	Delayed transformation
Water Conservancy, Environment and Public Facilities Management	2.61%	Low-to-Medium	High
Automobile Manufacturing	2.29%	Low-to-Medium	Medium-to-High
Agriculture, Forestry, Animal Husbandry and Fishery	2.04%	Medium	High
Construction	1.08%	Low-to-Medium	High
Real Estate	0.60%	Low-to-Medium	High
Health Services	0.19%	Low-to-Medium	Medium-to-High

Analysis of climate resilience

DFZQ combines the identification of climate-related risks and opportunities with an analysis of their current and anticipated financial impacts. It identifies significant uncertainties such as the increasing frequency of extreme weather events, tightening policy and regulatory requirements, and rising demand for green finance business. By climate scenario analysis, the Company comprehensively assesses the resilience of its strategy and business model when faced with these material uncertainties.

The analysis results indicate that the Company has proactively invested in and deployed measures related to climate action. Consequently, its existing resources demonstrate high accessibility and flexibility in responding to climate-related impacts, and it possesses a strong capacity for the timely reallocation of resources.

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DFZQ Climate Resilience Analysis

Material Uncertainties	Impacts on Strategy and Business Model	Strategic and Business Model Resilience
Increasing frequency of extreme weather events: In the short term, the frequency and severity of extreme weather events such as typhoons and floods are increasing.	Impacts the operational continuity of the Company's data centers, business department, customers, and investment targets.	Operations: As a financial institution, the Company's own physical risk exposure is relatively small. The Company continuously increases disaster recovery investment in locations such as data centers, resulting in high operational resilience. Financial Business: The Company assesses the physical risks faced by its investment portfolio through climate scenario analysis. Under both the RCP4.5 and RCP8.5 scenarios, business-side risks are relatively controllable.
Tightening policy and legal or regulatory requirements: Stock exchanges and regulatory bodies have successively issued climate-related information disclosure requirements. National and local governments have also progressively introduced environmental protection policies and standards.	Climate-related information disclosure documents require the Company to systematically manage climate change topics; green transition policies exert pressure on the Company's business structure transformation.	Operations: The Company promptly tracks external policy requirements, integrates carbon reduction actions into daily operational processes, and systematically discloses climate-related actions annually according to disclosure requirements. Financial Business: The Company assesses the transition risks faced by its investment portfolio through climate scenario analysis. Under both the delayed transition and global 2°C temperature control target scenarios, business-side risks are relatively controllable.
Increasing demand for green finance business: A growing number of clients are pursuing green development, leading to growth in green investment and financing, carbon finance, and other related businesses.	Directly benefits the Company's main business, creating new business growth points.	Financial Business: The Company has established a systematic framework for green finance business. It continuously monitors potential business opportunities to enable timely responses, demonstrating strong business adaptability.

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Key Climate Actions and Transition Plan

Addressing the key risks and potential development opportunities arising from climate change, the Company undertakes climate adaptation and mitigation actions aimed at comprehensively enhancing the climate resilience of its operations and business. Concurrently, the Company has formulated a climate transition plan deeply integrated with its business operations to comprehensively manage climate-related physical and transition risks, thereby promoting a robust transition towards a low-carbon business model.

DFZQ Key Climate Actions and Transition Plan

Climate Adaptation Actions	- For operations, the Company strengthens disaster recovery investment at physical asset operation points such as data centers, server rooms, and business outlets. This enhances the capacity to respond to extreme weather events and mitigates the risk of operational disruption caused by climate change. - For financial business, the Company is actively enhancing the climate resilience of its operations, strengthening the capacity of its financial businesses to withstand climate risks. It has established and improved ESG risk management systems for its investment banking and credit businesses. Specific industry scorecards for ESG risk due diligence have been developed for sectors that are highly sensitive to environmental/climate factors. Risk warning levels are set and risk trigger and reporting mechanisms are clearly defined. Climate change-related issues are integrated into the risk management data platform for reputational risk monitoring, and public response mechanisms are established in advance.
Climate Mitigation Actions	- For operations, the Company has increased its efforts in energy conservation and emission reduction. It procures green electricity and high-quality carbon credits. Since 2025, it has achieved carbon neutrality at the operational level. - For financial business, through its investment and financing activities, the Company guides capital flows towards areas such as energy conservation, environmental protection, clean production, clean energy, and green upgrades of infrastructure. The Company has progressively implemented carbon footprint calculations for its investment and financing portfolios, considering the establishment of carbon reduction pathways for these portfolios , with the goal of achieving net-zero emissions for the portfolio by 2060. It is also exploring the expansion of scenario analysis scope and has assessed the climate risk exposure of its investment portfolio.

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**Climate
Transition
Plan**

- The Company recognises that actions to address climate change require the full support of all stakeholders. The Company has formulated a Climate Transition Plan, establishing a green development action model focused on three areas: business, operations, and public welfare. This model drives internal and external engagement, encouraging stakeholders including employees, customers, investors, and the general public to participate in environmental and climate change initiatives. For detailed actions, please refer to the “*Risk Management*” sub-section.



Green Public Welfare

Drive participation of employees and the public in environmental protection actions through environmental public welfare projects and other environmental impact initiatives



Green Operations

Implement green practices in daily operations, advocate for employees to conserve energy and reduce emissions, and minimise the impact on the environment



Green Finance

Enhance the environmental benefits of financial services through green innovation in business and products, building an “Energy Investment Bank”

DFZQ Green Development Action Model

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2.3 Risk Management

The Company has established a climate risk management process of “Identification – Analysis and Assessment – Management and Response”, integrating climate-related risks into its ESG risk management system. In 2025, based on practical experience, the Company further optimised its climate-related risk management process. A “vulnerability” analysis dimension was added to the prioritisation assessment of climate-related risks and opportunities, and tools such as climate scenario analysis were applied to introduce new climate adaptation analysis.

DFZQ Climate-Related Risk Management Process

Stage	Content
Identification	Based on the Company’s business model and incorporating recommendations from external authoritative institutions on the management of climate-related risks and opportunities, identify physical risks and transition risks that impact the Company’s operations and financial businesses. Assess the impact mechanisms and factors of climate impacts on the Company’s existing eight major risk categories.
Analysis and Assessment	- Based on expert judgment and surveys of key stakeholders, analyse climate-related risks and opportunities that have a material impact on the Company’s operations and financial businesses from dimensions such as likelihood, degree of impact, and vulnerability, and prioritise them accordingly. - Assess the impact of climate-related risks and opportunities on the Company’s business model and value chain, as well as their current and anticipated financial impacts. - Identify material uncertainties related to climate. Use tools such as scenario analysis to make climate-related assumptions, and analyse and assess the impact of relevant factors on the Company’s strategy and business model, as well as the Company’s resilience.
Management and Response	- Implement climate adaptation and mitigation actions at the operational and business levels, and formulate a climate transition plan. Identify climate-related indicators and set targets. - Refine the development strategy and risk management mechanisms based on the results of climate change risk and opportunity analysis. Integrate climate-related risks as a key topic into the Company’s ESG risk management system, and continuously monitor the status of climate risk management.

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Analysis of transformation relationships between climate-related risks and other risks

The Company recognized that most of the climate-related risks are the drivers of existing risks, they can be transformed into other types of risks that the Company has already incorporated into management through risk transmission, such as market risk, credit risk, liquidity risk, technology risk, reputational risk, and compliance risk. Therefore, the Company continuously explored methods to integrate climate-related risks into the existing risk management process, took climate-related risks as the cross-drivers of existing risks and incorporated climate risk factors into the ESG risk management system. The Company has identified 6 major types that are most vulnerable to climate-related risks and analyzed how they may be affected by climate-related risks. Please refer to the table below for details.

Analysis on Transformation Between Climate-related Risks and Traditional Risks in DFZQ

Type of risks	Definition	Climate impact factor	Transformation risk	Physical risk
Market risk	The risk that a portfolio held by the Company results in losses due to adverse market movements.	• Stock and bond prices	– The changes in new climate regulations or consumer preferences have a negative impact on the demand for the products of the investment target companies, resulting in a decline in the price of stocks or bonds of the investment and financing target companies.	– As extreme climate disasters cause material assets and personnel losses to the investment targets, resulting in production cuts and business interruptions, the value of the Company's portfolio of corporate bonds is reduced.
Credit risk	The possibility that the debtor or counterparty fails to perform its obligations under the contract or that the credit quality changes, causing losses to the Company.	• Value of collateral • Counterparty default rate • Solvency	– Increased defaults or downgrades in carbon-intensive industries due to increased operating costs of the enterprises as a result of new climate regulations or loss of revenue/profit as a result of changes in consumer preferences for green products.	– Affected by severe weather events (such as floods and hurricanes), the physical assets of customers as collaterals were affected and the value was impaired.

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Type of risks	Definition	Climate impact factor	Transformation risk	Physical risk
Liquidity risk	The risk that the Company is not able to obtain sufficient funds in a timely manner and at a reasonable cost to repay its debts as they become due, fulfill other payment obligations and meet its capital requirements for the normal conduct of its business.	Business continuity	Due to new environmental requirements or climate-related regulations, the Company's counterparties and customers need to suspend operations for rectification, which affects its solvency, resulting in the Company's inability to recover funds in time and affecting the normal development of other businesses.	Due to extreme climate disasters, the Company's counterparty is subject to business interruption and capital turnover difficulties, resulting in the Company's inability to obtain sufficient funds in time.
Technical risk	The Company's information technology system can't provide normal services, the protection and backup measures of the information technology system and key data are insufficient, the important information technology system does not use the data interaction interface that is prevailing in the regulatory authorities or the market, and the important information technology system providers can't provide continuous support and services in the life cycle of the technology system, which affects the normal operation of the Company's business, resulting in the business discontinuity or information security risks of the Company.	Business risk resistance capacity	—	Physical risks such as extreme weather events (e.g., hurricanes, floods) and the rise of sea level damage the Company's data centers and affect the normal service of the information technology system, resulting in the fact that the normal operation of the Company's business is affected.

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Type of risks	Definition	Climate impact factor	Transformation risk	Physical risk
Reputational risk	Risk of negative evaluation on the Company by stakeholders due to the Company's operation or external events, and the staff's violation of integrity regulations, professional ethics, business norms, industry rules and contracts and other related behaviors.	• Increase in negative comments • Reduction in brand value	– As the Company has set carbon neutrality targets at the operational level and net zero emission targets for investment and financing portfolios around the issues of responding to climate changes, and failure to fulfill the commitments on schedule will result in a reduction of the Company's brand value. – The occurrence of relevant risk events in the course of the Company's investment and financing business due to poor climate-related risk management and poor review results in the increase in the negative comments of external stakeholders on the Company.	—
Compliance risk	The operation, management or practice of the Company or its personnel violates laws, regulations or standards, which may cause securities companies to be subject to legal sanctions, regulatory measures, property losses or reputation losses.	• Being subject to regulatory penalties	– National and relevant regulatory authorities are strengthening the environmental information disclosure requirements for financial institutions. If more stringent requirements for carbon information/climate-related information disclosure are introduced in the future, the Company may be subject to regulatory penalties for failing to meet the requirements policy and regulatory requirements. – The climate focused regulations are increasing and evolving, and their complexity have led to the increase in legal and compliance risks (such as "greenwashing" risks of ESG products).	—

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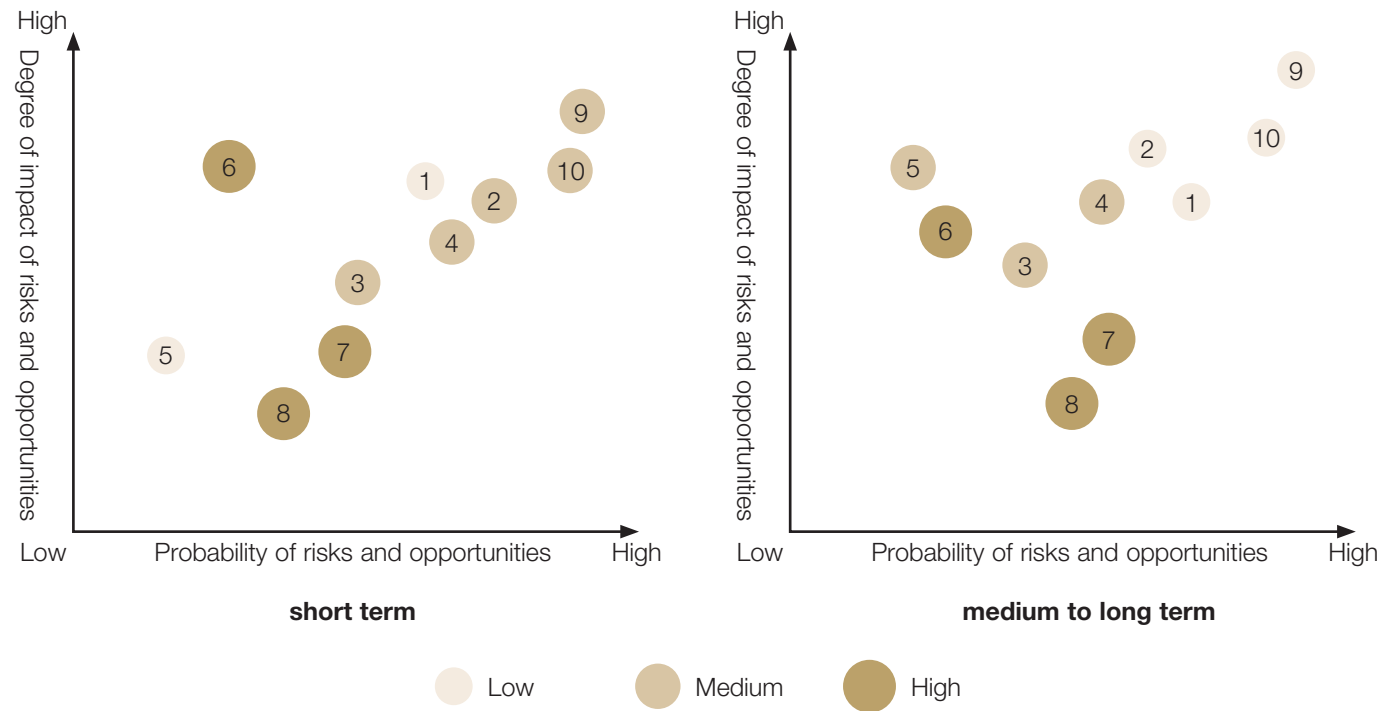
In 2025, based on its own operational and financial business development, and with reference to the classification and definition of climate-related risks and opportunities by external authoritative institutions, the Company formulated the DFZQ climate-related risk and opportunity list. Building on this list, the Company conducted analysis and assessment through internal stakeholders and external experts, evaluating relevant risks and opportunities across two time horizons: short-term and medium-to-long-term. Scoring was performed from three dimensions: likelihood, magnitude of impact, and vulnerability, ultimately identifying 8 risks and 2 opportunities.

Definitions of Assessment Dimensions for DFZQ Climate-related Risks and Opportunities Analysis

Time Horizon of Impact	As the impact of climate-related risks and opportunities on the Company is relatively similar in the medium and long term, when assessing and plotting the matrix diagram, the Company only divides the time horizon of impact into the short term (0-1 year) and the medium-to-long term (2 years and above).
Likelihood	Likelihood: Refers to the frequency and probability of occurrence of risk/opportunity-related events within a specific timeframe. Ranking Criteria: Ranked as “High,” “Medium,” or “Low.” If an event occurs with higher frequency within that timeframe or has a higher probability of occurring in the future, it is assigned a higher priority ranking.
Degree of Impact	Degree of Impact: Refers to the degree of impact a risk/opportunity-related event has on the Company, comprehensively assessing key factors such as financial loss, reputational damage, legal proceedings or fines, and loss of strategic partners. Ranking Criteria: Ranked as “High,” “Medium,” or “Low.” If an event has a more severe impact on the Company, it is assigned a higher priority ranking.
Vulnerability	Vulnerability: Refers to the Company’s degree of preparedness, agility, adaptability, and resilience in responding to risk/opportunity events. Ranking Criteria: Ranked as “High,” “Medium,” or “Low.” If the Company requires more effort, resources, and time to adapt to or recover from an event – i.e., it is underprepared, slow to respond, or currently lacks long-term adaptive capacity – it is assigned a higher priority ranking.

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Climate-related Risks and Opportunities Matrix



Legend: The color and size of the dots represent the level of vulnerability

- ①Enhanced climate-related information disclosure obligations
- ②Increased regulatory constraints on high-carbon industries
- ③Shifts in consumer preferences
- ④Decline in market competitiveness of high-carbon industries
- ⑤Failure to meet publicly committed operational carbon neutrality targets
- ⑥Disruption of company operations due to extreme weather events
- ⑦Disruption of business in climate-sensitive industries due to extreme weather events
- ⑧Rising average temperatures and sea levels
- ⑨Increased demand for green financial products and services
- ⑩Entry into new markets of transition finance and green finance

In 2025, to prevent climate-related risks and seize business opportunities, the Company has adopted climate adaptation and mitigation actions, formulated a climate transition plan, and carried out a number of management and practice initiatives.

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Developing green finance

As one of the “Five Major Articles” of finance, green finance has become a crucial engine driving high-quality economic and social development, playing a vital role in optimizing resource allocation and adjusting industrial structures. In 2025, the Company advanced its efforts in green investment, green financing, carbon finance, and green research, contributing to the development of green finance.

In terms of green investments, the Company considered the risks associated with climate change of the investment target in its own funds investment business. The researchers took climate change and environmental protection factors into account in the process of studying sectors and individual stocks, and assessed the climate-related risk exposure of the companies or sectors in the portfolio by analyzing climate data and related indicators. For details of green investment practices, please refer to the subsection on “Implementation of Responsible Investment”.

In terms of green financing, based on the green DNA of Shenergy Group, the Company focused on building itself as an energy investment bank, delving deeply into the green finance sector, and prioritizing support for green project financing. In 2025, the Company actively developed its green equity financing, green bond and sustainability-linked bond business to effectively broaden financing channels for corporate low-carbon transformation.

- In 2025, regarding equity financing, the Company completed underwriting for 8 green finance equity financing projects. The total fundraising scale of these projects was RMB4.229 billion, with the Company’s total underwriting scale of RMB3.931 billion.
- In 2025, regarding bond financing, the Company, as the lead underwriter, underwrote a total of 7 issues of green corporate bonds with a total underwriting scale of RMB1.572 billion; underwrote a total of 11 issues of green financial bonds with a total underwriting scale of RMB10.817 billion; underwrote a total of 3 issues of green asset-backed securities with a total underwriting scale of RMB0.711 billion; underwrote a total of 5 issues of low-carbon transition-linked corporate bonds with a total underwriting scale of RMB1.428 billion; underwrote 1 issues of sustainability-linked corporate bonds with an underwriting scale of RMB0.157 billion; underwrote 1 issues of sustainability-linked notes with an underwriting scale of RMB0.26 billion and underwrote a total of 2 issues of sustainability-linked asset-backed securities with a total underwriting scale of RMB2.314 billion. Furthermore, we also underwrote 25 issues of green non-financial corporate debt financing instruments with an underwriting scale of RMB1.88 billion; underwrote 1 green local bonds with an underwriting scale of RMB0.09 billion; and underwrote 4 green interest-bearing bonds with an underwriting scale of RMB1.384 billion.

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Assisting Sinochem International's issuance of sustainability-linked medium-term notes

In April 2025, DFZQ, acting as a lead underwriter, assisted Sinochem International in successfully issuing its 2025 second tranche of medium-term notes (sustainability-linked). This issuance innovatively linked financing costs to energy-saving and emission-reduction targets, with commitments to reduce carbon emission intensity per unit product through technological upgrades and process optimization. This initiative helps drive the company's continuous improvement in ESG performance.

Sinochem International Corporation (referred to as "Sinochem International") is an advanced manufacturing enterprise in the new chemical materials sector. It focuses on addressing major national needs by tackling fundamental, cutting-edge, and critical "bottleneck" technologies, establishing an integrated scientific innovation system spanning basic research, process development, engineering research, and product application R&D.

Assisting an enterprise's listing on the Luxembourg Stock Exchange

In May 2025, a wholly-owned subsidiary of Orient Finance Holdings (Hong Kong) Limited, acting as the exclusive sustainable structure advisor and global coordinator, tailored a green finance framework for Kaifeng Development Investment Group Co., Ltd. that aligns with internationally recognized standards such as the International Capital Market Association's Green Bond Principles. It assisted the company in successfully issuing a 3-year bond of US\$103.4 million and listing it on the Luxembourg Stock Exchange, with the proceeds allocated to ecological protection and low-carbon transition sectors.

In terms of carbon finance business, since its obtaining of the approval of the CSRC for carbon emission right proprietary trading qualification, the Company has actively planned around the "dual carbon" goals to continuously contribute its green strength. Focusing on building the "Electricity-Carbon-Finance" characteristic service brand, the Company led new models of green energy consumption. It strengthened connections with various participants in the carbon market, enriched the scenarios where carbon finance served the real economy, and enhanced its ability to provide customized products and services to enterprises managing carbon market exposure. It also effectively utilized carbon reduction support tools, guiding more financial resources towards carbon emission reduction sectors.

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Launch of first batch of new issuance emission reduction transactions in the national voluntary greenhouse gas emission reduction market

In March 2025, the Company successfully purchased China Certified Emission Reductions (CCER) generated by the CGN Guangdong Huizhou Offshore Wind Power Project through the national voluntary greenhouse gas emission reduction trading system via a listed agreement.

The registered certified emission reductions obtained this time originated from grid-connected offshore wind power and grid-connected solar thermal power generation projects located in Jiangsu, Gansu and other places. The Company actively participated in the implementation of the first batch of project emission reduction transactions, enriching its green finance products and services.

Exploring the “Electricity-Carbon” collaboration model in Shenzhen market

In August 2025, the Company sold 10,488 tons of Shenzhen carbon allowances to a Shenzhen-based emissions control company through block trading. This helped the enterprise obtain the necessary carbon allowance assets in a timely manner, covering its compliance gap for that year. In coordination with Shenzhen Energy Power Sales (深圳能源售電), the Company connected the enterprise with a green electricity trading scheme, assisting the enterprise in reducing future carbon emissions and minimizing the emissions gap.

In terms of green research and industry ecosystem development, in 2025, the Company tracked domestic and international ESG frontiers and trends, publishing 18 ESG weekly reports and 2 in-depth ESG special topic reports, which assisted clients and investors in analyzing and responding to sustainable development-related risks and seizing green finance opportunities. Furthermore, the Company participated as a global strategic partner in the 2025 Sustainable Global Leader Summit & Green Industry and Sustainable Consumption Expo, and organized the fourth “Dual Carbon Star Species · Carbon Exploration Plan (雙碳星物種·碳索計劃)”. It also collaborated with the Shanghai Headquarters of China Economic Information Service, Xinhua News Agency, to jointly release the first Securities Industry Serving Green Finance Development Index (證券服務綠色金融發展指數). The Company deeply participated in the drafting of The Path to Sustainable Development: 2025 Shanghai ESG Development Report (踐行可持續發展之路—2025 上海 ESG 發展報告), led by the Shanghai Advanced Institute of Finance, Shanghai Jiao Tong University, promoting the construction of the industry’s green finance ecosystem.

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Release of the *Securities Industry Green Finance Development Index*

In November 2025, the China Economic Information Service Shanghai Headquarters, in collaboration with DFZQ, released the inaugural *Securities Industry Green Finance Development Index*. The index constructs a scientific and comprehensive evaluation system based on four dimensions, namely environmental support, market scale, operational vitality and institutional development, to establish a “digital benchmark” to measure the pivotal role of the securities industry within the green finance framework, which provides a novel perspective for observing the green transformation of capital markets.

Index results indicate a steady upward trajectory over the past five years, with a compound annual growth rate of 11.25%. The securities industry’s support for green finance has consistently strengthened and launched innovative financial instruments and service models to provide full-cycle funding for green projects such as clean energy development, pollution prevention and control, and ecological restoration. This has facilitated a comprehensive green transition in economic and social development.

Commitment to green operation and green public welfare

As a financial institution, the primary energy consumption of the Company during office operation includes natural gas, gasoline, diesel and electricity, the water consumption mainly involves municipal water, office consumables primarily consist of office paper and office electronic equipment, the waste generated is mainly od waste, household waste and other non-hazardous waste and electronic products and other hazardous waste, and the pollutant generated is mainly domestic wastewater from office operation. The Company does not produce atmospheric pollutants, soil contaminants, noise pollution or other pollutants directly.

In strict accordance with the requirements of the Environmental Protection Law of the People’s Republic of China, the Energy Conservation Law of the People’s Republic of China , the Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste and the Law of the People’s Republic of China on the Prevention and Control of Water Pollution and other laws and regulations, the Company has integrated the green and low-carbon concept into all aspects of its office operations, and promoted the effective implementation of various energy-saving and environmental protection initiatives, in order to reduce the negative impact of business activities on the environment. During the reporting period, no major violations related to environmental protection were found in the Company’s operations.

In 2025, the Company carried out a number of initiatives in energy management, water resources management, waste treatment, paperless office, green server room construction and other aspects to practice its green operation.

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Key Actions for Green Operation of DFZQ in 2025

Key aspects	Key measures
Energy management	• Some elevators are stopped and the water boiler units configured on each floor are turned off on non-working days. During working hours on weekdays, the lighting switches in the office area were turned on by the employees themselves. In addition, it was proposed to turn off the lighting during the lunch break, and turn off the air conditioning and lighting after the meeting in the conference room. Regular inspection of lights off operation was carried out, and non-essential lighting equipment was turned off. • The air conditioning control was equipped with a time-space relay, which can adjust the air conditioning ON/OFF time at any time according to different seasons, and improve the real-time monitoring mechanism of the water temperature of the air conditioning circulating water to reduce energy consumption. • Energy-saving training was conducted for facilities and equipment in the new building to promote the concept of energy saving and emission reduction.
Water resource management	• Water conservation management was carried out at source, sensor faucets were installed in restrooms to prevent forgetting to turn off water, and regular and timely inspections and maintenance were conducted on water equipment to eliminate leakage. • Proper wastewater treatment was carried out and pollutant concentrations were controlled in accordance with the Wastewater Quality Standards for Discharge into Municipal Sewers to ensure that the wastewater generated in the Company's office and service process is included in the municipal sewage network and treated by municipal sewage plants to meet discharge standards.

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Key aspects	Key measures
Waste disposal	• Proper waste treatment and management were carried out in the process of office operation. The non-hazardous waste such as daily office waste that cannot be recycled was collected and processed by the property manager in a unified manner, and the harmful waste was entrusted to a qualified third-party unit for recycling and processing. • “Zero waste” buildings and “zero waste” meetings were actively promoted, and the reuse of used office supplies was encouraged.
Paperless office	• The paperless meeting was implemented by using electronic name cards and PAD terminals, and the electronic publication of divisional reports was continuously promoted to gradually reduce paper consumption. • Double-sided printing or photocopying of informal documents and drafts were required in the office. • The construction of archive informationization was advanced steadily, and the electronicization of documents and processes was promoted to reduce the use of paper. • The Sustainable Development Report was printed on paper certified by the Forest Stewardship Council (FSC) to ensure that the paper is sourced from sustainable, legal and permitted forest resources.
Construction of green server rooms	• PUE decreased to 1.34 by optimizing equipment layout and load configuration in the proprietary data center environments. • By implementing innovative energy-saving optimization strategies and dynamic integration of rack resources in the leased data center environments, 33 racks at the Waigaoqiao data center were decommissioned, space utilization improved, energy consumption reduced by 60kW, and energy waste was mitigated.

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DFZQ actively developed carbon-neutrality conferences

Amidst the global efforts to combat climate change and China's steadfast commitment to achieving carbon peak and carbon neutrality, DFZQ has achieved carbon neutrality at its annual business management conferences for two consecutive years. The "DFZQ 2025 Annual Business Management Conference and Party Building Conference" generated total greenhouse gas emissions of 46 tonnes of CO₂ equivalent. The Company achieved carbon neutrality for the conference by purchasing and voluntarily canceling Shanghai Carbon Inclusive certified emission reductions, demonstrating its commitment to shouldering the responsibilities of the "dual carbon" era.

DFZQ Carbon Neutrality Exhibition Hall was completed

In 2025, the Company, in partnership with Shenergy Carbon Technology Co., Ltd., successfully established the first carbon neutrality exhibition hall in Shanghai's financial industry. During the construction phase, the Company strictly adhered to industry standards to calculate comprehensive carbon emissions, prioritized the use of green building materials, and equipped the hall with a dedicated energy consumption monitoring system. Carbon offsetting was achieved through the purchase of Shanghai Carbon Inclusive project credits, certified by the Shanghai Environment and Energy Exchange.

DFZQ continuously advances operational carbon neutrality

In 2025, the Company designated "operational carbon neutrality" as a key priority. It formulated a special work plan at the beginning of the year, continuously advanced its implementation in mid-year, and ultimately achieved operational carbon neutrality. On one hand, the Company continued to advance "active emission reduction" practices such as energy use management and construction of green server rooms to enhance the efficiency of use of energy by the Company and reduce greenhouse gas emissions. On the other hand, the Company engaged a third-party carbon verification agency to conduct a comprehensive operational carbon inventory and accounting for 2025, while conducting market research on renewable energy use and carbon credit procurement.

In terms of green public welfare, the Company is dedicated to protecting the ecological environment. Through influential programs, it drove stakeholders such as employees, customers and the public to participate in the environmental cause from the inside out and promoted the construction of a green culture. In 2025, the Company launched a publicity campaign on the theme of "World Earth Day" on its WeChat subscription account "Release of DFZQ", calling on the public to cherish the Earth and advocate the harmonious coexistence of human beings and nature.

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2.4 Indicators and Targets

To further implement strategies for addressing climate change and enhance the effectiveness of managing climate-related risks and opportunities, the Company aligns with the global consensus reflected in the Paris Agreement and actively responds to China’s “30 · 60” carbon peaking and carbon neutrality goals. The Company has established relevant indicators and objectives across two dimensions, namely its own operations and its financial business. These indicators are monitored annually to continuously track the progress of the targets.

Climate Management Monitoring Indicators of DFZQ

Climate-related Level 1 indicator	Climate-related Level 2 indicator
Greenhouse gas emissions	• Total greenhouse gas emissions • Greenhouse gas emissions per capita (Scope 1 and Scope 2) • Greenhouse gas emissions per unit area (Scope 1 and Scope 2) • Carbon emissions of the investment portfolios
Energy consumption	• Natural gas consumption • Petroleum consumption of self-owned vehicles • Diesel consumption • Comprehensive energy consumption
Electricity consumption	• Total electricity consumption • Electricity consumption per capita • Electricity consumption per unit area
Water consumption	• Total water consumption • Water consumption per capita • Water consumption per unit area

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Climate-related Level 1 indicator	Climate-related Level 2 indicator
Waste management	• Hazardous waste generation • Non-hazardous waste generation • Waste generation per capita • Waste generation per unit area
Green finance	• Investment and financing scale of green equity • Issuance and underwriting scale of green bond • Investment scale of green bonds with its own funds
Sustainable finance	• Sustainable investment and financing scale • Average annual growth rate of sustainable investment and financing • Position size of the ESG-related bonds invested with its own funds

In the process of advancing the implementation of sustainable operations and sustainable finance goals, the Company continuously monitors indicators related to these objectives, as well as other climate change management indicators, and evaluates and summarizes objective achievement on an annual basis. The year 2025 marks a milestone for the phased completion of these objectives. The Company has progressively advanced management efforts across multiple dimensions each year, achieving favorable progress on all objectives. It marks the first year of realization of carbon neutrality at the operational level, demonstrating that the Company’s climate management actions are practical and effective.



Carbon neutrality certificate of DFZQ

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Completion of Sustainable Operation Targets of DFZQ in 2025

Indicator	Targets for 2025	Completion in 2025
Greenhouse gas emissions	Strive to achieve carbon neutrality at the operational level by 2025 ¹	Based on the implementation of various energy-saving measures, the Company promoted the green transformation of the energy structure by purchasing and cancelling green electricity certificates, supplemented by the purchase and cancellation of China Certified Emission Reduction (CCER), Shanghai Carbon Emission Reduction Certified Type I (SHCERCIR1), and International Verified Carbon Units (VCU), thus achieving carbon neutrality target at the operational level
Electricity consumption per unit area	10% ² lower than 2019, of which electricity consumption per unit area was 160 kWh per square meter in 2019	Electricity consumption per unit area of the Orient Securities Building was 97.07 kWh per square meter, representing a decrease of 39% from 2019
Water consumption per capita	Show a decreasing trend compared to 2021 ³ , of which the water consumption per capita was 43.40 tonnes/person in 2021	Water consumption per capita of the parent company was 13.17 tonnes/person, representing a decrease of 70% from 2021
Non-hazardous waste and hazardous waste	Gradually improve the source identification and statistics of non-hazardous waste and hazardous waste, so as to control the generation of non-hazardous waste and hazardous waste at a low level	The Company continued to improve its waste management mechanism and reduce the amount of waste generated from office operations

Note 1: Carbon neutrality target for operating activities is based on the headquarters of the parent of DFZQ and its branches and covers Scope 1 (including carbon emissions from the combustion of natural gas, petrol and diesel in its own vehicles), Scope 2 (including carbon emissions from purchased electricity), and part of Scope 3 (including carbon emissions from leased data centers and staff business travel). In 2025, due to improvements in data statistics and management capabilities, the Company conducted a more comprehensive review of its emission sources during greenhouse gas accounting. Based on this, the scope of the 2025 operational carbon neutrality covers the headquarters and branches of DFZQ's parent company. It includes Scope 1 (carbon emissions generated from the combustion of natural gas, gasoline for company-owned vehicles, diesel, and refrigerant fugitive emissions), Scope 2 (carbon emissions generated from purchased electricity and purchased heat), and certain Scope 3 (carbon emissions from leased data centres and employee business travel). Compared with the statistical scope of the original operational carbon neutrality target, this expanded scope includes refrigerant fugitive emissions and carbon emissions generated from purchased heat.

Note 2: The statistics of electricity consumption per unit area are based on Orient Securities Building.

Note 3: The statistics of water consumption per capita are based on the parent company of DFZQ, including headquarters and branches.

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In 2025, the Company continued to make efforts in the field of sustainable finance, and realized a total operating income of RMB67.0974 million, accounting for 0.44% of the Company’s operating income, by carrying out the business of sustainable bond investment with its own funds and operating the Dongfanghong ESG Sustainable Investment Mixed Securities Investment Fund, among other businesses.

Completion of Sustainable Finance Targets of DFZQ in 2025

Indicator	Targets for 2025	Completion in 2025
Net Zero Emissions of Investment Portfolio	Strive to achieve net-zero emissions from the investment portfolio by 2060	The Company promoted the development of an action plan for measuring the carbon intensity of investment portfolios and considered selecting sample investment targets for pilot measurements
Sustainable Finance ¹	During the “14th Five-Year Plan” period (2021-2025), the Company will channel RMB450 billion into sustainable development sector through investment and financing business, and maintain the average annual growth rate of sustainable investment and financing at a minimum of 9%	In 2025, the Company actively directed the capital into the sustainable development sector through investment and financing business, and has directed a total of over RMB600 billion of funds into the sustainable development sector during 2021 to 2025, with an average annual growth rate of sustainable investment and financing scale during 2021 to 2025 of over 10%
Sustainability-Linked Bonds	The size of our position in ESG-related bonds invested with its own funds at the end of 2025 shall grow at a compound annualized rate of not less than 15% (inclusive) compared with the end of 2023, i.e., not less than RMB3,345 million.	As of the end of 2025, the Company’s position in ESG-related bonds invested with its own funds amounted to RMB5.373 billion

Note 1: Statistics on sustainable investment and financing targets include investment and financing amounts in areas such as energy conservation and environmental protection, clean production, clean energy and green upgrading of infrastructure, which are the focus of support at the environmental level, as well as consolidating poverty alleviation achievements and facilitating rural revitalization at the social level. In particular, the sustainable investment amount represents the point-in-time data up to the end of 2025, and the sustainable financing amount represents the total amount from 2021 to 2025.

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3. SOCIAL: FORGING AHEAD, CHANNELING CAPITAL FOR GOOD

3.1 Serving the Real Economy

DFZQ proactively aligns with the deployment requirements of the State Council General Office’s “Guidelines on Advancing the Five Key Financial Sectors 《關於做好金融“五篇大文章”的指導意見》” and the China Securities Regulatory Commission’s “Implementation Opinions on Enhancing the Five Key Financial Sectors in Capital Markets 《關於資本市場做好金融“五篇大文章”的實施意見》”. Leveraging its professional advantages, the Company formulated the “DFZQ Action Plan for Advancing the Five Key Financial Sectors 《東方證券關於做好金融“五篇大文章”的行動方案》” in 2025, focusing on five major areas of technology finance, green finance, inclusive finance, pension finance and digital finance to accelerate the building of a first-class modern investment bank. (For details on specific green finance practices, please refer to the section on “Aligning Targets and Responding to Climate Change”, and for details on specific digital finance practices, please refer to the section on “Enhancing Products and Services”)

Typical Cases of DFZQ Serving the Real Economy in 2025

Main aspects	Typical cases of services in 2025
Serving the national and Shanghai strategies	• Supporting Bank of Shanghai to precisely support the innovative development of technology enterprises: In May 2025, DFZQ, acting as a joint lead underwriter, supported Bank of Shanghai Co., Ltd. in the issuance of the “Bank of Shanghai Co., Ltd. 2025 First Phase Technology Innovation Bonds”, with an issue size of RMB5 billion. • Supporting Shanghai Zhidaxin through equity investment: In December 2025, the Company’s subsidiary, Orient Securities Innovation, supported the development of Shanghai Zhidaxin Technology Co., Ltd., a technology commercialization enterprise jointly established by Shanghai Jiao Tong University and the Shanghai Institute of Artificial Intelligence, through equity investment.

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Main aspects	Typical cases of services in 2025
Technology finance	• Launching the “Orient Securities CDB Sci-Tech Innovation Bond Basket (東方證券國開科創債籃子)”: In May 2025, DFZQ innovatively launched the “Orient Securities CDB Sci-Tech Innovation Bond Basket (東方證券國開科創債籃子)” to enhance the liquidity of sci-tech innovation bonds through various means. • Assisting Sanyou Medical in its issuance of shares to acquire assets and raise matching funds: In March 2025, DFZQ assisted Sanyou Medical in successfully implementing a comprehensive transaction structure combining “share issuance and cash payment for asset acquisition with matching fund raising”, raising RMB214 million in matching funds and facilitating its smooth listing on the STAR Market of the Shanghai Stock Exchange.
Inclusive finance	• Supporting Chengtay Leasing in its issuance of Sci-Tech Innovation SME Support Bonds: In April 2025, DFZQ, acting as the lead underwriter, assisted Chengtay Financial Leasing (Shanghai) Co., Ltd. in the successful issuance of the “Chengtay Financial Leasing (Shanghai) Co., Ltd. 2025 First Series Sci-Tech Innovation SME Support Corporate Bonds”, with an issue size of RMB500 million. • Supporting Zhigao Machinery in its successfully listing on the Beijing Stock Exchange: In August 2025, DFZQ, acting as the sole sponsor and the lead underwriter, assisted Zhejiang Zhigao Machinery Co., Ltd., a national-level “Little Giant” specialized and sophisticated SME, in its public offering of shares to unspecified qualified investors and successfully listing on the Beijing Stock Exchange.

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Main aspects	Typical cases of services in 2025
Pension finance	• Personal pension service: The Company has successfully onboarded 51 personal pension fund managers and listed 263 pension products (including 88 broad-based index funds). The total assets under management for pension products amounted to RMB13.0531 million, with a cumulative total of 53,674 personal pension fund accounts opened. • Enabling pension investor education: Orient Securities Asset Management, our subsidiary, continues to conduct pension-themed “Dongfanghong 10000 Miles Travel” investor education activities, promoting awareness of pension investment and financial knowledge. Orient Securities Asset Management extends pension investor education into campuses, villages, and communities, collaborating with higher education institutions to deliver pension lectures, establishing pension investor education stations within communities, and organizing fraud prevention and elder care seminars in rural areas nationwide, thereby continuously deepening and broadening the reach of pension financial services. • Launching the “DFZQ – Shangyin Wealth Management Elderly-Friendly Low-Volatility Bond Basket (東方證券 – 上銀理財適老低波債券籃子)”: In October 2025, Orient Securities and Shangyin Wealth Management Co., Ltd. jointly launched the “DFZQ – Shangyin Wealth Management Elderly-Friendly Low-Volatility Bond Basket (東方證券 – 上銀理財適老低波債券籃子)”, aimed at promoting steady value appreciation for the funds of the elderly clientele.

The Company has set the overall goal of serving the real economy, i.e., to fully uphold the political commitment and people-oriented nature of financial work. Leveraging its unique characteristics, regional advantages, and professional talent pool, the Company tailors its approach to effectively advance the “Five Key Financial Sectors” in line with local conditions. The Company regularly monitors key indicators in equity financing, bond financing, and market-making activities to ensure the achievement of its goals.

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- In 2025, in terms of equity financing, the Company served a total of 14 enterprises aligned with national strategies in completing their equity financing. The total funds raised from these projects amounted to RMB18.431 billion, with the Company's cumulative underwriting scale reaching RMB10.821 billion.
- In 2025, in terms of bond financing, the Company's underwriting scale for bonds in the sustainability sector totaled RMB61.107 billion. Orient Finance Holdings completed the underwriting of 29 ESG-related bonds, involving a total financing scale of approximately RMB33.7 billion.
- In 2025, in terms of market-making activities, the Company's total trading volume in green bonds and technology innovation bonds amounted to RMB240.224 billion.

3.2 Practicing Responsible Investment

The Company adheres to the concept of value investment and responsible investment. While pursuing value investment returns, the Company incorporates social and environmental responsibilities into the investment decision-making process, thereby continuously promoting the sustainable and high-quality development of both the Company and the broader economy. The Company formulated and published the Statement on Responsible Investment (《責任投資聲明》) and established a relatively mature investment decision-making system. Based on a five-level structure of "General Meeting – Board of Directors – President's Office – Investment Business Committee – Equity Business Professional Committee – Business Department", the Company conducted the decision-making, authorization, and management of investment business.

Within the Company's overarching responsible investment framework, each business line and subsidiary has established responsible investment teams tailored to their specific operations. In the securities investment business, the Company has formed an Investment Decision-Making Panel for Securities Investment Business, which is fully authorized to oversee the daily investment decisions. For proprietary bond investment activities, the research team has designated two researchers specializing in ESG research and quantitative scoring. The ESG researcher, possessing extensive fixed income research experience and expertise in overseas markets, is specifically responsible for ESG-related research, including macro policy analysis, industry trends, and negative entity sentiment analysis. The researcher focused on quantitative scoring, equipped with substantial fixed income experience and programming skills, handles the development and integration of the ESG quantitative system, and makes timely optimizations based on the latest policy changes and research frameworks. In 2025, ESG researchers comprehensively compiled data on industry policy shifts, primary and secondary market ESG monitoring, and index performance, completing a total of 12 monthly reports throughout the year. The effectiveness of ESG-related work has been incorporated into the performance appraisal system for the researchers. The proprietary department has designated one staff member to be responsible for regularly compiling statistics on the investment amount in ESG bonds, the completion status of ESG indicators, and other related work.

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Furthermore, Orient Securities Asset Management, a subsidiary of the Company, has established a dedicated ESG Working Group led by senior management from Orient Securities Asset Management. The group comprises heads of investment and research departments across various asset classes, along with other relevant departments. It is responsible for comprehensively coordinating ESG business planning and advancing the development and implementation of ESG systems. Orient Securities Asset Management has formulated the Responsible Investment Policy of Shanghai Orient Securities Asset Management Co., Ltd. 《上海東方證券資產管理有限公司責任投資政策》 and the Environmental, Social and Corporate Governance (ESG) Risk Management Measures of Shanghai Orient Securities Asset Management Co., Ltd. 《上海東方證券資產管理有限公司環境、社會和公司治理(ESG)風險管理辦法》. These documents establish institutional frameworks for integrating responsible investment into research and investment processes, practicing active ownership, creating responsible investment-themed products, and building responsible investment capabilities. They also set forth the measures to be taken when portfolio investments face potential ESG risks.

The Company has established a well-developed management process for responsible investment. Before making investments, the Company conducts risk identification, assessment, and prioritization, and incorporates eligible investment targets into the department's securities pool for management. During and after the investment stages, the Company keeps a close eye on the ESG dynamics of enterprises, carrying out continuous monitoring and management. The Company also regularly updates the tracking reports on the investment research platform.

In 2025, DFZQ and its subsidiaries continued to apply responsible investment strategies, including positive selection, negative exclusion, ESG elements, thematic investment, and active ownership. These strategies covered various asset classes such as listed equities, fixed income, and private equity. Regarding the application of the active ownership strategy in the post-investment management phase, the Company formulated and published the Statement on the Exercise of External Voting Rights by DFZQ 《東方證券股份有限公司對外行使投票表決權聲明》. It implements the active ownership strategy across its proprietary investment business, asset management business, and private equity business, and promote the invested companies to improve their own corporate governance by exercising voting rights externally. This aims to encourage investee companies to improve their corporate governance. The Company incorporate ESG factors into the work process of external participation and voting, prefer to support the ESG proposals of the invested enterprises in terms of green transformation and upgrading, employee rights protection, etc., and hold objections to the relevant proposals of the invested enterprises that intend to add high energy consumption and high pollution businesses.

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Application of responsible investment strategy of DFZQ

Responsible investment approach	Application of strategy	Asset classes
Screening strategy	- During the securities investment process, attention is paid to the potential impact of major ESG-related risk events on the Company’s operations and valuation. Restrictions or exclusions are implemented for targets with significant ESG controversies or risks of major negative events, aiming to reduce the portfolio’s exposure to compliance, reputational, and tail-end risks. - Orient Securities Capital Investment formulated the “Industry Guidance List for Equity Investment Business of Orient Securities Capital Investment”, which is divided into three main categories: the whitelist (encouraged), the greylist (cautious), and the blacklist (restricted, investment generally not conducted). During the due diligence and decision-making process for equity investments, attention is paid to ESG factors related to the prospective investee company, such as whether it is a high-pollution or high energy consumption enterprise, whether its environmental impact assessment meets standards, and whether it has any administrative penalties for environmental pollution.	Listed equity Fixed income Private equity

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Responsible investment approach	Application of strategy	Asset classes
ESG integration strategy	- In proprietary fund bond investments, ESG elements are used as one of the dimensions for evaluating the credit quality of bond issuers, integrating them into the fundamental analysis of industries and entities. Preliminary screening is conducted using the absolute values and relative order of quantitative scores. For industries/entities with very low scores, prudent analysis is intensified. For entities with a sudden decline in system-warned ESG quantitative scores, timely follow-up is conducted. For entities with improved scores, investment opportunities are explored. - In the investment analysis for all products (excluding passive index products and ABS special products), Orient Securities Asset Management provides ESG ratings for reference when securities are added to the inventory. The data and information from the ESG evaluation system are fully integrated into the investment process, considering the potential impact and risks of ESG factors on investment targets from multiple aspects.	Listed equity Fixed income Private equity
Thematic investing strategy	- Orient Securities Asset Management established Dongfanghong ESG Sustainable Investment Mixed Securities Investment Fund, which selects listed companies with outstanding ESG performance across various industries. - Orient Securities Capital Investment focuses on supporting high-quality projects related to green technology and hard technology. In 2025, its key focus areas are semiconductor, high-end manufacturing, and new energy, all of which are industrial directions supported by national strategy. Emphasis is placed on industry chain synergy and technological barriers. A strategy of continuous additional investment is adopted for a small number of high-potential projects among its portfolio companies that are developing well.	Listed equity Fixed income Private equity

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Responsible investment approach	Application of strategy	Asset classes
Active ownership strategy	- During the post-investment management process of proprietary fund bond investments, the Company continuously tracks the management status of investee companies. When necessary, it engages in full communication with the management, business departments, and finance departments of investee companies, requiring them to provide necessary information to fulfill its stewardship responsibilities. - Orient Securities Asset Management promotes the improvement of sustainable development performance of enterprises through direct communication with investment targets. In 2025, the System for Exercising Voting Rights Externally of Shanghai Orient Securities Asset Management Co., Ltd. 《上海東方證券資產管理有限公司對外行使投票表決權制度》 was revised to become the System for Participation in the Governance of Listed Companies by Public Funds of Shanghai Orient Securities Asset Management Co., Ltd. Measures 《上海東方證券資產管理有限公司公募基金參與上市公司治理管理辦法》. Orient Securities Asset Management established a Listed Company Governance Decision Group as the highest decision-making body for externally exercising voting rights, overseeing the implementation of stewardship responsibilities. Dedicated personnel are arranged to collect and analyse voting information, including ESG matters. If a voting outcome is deemed unfavourable to the governance of the listed company or is likely to have a significant impact on the interests of holders, Orient Securities Asset Management initiates a special emergency handling procedure, convening an investment and research meeting to discuss countermeasures. - Orient Securities Capital Investment participates in the corporate governance of its portfolio companies, urging them to operate in compliance with regulations and continuously improve their internal governance structures and ESG management levels, in order to meet IPO standards as soon as possible.	Listed equity Fixed income Private equity

Note: The Company's proprietary investment business and asset management business does not involve direct investments in infrastructure, property, derivatives and alternatives.

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In 2025, the Company and its subsidiaries implemented responsible investment initiatives through actions such as investing in green bonds and managing the Dongfanghong ESG Sustainable Investment Mixed Securities Investment Fund.

The Dongfanghong ESG Sustainable Investment Mixed Securities Investment Fund of Orient Securities Asset Management is operating well

Orient Securities Asset Management established the Dongfanghong ESG Sustainable Investment Mixed Securities Investment Fund in 2022. This fund conducts a comprehensive evaluation and scoring of the social value of listed companies based on the indicators in the three aspects of environmental, social, and corporate governance. This fund selects the stocks whose scores are among the top 80% to form the ESG stock candidate pool of the fund, and updates and adjusts it regularly or irregularly. While focusing on the fundamentals of listed companies, this fund also thoroughly examines their performance in areas such as environmental pollution control, social responsibility fulfillment, and corporate governance practices. It strives to select enterprises with good ESG performance that can steadily and sustainably create long-term value.

This fund has been operating in good condition. As of the end of 2025, the fund’s scale was approximately RMB256 million.

In terms of target setting, the Company establishes annual growth targets for proprietary fund bond investments and conducts regular statistical analysis of relevant indicators to monitor progress towards achieving these targets.

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Responsible Investment Indicators and Targets of DFZQ

Indicator	Target	Progress in 2025
Year-on-Year Growth Rate of ESG Bond Investment with its Own Funds	5% year-on-year growth in the Company's ESG bond investments with its own funds in 2025.	As of the end of 2025, the Company's ESG bond investments with its own funds reached RMB5.373 billion, a year-on-year increase of 56.83%.
Annual Growth Rate of Green Bond Investments with its Own Funds	10% annual growth in the green bond investments with its own fund in 2025.	As of the end of 2025, the Company's green bond investments with its own fund amounted to RMB2.992 billion, an annual increase of 10.28%.

In terms of indicator setting, the Company monitors and compiles relevant indicators related to sustainable investment scale annually to ensure the implementation of responsible investment initiatives.

Sustainable investment scale of DFZQ (As of the end of 2025 (RMB100 million))

Category	Asset management business	Proprietary investment business
Total sustainable development ¹	489.72	64.10
Investment in sustainable bonds	121.09	53.73
Bond investment in environmental sector ²	21.16	34.02
Green bond investment	19.71	29.92
Bond investment in social sector	99.93	19.71
Sustainable equity investment	368.63	10.37

Note 1: Sustainable investments are divided into industries related to environment and industries related to society. In particular, industries related to environment include energy-saving and environmental protection industry, clean production industry, clean energy industry, ecological and environmental industry, green upgrading of infrastructure, green services, etc.; and industries related to society include consolidating the achievements of poverty alleviation or rural revitalization, etc.

Note 2: Bonds in the environmental sector include green bonds, climate bonds, low-carbon transition bonds, sustainability-linked bonds and other environmental-related bonds.

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As a signatory to the United Nations Principles for Responsible Investment (UNPRI), Orient Securities Asset Management, the subsidiary, actively applied responsible investment strategies, and the application of relevant strategies has covered most of the asset under management.

- In 2025, the application of the responsible investment strategy of Orient Securities Asset Management, a subsidiary, has covered the scale of asset management of RMB271.971 billion, accounting for 94.83% of the total scale of asset management¹.

3.3 Improving Risk Management

System Framework and Management Structure

The Company strictly complies with laws, regulations, and normative documents such as the Securities Law of the People's Republic of China, Comprehensive Risk Management Standards for Securities Companies, and Measures for the Administration of Risk Control Indicators of Securities Companies. It revised and improved the Basic System for Comprehensive Risk Management (2025 Revision), the Working System of the Comprehensive Risk Management Committee (2025 Revision) and other internal systems. During 2025, the Company's risk management system operated effectively overall, supporting the good functioning of the comprehensive risk management framework.

In terms of the governance structure, the Company has established a risk management governance framework comprising "four levels and three lines of defense". The Board of Directors assumes the ultimate responsibility for, while the management bears the primary responsibility for, the comprehensive risk management. Under the leadership of the chief risk officer, the Risk Management Department promotes the comprehensive risk management, and business units are directly responsible for risk management. The "three lines of defense" are composed of business units, the risk management functional department, and the Audit Center.

In terms of reporting mechanisms, the Company has established a risk information communication framework covering the Board of Directors, management, the chief risk officer, risk management functional departments, various business units, branches, and subsidiaries. This ensures the timely, accurate, and complete transmission and feedback of relevant information. When the risk management functional department identifies that risk indicators have exceeded limits, it communicates promptly with the business units, branches, and subsidiaries to urge them to take effective measures within a specified timeframe and report promptly in accordance with the reporting pathways. The risk management headquarters submits periodic risk management reports to the management, reflecting risk identification, assessment results, and response plans. For significant risks, special assessment reports are provided to ensure that management has timely and comprehensive understanding of the Company's risk status. The management reports regularly to the Board of Directors on the Company's risk status, and significant risks are reported promptly to ensure smooth communication channels for risk information.

Note 1: The total scale of asset management includes the scale of public offerings, collective asset management products, directional asset management products, and ABS management, excluding the scale of investment advisory business.

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Three lines of defense for risk management of DFZQ

First line of defense

Establishing the check-and-balance mechanism of two-person, dual roles, dual responsibilities and position separation in the important front-line positions in each business unit of the Company.



Second line of defense

The Risk Management Headquarters leads the comprehensive risk management, while the functional departments for each major risk category inspect and supervise risk management matters within their respective scopes of duties, and identify, assess, measure, monitor and report on risk levels. Relevant departments and positions provide mutual checks and balances and oversight.



Third line of defense

The Audit Center effectively supervises the implementation of risk management work of the first and second lines of defense.



At the business end, the Company has formulated internal policies such as the ESG Risk Management Measures 《ESG 風險管理辦法》 and the ESG Due Diligence Guidelines 《ESG 盡職調查指引》, and conducts business in strict accordance with these policies. These policies apply to investment banking, credit and other businesses involved in all business departments, branches, subsidiaries, and sub-subsidiaries managed in a manner similar to subsidiaries of the Company, ensuring that the Company operates under a measurable, controllable and bearable ESG risk level to reduce risk losses and maximise returns.

In 2025, the Company formulated and publicly released the Statement on Sustainable Investment and Financing Concepts in the Environmental Field 《環境領域可持續投融資理念聲明》, establishing more targeted management mechanisms for natural resource-intensive industries such as agriculture, coal, oil and gas, as well as important environmental issues impacting multiple industries, such as biodiversity.

The Company continuously improves its ESG risk management system, having established a top-down governance and management system of “Board of Directors – Management – Executive”, and clarified that the Board is responsible for supervising ESG risks in investment and financing business activities.

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DFZQ ESG risk management system

Board of Directors	The Board assumes the ultimate responsibility for ESG risk management and supervises ESG risk management work. This encompasses reviewing and determining the Company's major ESG risks, examining the Company's ESG risk management methodologies, considering and approving reports covering significant ESG risk management matters, regularly assessing the effectiveness of the implementation of ESG risk management mechanisms, and being accountable for the ESG performance of the Company's financing and investment activities.
Management	The Company's management assumes the primary responsibility for ESG risk management across all business operations. It is tasked with guiding the establishment of the ESG risk management system and processes, setting up mechanisms for ESG risk monitoring, early warning, and reporting. Additionally, it regularly assesses major ESG risk exposures or incidents within the Company, supervises and inspects the ESG risk management of each business operation, and reports to the Board of Directors on a regular basis.
Executive	- The ESG risk management department is responsible for urging and overseeing the formulation and implementation of requirements related to ESG risk management. This includes promoting the development of the Company's ESG risk management policies and regulations, facilitating the integration of the ESG risk management system into business operations, and advancing ESG risk management training programs to cover risk management personnel and professionals in business units such as investment banking. Moreover, it conducts regular or ad-hoc assessments and reports on the Company's ESG risk management capabilities. - Each business department and subsidiary is tasked with implementing the Company's ESG risk management policies and systems. They are required to establish and improve their own ESG risk management systems and processes according to business needs, and regularly report the status of ESG risk management and policy implementation to the Risk Management Department.

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Comprehensive risk management

The Company employs risk management methods and tools aligned with its business development, establishing a risk management process covering risk identification, assessment, measurement, monitoring, and reporting across pre-transaction, during-transaction, and post-transaction stages, to effectively prevent risks in business operations.

In 2025, based on its own operations and business activities, the Company identified risks with significant impact on its operational activities, including market risk, credit risk, liquidity risk, operational risk, money laundering and terrorist financing risk, technology risk and reputational risk. The risk with a greater impact on the Company’s business development is ESG risk. The Company analyses the time horizon and financial impact of relevant risks, and formulates targeted response strategies to implement comprehensive risk management. Concurrently, the Company actively advances the identification and management of emerging risks, identifying data security risks and technological ethics risks triggered by AI in 2025, and adopts targeted preventive measures.

Emerging Risk Analysis of DFZQ

Risk Point	Risk Point Analysis	Financial Impact Analysis	Response Strategy
Data Security Risks Triggered by AI	AI technology relies on massive data for training, but the securities industry involves highly sensitive content such as client transaction information and account data. Vulnerabilities in AI applications or malicious attacks could lead to data leakage, model reverse engineering, or supply chain attacks. For example, employees using unvetted generative AI tools may inadvertently disclose client privacy or trade secrets.	Data leakage not only triggers compliance penalties but also damages client trust and may even lead to legal disputes.	Conduct localized deployment of large models; organise “AI+” series training; strengthen employee education on data security and confidentiality.
Technology Ethics Risks	The application of AI and other artificial intelligence technologies may lead to risks such as excessive data collection, algorithmic bias and discrimination, and a lack of interpretability arising from “black box” algorithms.	The Company is in the initial stage of AI deployment, and introduction of new technologies will incur additional compliance costs and technology R&D expenses.	See details in the “Driving Digital Transformation” section.

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In 2025, the Company actively advanced risk management-related work. Key initiatives included establishing a mechanism linking risk management with employee performance, conducting risk management training, integrating risk management into product development, and performing risk management audits.

Key Risk Management Initiatives of DFZQ in 2025

Linking Risk Management with Performance	Formulated the 2025 Special Assessment Scheme for Employee Compliance and Risk Control (Trial), uniformly setting special assessment indicators for compliance and risk control in the individual performance contracts of the Company's employees. In terms of assessment content, the evaluation criteria for the original special assessment on compliance and integrity were retained and optimised, with new detailed items added, including routine compliance and risk management, behavioural norms regarding integrity and honesty in practice, and performance of duties.
Risk Management Training	- Adopted diversified training methods to enhance the operational risk management awareness of all employees, including playing short videos on operational risk awareness in the Company's public areas, and producing operational risk management training courses and uploading them to the Company's training platform. - Centerd on regulatory policy direction, its development strategy and actual work needs, the Company organised the "Safeguarding · Compliance and Risk Control Awareness Month"(保駕護航·合規風控宣傳月) series of activities within the scope of parent and subsidiary companies and branches, creating three core content modules: "New Regulations, Risk Cases, Internal Requirements". Utilised diverse media such as thematic posters, online columns, display boards, risk culture handbooks, and quizzes to achieve three-dimensional online and offline communication. Simultaneously, organised risk training and examinations for all employees, consolidating learning effectiveness through the combination of "learning and testing". - Organised one risk management training and examination covering all employees of the Company, with topics involving regulatory requirements, risk cases, internal policies, etc.

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Integrating Risk Management into Product Development	Issued the DFZQ Measures for the Compliance and Risk Management of New Businesses and New Products (2025 Revision). These measures apply to all headquarters departments and branches of the Company, proposing a framework of requirements for the compliance and risk management of new businesses and new products, and further clarifying the definitions of new businesses and new products, as well as the definitions of compliance and risk management for new businesses and new products. The management measures newly added management principles concerning risk factors such as information technology, negative public opinion evaluation, and ESG; added requirements for the content of business plans, the preparation and adjustment approval of compliance and risk assessment reports; and improved the decision-making, approval, and authorisation norms related to new businesses and new products.
Risk Management Audit	The Audit Center, through the implementation of internal audits on the Company's headquarters, branches, and subsidiaries, incorporated risk management into the audit scope, proposed audit opinions and suggestions, and supervised relevant units to implement rectification regarding the problems identified during the audit.

ESG risk management

At the business end, the Company has effectively implemented the ESG risk management for customers in investment banking, credit, and other types of businesses. The Company has established an ESG risk management process of “ESG risk identification – ESG risk assessment – ESG risk control” and continuously improved mechanisms for ESG risk screening, ESG due diligence, and ESG risk triggering and reporting.

In 2025, the Company upgraded its internal credit risk rating model, incorporating factors such as whether the actual controllers of the rated entity have any records of dishonesty and whether the entity has received penalties for environmental pollution or other matters into the model adjustment items. In 2025, the Company added 670 ESG risk screening projects. Among them, ESG due diligence scoring was carried out for the issuers of 252 of these projects, providing critical ESG risk basis and screening support for the Company's investment and financing business.

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ESG due diligence and risk reporting mechanism of DFZQ

ESG risk screening	- Conducting ESG risk screening for all projects. Determining whether the customer is a high ESG risk customer according to the industry in which the customer operates, type of business operations, ESG risk events, etc. - Among them, industries related to agriculture, biodiversity, energy use, mining, oil and gas, etc. are classified as high ESG risk industries.
ESG due diligence scoring	- Conducting ESG due diligence scoring for customers with high ESG risks. Selecting more than ten topics from the three major aspects of environmental, social, and corporate governance, setting up multiple evaluation indicators for each topic, devising an ESG due diligence scoring system, and setting an admission threshold score based on the ESG due diligence score. Environmental: Topics such as environmental management, climate change, and biodiversity; Social: Topics such as employee management, product and customer management; Governance: Topics such as corporate governance, compliant operation, and risk management. - Considering factors such as the industries focused on by the Company's business, high environmental risks, high climate sensitivity, and high biodiversity risks, the Company separately establishes industry-specific ESG due diligence scoring cards for customers in high ESG risk industries such as manufacturing, construction, electric power, heat, and water production and supply¹. - Each business department issues a detailed ESG risk due diligence report based on ESG due diligence scoring results or incorporates the evaluation results into the existing due diligence report, and makes judgments on business expansion. For credit-related businesses, each business unit incorporates the ESG due diligence results into the consideration of customers' credit rating results. The research team may, at its discretion, downgrade the credit ratings of customers with low ESG due diligence scores.

Note 1: The industries of electric power, heat, and water production and supply are the industry names classified by the CSRC, which cover the energy industry in the GICS classification standard, including sub-industries such as oil and gas equipment and services, oil and gas storage and transportation, comprehensive oil and gas enterprises, coal and consumer fuels, etc.

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ESG risk triggering and reporting	• Prior to the commencement of business, once a customer falls below the access conditions in the ESG due diligence score, the risk response and reporting mechanism will be triggered. The relevant business units will make decisions and take further risk assessment and response measures, including but not limited to requiring the customer to complete relevant information, urging the issuer to provide explanations, and putting forward written rectification suggestions. Only when the customer's ESG due diligence score after rectification is not lower than the access score, or when both the business units and the ESG Risk Management Department determine that the risks are controllable, can the business operations proceed as normal. • In the course of business and the duration of the project, each business department continuously monitors the ESG risk events of customers. They conduct a comprehensive assessment and analysis of ESG risks by considering aspects such as the severity of the events, the measures taken by the entities involved, and the handling results. The relevant information should be promptly reported to the ESG Risk Management Department and the management. Each business department should take timely response measures based on business characteristics.
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Under the guidance of the overall ESG risk management framework, each business unit of the Company continues to improve its ESG due diligence framework tailored to its respective business lines. In 2025, the Company enhanced ESG risk management for its self-funded bond investment business by integrating system development, quantitative methods, and external support to further strengthen risk screening and full-process monitoring, thereby deepening the integration of ESG with daily operations.

In 2025, the Fixed Income Business Headquarters established a deep linkage mechanism between ESG due diligence and credit ratings. It used a quantitative ESG evaluation system to continuously conduct ESG risk screening for bond issuers across the entire market. Monthly routine risk screenings and quarterly risk screenings of credit entities were carried out. The research team used due diligence results as important basis for initial inclusion in the rating pool and subsequent rating adjustments. First, the quantitative system automatically captured the ESG-related information from announcement and public sentiment sources, and evaluated and scored it, and generated systematic scoring results. Researchers then integrated the quantitative system's scores into fundamental analysis and credit rating framework. For enterprises with significantly low ESG considerations after both quantitative and subjective analysis, their holding quota may be reduced or their admission ratings may be directly downgraded. As of the end of 2025, the research team had conducted batch ESG risk screenings for a cumulative total of 7,675 credit bond-issuing entities through models.

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The Company downgraded the credit rating of bond-issuing entities due to the absence of effective corporate governance

In 2025, some comprehensive industry enterprise issued a medium-term note worth RMB0.8 billion. The Company conducted an ESG investigation based on public information and industry exchanges, and found that this enterprise had problems in corporate governance. Coupled with significant asset impairment losses and credit impairment losses from two core subsidiaries, as well as losses arising from changes in fair value of trading assets, the Company recorded a substantial net loss at the end of 2024. As a result, the Company downgraded its internal credit rating by two notches.

In 2025, some regional small and medium-sized rural commercial bank issued commercial financial bonds worth RMB0.2 billion. The Company discovered through ESG due diligence that one of the bank's shareholders was subject to enforcement actions for breach of trust, and since 2022, the bank has been subject to a cumulative total of 4 regulatory penalties in corporate governance, with a total fine of RMB4.2 million. Consequently, the Company downgraded its internal credit rating by one notch and reduced the investment exposure to the rural commercial bank.

3.4 Enhancing Products and Services

Driving digital transformation

The Company deeply recognizes the positive role of financial technology and digital transformation in enhancing customer experience in financial services and promoting high-quality industry development, and continuously improves the relevant organizational system, management systems, and working mechanisms. The Company has formulated a number of internal systems, such as the Management Measures for the Innovation of Information Technology Applications 《信息技術應用創新工作管理辦法》, the Management Measures for Information Technology Risk Management 《信息技術風險管理辦法》, and the Regulations on the Management of Intellectual Property Rights in Information Technology 《信息技術知識產權管理規定》, which specify the requirements and implementation details for financial technology-related work at each stage.

In 2025, the Company merged the original Data Governance Committee with the IT Strategy Development and Governance Committee, and renamed it the Information Technology Governance Committee. The Committee is composed of senior management, heads of information technology management, compliance management, risk management, audit and key business departments, as well as heads of information technology from subsidiaries. It is responsible for formulating information technology strategies and holds quarterly meetings to review information technology development plans and major issues. At the specific implementation level, the Company has set up an information technology management department, which is responsible for the implementation and execution of financial technology-related plans. This includes tasks such as the construction of financial information systems, quality control of information technology, information security assurance, and operation and maintenance management.

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The Company uses the overall strategic planning goals as a directional guide and builds an integrated digital transformation framework around six capability domains, and has established and continuously improved a series of digital platforms, including the “Orient Brain (東方大腦)”, the “Orient Tianji (東方天機)”, the OST Orient Speed Trading system, and the “Finoview” intelligent investment research platform, while deploying a unified technical architecture for its core business systems.

Ensuring data security

The data and information mainly involved by the Company includes personal financial information such as customer identity information, transaction records, and asset details, business management-related data, and public data such as market information and news. In the daily data security management and user privacy protection, the Company strictly complies with laws, regulations and regulatory guidelines, such as the Data Security Law of the People’s Republic of China, the Personal Information Protection Law of the People’s Republic of China, the Regulations on the Administration of Network Data Security 《網絡數據安全管理條例》, the Information Technology Management Measures for Securities and Fund Operators, the Measures for the Administration of Internet and Information Security in the Securities and Futures Industry, the Data Classification and Grading Guidelines for Securities and Futures Industry and the Data Life-cycle Security Standards for Financial Data Security, and the Guidelines for the Filing of Mobile Application Software in the Securities and Futures Industry (Trial) 《證券期貨業移動應用軟件備案工作指引(試行)》, and carried out data security management and customer privacy protection based on the basic principles of “confidentiality, integrity, availability and least privilege”.

The Company has formulated internal systems and codes of conduct applicable to the Company’s business lines and subsidiaries, including the Data Governance Measures, the Guidelines on Data Classification and Classification Management, the Guidelines for Management of Data Desensitization Plan, and the Network Emergency Response Plan. It has also published the DFZQ Privacy and Data Security Management Statement on its official website, to clarify the management regulations of data life-cycle security management, data classification and classification management, data security risk assessment and data security incident disposal, customer financial information protection, and third-party data access.

In 2025, the Company revised the Administrative Measures for Data Governance to continuously improve the information security system, clarifying cross-departmental responsibilities and communication and coordination mechanisms for information security. The Company has established an Information Technology Governance Committee and a Data Security Working Group to specifically implement the Company’s data security and privacy protection-related work. The Company’s chief information officer serves as the person in charge of personal information protection, responsible for supervising personal information processing activities and the protection measures taken. The Company’s compliance management, risk management, and audit departments are responsible for inspecting and supervising compliance and risks related to data security and privacy protection management, as well as conducting audits.

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Governance structure of data security and privacy protection of DFZQ

Management level	Specific responsibilities
Information Technology Governance Committee	Formulate information technology plans and coordinate efforts in data security and privacy protection
Data security working group	Responsible for the implementation of data security and privacy protection work

Professional background of the Company's Directors in information security

Mr. Lu Dayin, an executive Director of the Company, previously served as assistant general manager and subsequently deputy general manager of the information technology center of the Company. From November 2021 to January 2025, he held the position of chief information officer of the Company. As a senior executive of the Company, he has operational experience in information technology. Mr. Sun Weidong, an employee Director of the Company, obtains a bachelor's degree in computer science from East China Normal University. He has previously served as a programmer of Shanghai Daji Data Solutions Co., Ltd. (上海大計數據處理公司), the computer supervisor of Shanghai branch of Dalian Liantong Securities Company (大連連通證券公司), assistant general manager of the information technology center of the Company, deputy general manager (in charge of affairs) of the internet finance headquarters of the Company and other positions. He possesses extensive knowledge and practical experience in information security.

The Company has clearly defined employees' responsibilities in information security and information technology management. All employees are obligated to protect the Company's information assets in accordance with the Company's information security management policies, systems, standards, procedures, and implementation rules, and to comply with the Company's prohibitive requirements that employees shall observe in scenarios such as using office terminals, emails, networking, and the internet. The Company incorporates data security into the performance assessment of employees at the headquarters. In the event of any negative data security incidents, the Company will implement disciplinary actions and accountability measures against relevant employees.

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The Company continuously improves the governance of data security and customer privacy protection. By conducting special data-security training programs for all employees (including contractors sent to the Company), covering cybersecurity awareness publicity and education, professional skills learning, and specialized examinations, the Company continuously enhances the professional skills of relevant management personnel and strengthens employees' awareness and practical capabilities in data security. Each department of the Company shall designate a dedicated officer responsible for communicating and implementing the Company's information security requirements, promptly reporting information security incidents or potential risks, and organizing departmental staff to participate in the Company's information security training programmes.

In order to effectively prevent data and privacy leakage risks, the Company continuously promotes the steady implementation of various management practices and establishes a data life-cycle security management system to ensure security management throughout the entire process of data collection, transmission, storage, use and destruction. Regarding customer privacy information, the Company conducts a personal information impact assessment in advance and has established strict regulations on processes such as the collection, deletion, and anonymization of personal information, as well as third-party access, to ensure that customers' information rights are protected.

Key initiatives for customer privacy protection of DFZQ

Main aspects	Main content
Safeguarding customers' rights of data management	- Through promptly updating data protection and privacy policies such as the Privacy Policy of Orient Winners APP 《東方贏家 APP 隱私政策》, and the Privacy Policy of Oriental Winners Option APP 《東方贏家期權 APP 隱私政策》, the Company protects customers' right to know and decide on the processing of their personal financial information, such as customer identity information, transaction records, and asset details; - Customers have the right to access and manage personal information through the Company's official APP, business department sites and other channels, and to access, rectify and delete personal data based on the paths provided. The Company shall promptly address customer requests and provide convenient methods and means to support customers in exercising their rights.

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Main aspects	Main content
Standardizing the collection and storage management of customer information	- According to the Company's data security management standards and user privacy policies, the necessity of customer data collection shall be considered, and the principle of minimizing information collection shall be adopted, and the business information and personal financial information unrelated to services shall not be collected; - In the personal information collection stage, the purposes, methods, and scope of personal information processing shall clearly communicated to customers. After obtaining user consent, personal information shall be collected in accordance with the principles of legality, legitimacy, and necessity; - According to regulatory requirements, the Company shall properly maintain and preserve customers' account opening, instruction, and transaction records within the statutory retention period. Upon expiry of the retention period, the Company shall immediately delete or anonymize customers' personal information. If the APP ceases operation, the Company will, to the extent permitted by applicable laws and regulations, simultaneously cease collecting information and delete or anonymize the personal information collected.
Implementing security controls for customer data access and transmission management	- Formulated the Data Demand Management Guidelines of DFZQ 《東方證券股份有限公司數據需求管理指引》, the Data Classification and Grading Management Guidelines of DFZQ 《東方證券股份有限公司數據分類分級管理指引》, the Computer Information System Permissions Management Measures of DFZQ 《東方證券股份有限公司計算機信息系統權限管理辦法》 and other management systems, to clarify the security levels of data, the approval and management process of information system permissions and permissions, strictly controlled the scope of customer information and important data access and knowledge, and adopted Internet access SSL encryption measures to ensure that only authorized personnel can access personal information; - In accordance with the Guidelines for Management of Data Desensitization Plan of DFZQ 《東方證券股份有限公司數據脫敏方案管理指引》, the Company has formulated a data desensitization strategy to conduct data desensitization on customers' sensitive information and important data when transferred outside controlled production environments through encryption and de-identification security technical measures and applications such as fuzzy, anonymity and differential privacy; - In terms of data transmission management, data interaction between systems is carried out through encrypted transmission or via reliable channels such as dedicated lines and VPNs, ensuring the security of data transmission.

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Main aspects	Main content
Clarifying the requirements for third-party sharing of customer data	• In addition to the relevant provisions of laws and regulations or the mandatory requirements of the competent government authorities, the Company will only carry out third-party data sharing for the purpose of completing transactions and services for the purpose of legality, legitimacy, necessity, specific and clear purposes with the consent of the specific customer, and require the third party to sign a strict confidentiality agreement to provide reasonable confidentiality measures for personal information; • The Company undertakes not to collect personal financial information from third parties or provide such information to the third parties for purposes other than completing transactions and services.
Integrating privacy protection requirements into the entire process of products and services	• Integrated the concept of user privacy protection into the APP construction process, carried out APP security analysis and security mechanism design in the APP design and development stage, carried out security testing and security risk rectification in the APP testing stage, strengthened and signed the APP in the APP release stage, continued to carry out security monitoring of the operation after the APP is released, and promoted the formation of a closed loop of APP security; • The Orient Winners APP adopts an SSL secure communication method based on national cryptography algorithms. When transaction users access the APP via the internet, the customer terminal first establishes a unidirectional SSL communication channel with the security gateway to apply for a digital certificate. After the application is completed, it uses a bidirectional national cryptography SSL communication link for identity authentication with the SM2 digital certificate. Only after successful authentication can users log in to the subsystem for trading using their capital account and corresponding password; • Integrated data security and customer privacy protection into investor education, and provided investors with knowledge publicity in data security and privacy protection through the Company's investor education website.

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Main aspects	Main content
Strengthening data security and customer privacy management in the supply chain	• In supervising suppliers and partners to implement customer privacy protection management, the Company clarified the main types of suppliers involved in data security and privacy protection issues, and identified key protection contents; • In the process of supplier introduction, if the procurement involves customer privacy, data security and privacy protection will be regarded as important bidding scoring items, and in business contracts, suppliers are explicitly required to sign information confidentiality clauses and suppliers' on-site service personnel are required to sign the on-site service information security commitment letter; • In the process of supplier cooperation, suppliers are required to formulate data security and privacy protection policies, formulate emergency plans for abnormal situations, and follow and implement the same in daily works. Information security is included in the scope of final verification, and relevant regulations are made for the formulation of supplier data security and privacy protection systems, and the continuous monitoring of data security and privacy protection; • In case of data security or privacy protection violations, suppliers are required to report relevant incidents and rectification measures in a timely manner, and the Company can apply for a compliance review of supplier-related management measures and performance of obligations.

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Key initiatives for data security management of DFZQ

Main aspects	Main content
Proactive measures: Strengthening data security active management	- Established and improved the data life-cycle governance mechanism, and avoided the risk of leakage in all links of data management by standardizing the data collection process and collection methods, applying controlled networks and controlled transmission media, and using reliable data security elimination methods; - Adopted a data grading management mechanism, comprehensively considered the importance and sensitivity differences of data, divided data into four levels, and implemented grading and classification management of data based on different levels, such as encrypted storage, password protection, access authorization, access monitoring, and access control of the server network environment carrying data; - Organized and carried out third-party vulnerability analysis, including conducting third-party tests before system launch or update, carrying out regular third-party tests four times a year after system launch, performing a centralized Internet vulnerability identification test once a year, and conducting an offensive and defensive drill once a year. This proactive approach helped identify issues in data governance and vulnerabilities in data systems. Rectification measures were taken promptly to prevent potential crises arising from these vulnerabilities.
Reactive measures: Strengthening emergency response to data security incidents	- Improved the emergency response system for data security incident, established an emergency command center (information security emergency response team), which is responsible for implementing the information security emergency response of the Company, and formulated the Information Security Emergency Plan and the Information Security Emergency Sub-Plan, to ensure resource guarantee; - Implemented hierarchical management of data security incidents, conducting graded responses and effective handling based on service capacity, incident duration, extent of data damage, and the degree of harm caused to national financial security, social order, and the legitimate rights and interests of investors; - Established an emergency response mechanism for various types of data security incidents, defined emergency management responsibilities, detection and reporting mechanism and handling procedures, continuously improved relevant emergency plans, and organized at least one company-level information security emergency drill annually based on the relevant plans. Each business department conducts quarterly emergency training to ensure the effectiveness of the mechanism in business operations.

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In addition, the Company focuses on the effectiveness of its own data security and privacy protection measures, regularly conducts internal and external audits of information technology management. The audit scope includes data security and personal information protection, including conducting a special internal audit annually and commissioning an external professional institution to conduct a comprehensive audit of information technology management work once every three years. In 2025, the Company has again passed external certification evaluations such as ISO 27001, with the certification covering all data centers that provide information system operation and maintenance services for the Company.

In 2025, the Company did not have any violations related to data security and customer privacy protection, nor did it find any divulgence of customer privacy or loss of customer information, or receive confirmed relevant complaints.

Improving customer service quality

Upholding on the “customer-centric” service concept, the Company has continuously improved its professional service system which combines the headquarters’ “menu-style” offerings with the branches’ “order-style” customization. It organically integrates various business segments and service links into a cohesive business ecosystem, providing customer service and differentiated management through a model of upstream and downstream shared connections and full-link empowerment support. The Company has issued the “Action Plan for Building the ‘Three Capabilities’ Mechanism in Wealth Management of DFZQ” 《東方證券股份有限公司財富管理“三力”機制建設行動方案》, pursuant to which, the Company focuses on digital construction and the cultivation of investment consultant teams at branches through measures such as system construction, personnel training, resource guarantee, and execution supervision, carrying out a series of system development projects and investment consultant training programs.

In terms of customer communication and complaint management, the Company has formulated the Implementing Rules for Handling Customer Complaints of DFZQ 《東方證券股份有限公司客戶投訴處理實施細則》, clarifying customer communication and complaint channels, implementing standardized process management, and setting up a corresponding assessment and supervision mechanism, so as to ensure that the customer communication and feedback are highly efficient and unobstructed. With enhancing customer satisfaction as the direction, the Company sets up management goals and targets for customer service satisfaction, customer complaint rate of customer service center, customer retention rate, repurchase rate, etc. In 2025, the Company conducted a sample satisfaction follow-up survey across its entire customer base, covering five service areas: software satisfaction, options satisfaction, subscribed customer satisfaction of securities investment advisory services, margin financing and securities lending satisfaction, and existing customer satisfaction, so as to develop in-depth understanding of customer needs and pain points, make timely rectification for the customer service problems reflected in the customer satisfaction survey, and continuously optimize the customer service experience.

- ✓ In 2025, the Company conducted a satisfaction survey with 54,335 customers, achieving an overall average satisfaction rate of 92.74%.

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Deepening investor education

Relying on the national-level Internet investor education base, the Company has built an online and offline one-stop service platform for investor protection and education. Online, it pushes thematic content through platforms such as its official website and WeChat public accounts. Offline, it regularly conducts public lecture series like “Rational Investment Accompanies Me” for rural areas, schools, business districts, communities, and enterprises. Through case studies, interactive games, and other forms, it disseminates knowledge on preventing illegal fundraising and rights protection techniques, continuously enhancing the breadth and depth of financial investor protection and steadily strengthening investors’ risk prevention awareness. In 2025, the Company produced a total of 4,056 investor education pieces and held over 2,000 investor education events.

3.5 Advancing Talent Development

Employee equality and diversity

As a financial institution, DFZQ mainly adopts the forms of employment of contracted employees and contractors, with no involvement of part-time employees.

The Company strictly complies with the Labor Law of the People’s Republic of China, the Labor Contract Law of the People’s Republic of China and other relevant laws and regulations. The Company maintains a diverse, open and inclusive atmosphere, effectively safeguards the legitimate rights and interests of every employee and resolutely opposes any form of employment discrimination. During the recruitment and compensation management process, the Company ensures that there is no discrimination based on factors such as nationality, ethnicity, gender, age or maternity status, and is committed to providing fair, just, and open employment opportunities. The Company’s human resources management department compiles and summarizes employee diversity performance annually, and the operational management directly supervises and manages the diversity performance.

The Company adheres to international conventions pertaining to human rights protection, such as the United Nations International Bill of Human Rights, and strictly prohibits the employment of child labour and forced labour. It shall not engage in human trafficking and provides labor protection in strict accordance with relevant national regulations and company systems. In the event of a labor dispute, the Company actively mediates or properly resolves the issue according to the labor dispute arbitration procedure to ensure compliance and safeguard the legitimate rights and interests of workers. In 2025, the Company did not engage in any incidents involving the employment of child labor or forced labor.

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The Company has explicitly incorporated its zero-tolerance stance against discrimination and harassment into the Employee Handbook and has organized Company-wide awareness campaigns. Employees are required to respect stakeholders including clients, partners, competitors and the public, while embracing different opinions and culture, language and professional backgrounds, thereby fostering an industry development environment and professional atmosphere free from discrimination, prejudice and harassment. To prevent workplace discrimination and harassment, the Company has established clear disciplinary measures for such conduct. If an employee engages in behaviors such as fabricating rumours, maliciously spreading false information, insulting, defaming, verbally abusing, assaulting, intimidating, threaten other employees, the Company may, depending on the circumstances, immediately terminate the employment contract or impose corresponding financial penalties without any financial compensation. The Company also reserves the right to seek additional compensation for losses incurred.

To foster an equitable and inclusive workplace environment, the Company has implemented a series of targeted measures. The Company prioritises safeguarding the rights of female employees by rigorously enforcing gender equality policies, resolutely prohibiting gender discrimination, and effectively protecting the lawful rights and interests of female staff. Concurrently, the Company provides comprehensive support for the physical and mental wellbeing of female employees through specialised health management services, including gynaecological health consultation, women's maternity insurance, and room for mothers. The Company has set a quantitative target for recruitment of "not less than 40% female employees in the workforce". As of the end of 2025, the Group had a total of 3,943 female employees, representing 47% of the total employees, a goal that has been met.

The Company has formulated a formal annual talent recruitment and development plan. Recruitment needs are forecasted at the end of each year, and a recruitment plan for the following year is developed, with recruitment strategies dynamically adjusted based on actual circumstances. In 2025, in accordance with the Company's overall development strategy and the strategies of individual business lines, and taking into account the Company's manpower allocation from the previous year as well as industry talent trends, the Company formulated its annual manpower allocation plan. Recruitment strategies were adjusted mid-year based on the recruitment progress of each business line and the development needs of specific business segments. At the end of the year, the Company reviewed the full year's recruitment and issued a corporate manpower allocation report.

In line with the development needs of its business segments, the Company systematically maps out key talent strategies, builds a strategic reserve structure, and expands diversified recruitment channels. By tracking, searching, and screening candidates, and actively negotiating, the Company ensures that the job requirements, professional capabilities, and values of the introduced talents are well-aligned with the enterprise.

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Specific actions for recruitment of DFZQ

Campus recruitment	• The Company initiated the summer graduate traineeship program in the industry since 2015. It has successfully established the “Oriental I Program” for summer internships, “Oriental I-MT” management trainee project and the “Oriental Star” wealth management trainees project for campus recruitment. • Through online and offline promotional events, career development seminars, campus open days, and internship bases, the Company continuously strengthens the communication of its employer brand presence at universities. The Company also expands its promotional reach through the Company’s official recruitment website, “DFZQ Recruitment” official account, advertisements on major recruitment websites, employment websites of colleges and universities, BBS and other channels. The Company also targets specific colleges and universities domestically and internationally. • The Company launched graduate internship/apprenticeship programs, advanced recruitment through multiple channels, and executed campus recruitment initiatives with a focus on quality. In 2025, the Company initiated the graduate recruitment process by conducting seminars at universities, participating in joint recruitment fairs, and implementing selection and retention procedures for interns.
Social recruitment	• Launching a high-level talent acquisition program under the brand “Wisdom Converges East, Futures Forged Ahead”, the Company implements comprehensive planning and future-oriented deployment. Focusing on talent cohorts such as executives and succession candidates, high-level pioneers, mission-critical professionals, versatile polymaths, and global-minded experts, the Company diversifies sourcing channels and enhanced market-driven recruitment. • The Company introduced high-level talents of industry leaders and experts in major business lines, introduced outstanding overseas doctoral talents, and actively declared governmental talent programs to enhance the Company’s brand and business performance.

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Employee remuneration and benefits

The Company has formulated internal management systems, such as the Remuneration Management System of DFZQ 《東方證券股份有限公司薪酬管理制度》, the Regulations on Employee Attendance and Vacation Management of DFZQ 《東方證券股份有限公司考勤及假期管理規定》, and the Employee Handbook of DFZQ 《東方證券股份有限公司員工手冊》. In 2025, the Employee Handbook was revised to enhance the labor contract management clauses, further clarify integrity-based employment standards, update relevant provisions on accountability and disciplinary actions, and optimizes the principles of remuneration management as well as the deferred compensation mechanism.

In terms of remuneration and benefits, the Company fully implements the principle of equal pay for equal work. The minimum salary for all employees is higher than the statutory minimum wage standard and reaches a level sufficient to meet the basic needs of employees and their families. The Company's compensation does not vary based on factors such as gender. Through internal management mechanisms, the Company continuously monitors the fairness of compensation distribution, ensuring that employee remuneration aligns with their contributions and actively promoting the realization of equal employment rights.

The Company pays salaries on time every month, pays social insurance and housing provident fund in accordance with the law, and purchases work injury insurance for all employees to enhance the protection of employees against work-related injuries. In addition to fixed remuneration, the Company provides employees with variable performance-based component to pay that are "market-oriented, with performance and contribution as the core". The determination of performance bonuses takes into account various factors, including employee performance, risk control and compliance, loyalty and stability, professional ethics, integrity practice, practice with integrity, reputation risk, industry cultural concepts, fulfillment of social responsibilities, and customer service level.

In respect of employee health and safety guarantee, the Company formulates the Administrative Measures of Security and Fire Safety Work and the Employee Handbook and other relevant systems and norms applicable to all the Company's employees (including contractors), progressively improving its occupational health and safety management system. The Company regularly conducts occupational health and safety risk and hazard assessments and inspections to identify relevant risk factors. Based on the Company's actual situation and management priorities, it develops special action plans and emergency management plans. The Company carries out regular special inspections and emergency plan drills, and enhances employee awareness through occupational health and safety training. The Company has clearly defined specific management procedures for work-related injuries. When an employee suffers a work-related injury, the corresponding management procedures are initiated to verify and confirm the relevant details with the employee, report the matter to the work-related injury recognition authority in a timely manner, and implement response measures.

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The Company advocates work-life balance and provides all employees (including contractors) with flexible vacation scheduling and a broad range of non-statutory benefits to meet their individual needs. In addition to the full and timely contribution of the five social insurances and one housing fund, the Company provides employees with supplementary medical insurance, physical examination, enterprise annuity, health management and counseling services to create a positive, healthy and harmonious working atmosphere.

Employee Rights and Benefits System of DFZQ

Working hours and leaves	- Monday to Friday are working days and Saturday and Sunday are rest days. The Company implements a five-day work week with no more than 40 working hours per week, strictly managing and control overtime to effectively ensure employees' lawful rights and physical and mental health. - Employees are entitled to the paid annual leave as mandated by national regulations, as well as additional paid annual leave provided by the Company. At the same time, employees can take sick leave, personal leave, marriage leave, funeral leave, maternity leave, prenatal leave, breastfeeding leave, family planning leave, voluntary blood donation leave, and work-related injury leave as specified by the Company's policies and regulations. - All employees are entitled to paid parental leave and nursing leave as stipulated by national regulations, specific duration and implementation rules of which shall strictly comply with the requirements of latest laws and regulations in the place where the labour contracts are performed to ensure employees' lawful rights to be fully protected.
Non-statutory benefits	Supplementary medical insurance: Since 2007, the Company has established a supplementary medical insurance system for all employees, including in service employees and headquarters contractors, covering outpatient and emergency, inpatient care, major illness, minor illness, accidental injury, maternity, illness and death. The Company continuously carries out the enrollment of employees' labor union membership card basic protection and mutual assistance protection. In 2025, the Company purchased "Shanghai Employees Mutual Aid Insurance program 2020" of special serious illness protection for over five thousand employees, and handled insurance claims for 17 employees suffering from serious illnesses amounting to more than RMB2 million, significantly expanding the coverage of the protection.

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- Employee physical examination: The Company arranges a physical examination covering all employees once a year, and female employees are additionally entitled to gynecological special physical examination. The Company provides good physical examination service varied from institution selection, project customization to scheduling to enhance the feelings and satisfaction of the employees.
- Enterprise annuity: The Company established the enterprise annuity system at the end of 2006 to improve the pension protection of employees after retirement.
- Health services: The Company provides employees with services such as expert appointment, health consultation, psychological counseling, video doctor, workplace shoulder and neck massage, and offers health value-added service experiences such as ophthalmology exams and professional teeth cleaning for employees in need. At the same time, the Company continues to carry out the “Growing up Together towards a Bright Future” employee care project service. It provides a 7×24 free professional mental health counseling hot line through a professional third-party organization to help employees solve their worries and troubles in workplace and life. The Company also regularly sends out e-newsletters on psychological care for employees and offers online public courses and other services.
- Employee fitness activity center: The Company provides convenient venue and facilities for fitness training, helping employees to strengthen physical health and reduce stress.
- Employee visits: The Company carries out caring initiatives such as holiday visits, bridal and parental visits, voluntary blood donation visits, the “Golden Autumn Scholarship Program” and “Summer Cooling and Winter Warming” and organizes advanced and front-line employees to participate in recuperation activities of Shenergy Group and Shanghai Financial Workers’ Union.
- Assistance mechanism: The Company ensures smooth communication and coordination channels, standardizes the application process for allowances, and ensures full coverage without omissions. On the eve of the 2025 Spring Festival, the Company carried out survey and declaration of employees in difficulty of 2025, distributing a total amount of gratuity payment to 21 employees in difficulty.

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Cultural activities	• The Company carried out “Culture Shapes Dreams, Endeavor Brightens the Orient” themed employee cultural festival for 6 months, embodying the Company’s cultural heritage and employees’ striving spirit. • The Company announced labor competition-related systems, systematically establish a competition mechanism at the junior, special, and senior levels, and carried out the 2025 annual internal labor competition. • The Company organized employees to participate in activities such as the “Uphold Principles, Pursue Innovation, Work for Practical Progress. Unite forces and Promote Development” Centennial Labor Movement Commemoration and the 8th ShEnergy Fun Run, as well as “Orient Securities Cup” Table Tennis Tournament held by the Shanghai State-owned Enterprise Corporate Governance Association. • The Company strengthens the selection of exemplary models to give full play to the role of role models, actively organizes various selection and commendation activities and multi-channel publicity work, successfully recommending one collective to be awarded the “Shanghai Model Collective” and one individual to be awarded the title of Shanghai women pacesetter for 2022 to 2024.
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Democratic staff communication

The Company respects the rights of employees to join associations freely and participate democratically, fully implements the system of employee representative meetings and collective bargaining, and guarantees employees’ collective bargaining rights. The labor union of the Company persists in safeguarding rights according to relevant laws and gives full play to the function of the employee congress, joint meeting of employee congress and the special committees to effectively promote publication of enterprise affairs. The membership rate of all regular employee labor unions has reached 100%.

In 2025, the Company held 2 plenary meetings of the employee congress and more than 20 plenary meetings of the Trade Union Committee, during which by-election of the Company’s labor union chairman, labor union members, and staff representatives were completed and systems related to the interests of employees including the Employee Handbook were considered and approved, effectively achieving the role of democratic decision-making and supervision.

The employees satisfaction survey is conducted annually, using digital means to distribute anonymous questionnaires covering multiple dimensions, including the Company as a whole, teams, individuals, and culture. In 2025, the Company’s employee satisfaction reached 99.2%. Based on the survey results, the Company has taken targeted improvement measures, actively creating a positive workplace environment, further enhancing employee satisfaction and engagement, and building a high-performance, highly committed organizational culture.

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Employee training system

The Company formulated the Training Management System of DFZQ 《東方證券股份有限公司培訓管理制度》. Aligning with the medium – to long-term objective of “Create a strong engine for talent development systematically with capacity building at its core”, the Company delivered management and professional training efforts targeting managerial talent in a classified and hierarchical manner, fully combining internal and external training resources and innovative training methods to build a number of branded training programs with Orient characteristics, continuously upgrading the Company’s talent development system. In 2025, the coverage ratio of employee training remains 100%.

Multi-level training projects of DFZQ

Training type	Training content
New employee training	- For campus-recruited new employees, the Company organizes participation in the superior unit’s annual training for undergraduates to help new employees in transition roles and enhance their understanding and recognition of the Group’s and Company’s business and culture. - For new employees recruited through social recruitment, the Company flexibly adopts an online exclusive learning map and a departmental mentor coaching model, aiming to help new employees understand the corporate culture and consolidate professional foundations for their positions.
Targeted business training	- The Company has created a series of training programs themed “AI+” and “Research-Empowered Business”. Guided by the goal of empowering business through technology and research, we focusd on organizing seminars covering essential AI knowledge and its innovative applications in securities firms, as well as macro-policy meetings and cutting-edge industry trends. This effectively addressed gaps in employees’ professional knowledge in fields such as research and AI. - The Company has upgraded its talent development model for wealth management investment advisors. By establishing a selection and cultivation mechanism featuring “selection of elite talents, systematic centralized empowerment, and long-term exclusive mentorship,” and implementing the “Securities Investment Advisor Selection and Growth Initiative” mentorship program, we are accelerating the development of the professional competence of investment advisors.

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	For the operations staff at our branches, the Company has built a training system combining “offline centralized training, one-way online training, and two-way online training” to form a comprehensive learning network. In 2025, we conducted three offline centralized training sessions, covering over 460 operations-related employees from more than 150 branches nationwide. For non-site staff, we conducted multiple batches of one-way video training, covering over 1,200 participants. Additionally, we held 21 sessions of two-way video training for our branches, with a total of over 6,000 online participants.
Leadership training	- The Company established a regular rotational training mechanism for the Company’s mid-to-senior management and completed three sessions of Political Rotation Training program for mid-level cadres, achieving full coverage for mid-level cadres across parents, subsidiaries and branch companies, both domestic and international, as well as newly established branches. This effectively enhanced party spirit, fully promoted the Company’s strategy and facilitated in-depth exchanges among cadres. - The Company regularly held “Central Group Study” series training lectures and specialized training on discipline and law. The Company conducted “Reading for Physical and Mental Pleasure” book clubs for the management. The Company actively arranged cadres to participate in various exchange and training programs hosted by the Shanghai Municipal Party Committee Organization Department, Shenergy Group and the Securities Association of China to comprehensively improve the comprehensive quality of cadres.
Training programs with external institutions	The Company cooperated with Hi-Finance, an external professional training institution, to carry out the 2025 “Oriental Spark” internal trainer development project. The Company newly developed 16 premium courses, with 2 courses selected for the association’s distance training course library. This project was awarded the 15th Training Magazine 2025 and Learning Project of China Talent Development Awards.

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Conducting “AI+” Series Training to Promote the Implementation of the Digital Transformation Strategy

To further strengthen technology-empowered business, continuously promote the implementation of the digital transformation strategy and foster a culture of “Digitalization for Everyone, Digitalization in Everywhere” within the Company. It continued to hold the “AI+” series training in 2025. With the support of internal and external technical experts, focusing on topics such as essential AI knowledge, innovative application practices for securities firms and introduction to the Company’s AI tools, the Company conducted 8 sessions of the “DFZQ Forum” AI lecture series with over 2,000 participants.

Conducting Special Training on the Theme of “Finance Empowering the Development and Transformation of the Energy Industry”

At the DFZQ special exhibition booth during the Shanghai International Carbon Neutrality Expo on June 6, 2025, the Company invited Professor Hong Yan, Academic Associate Dean of the Advanced Institute of Finance of Shanghai Jiao Tong University, Chair Professor of Finance and Director of the Sustainable Investment Research Center, to conduct a special training for the Company’s senior management and relevant employees on the theme of “Finance Empowering the Development and Transformation of the Energy Industry “. The training focused on areas such as the clean utilization of traditional energy, the orderly phase-out of traditional energy, investment and construction in new energy sector and guidance for low-carbon investment and conduct in-depth analysis through specific cases, helping employees understand the role of finance in energy structure adjustment and providing ideas for product and service innovation.

Additionally, the Company places high priority on enhancing employees’ professional competencies and actively encourages them to obtain professional certifications such as Chartered Financial Analyst (CFA), Financial Risk Manager (FRM), and Legal Professional Qualification. The Company reimburses exam fees or registration costs for employees registering for relevant examinations, covering various employment types including standard full-time staff, brokers, and others. In 2025, the Company reimbursed examination fees in a total amount of RMB123,889.72 for 77 employees.

Staff Appraisal and Promotion

In order to ensure that employees have a clear career development path, the Company has established an improved performance appraisal and complaint reporting mechanism, and opened promotion channels, providing a broad platform for employee development. The Company has formulated internal management systems such as the Management Measures of Ranking System of Employees and the Performance Management Measures to strictly regulate employee performance management. In 2025, the Company carried out professional development for all employees, requiring supervisors to provide guidance on the performance process of employees, and provide feedback and guidance on the performance results of employees.

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Performance management mechanism of DFZQ

Goal setting	The Company adopts a KPI-setting approach and set multi-dimensional performance appraisal targets on a top-down basis; the assessment period is generally one year, and the Company conducts quarterly or half-yearly assessments based on the needs of different business lines and departments.
Performance appraisal	The Company carries out performance appraisal management for all employees. Employee supervisors observe the performance of employees in their daily work and provide formal review, feedback and guidance on the results of employees' performance in the previous period after the appraisal cycle, to help employees analyze and solve problems that exist or are potential in their work. • Performance appraisal of management and leaders: the performance appraisal indicators mainly include the achievement of the Company's overall operating performance target, the achievement of performance target of responsible business lines, compliance and risk management, integrity practice and other aspects. • Performance appraisal of employees: implements multi-dimensional performance appraisal assessment. Performance appraisal targets are mainly set by their respective departments and supervisors based on job content and departmental requirements, mainly covering work objectives, compliance management, integrity practice and other aspects. • Organizational performance appraisal: Organizational performance objectives are set based on corporate performance objectives and departmental responsibilities, with key performance indicators defined across areas such as finance, market and customer, and internal management. A number of assessment contents and methods are set in advance, such as the level and time of completion, the source of assessment data, the formula for calculating the indicators, and the assessment weights. The Company adopts a hybrid top-down and bottom-up approach for performance goal-setting. Departmental objectives must directly align with corporate goals, and individual objectives must support their department's targets.

The Company has established a formal grievance escalation/reporting channel and mechanism, and employees who are in doubt about the evaluation processes or the evaluation results may report in writing. The grievance investigators shall keep the details of grievance and the persons involved strictly confidential, and any retaliation or discrimination against the grievance employee is strictly prohibited.

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Employee grievance reporting mechanism

Type of grievance	Relevant rules	Grievance handling procedures
Grievance against employee performance appraisal	Performance Management Measures	• In case that departments and employees cast doubt over the assessment process or the assessment results, they may apply to the human resources management department for reconsideration within seven days from the release date of assessment results by filling out the Performance Appraisal Reconsideration Form with appeal reasons and detailed evidence thereof. Failure to submit a review application in writing within the prescribed time shall be deemed as no objection to the results of the performance evaluation. • The human resources management department will organize investigation and verification upon receiving the relevant application form, and issue a written reply within two weeks after reporting the investigation results to the Company.

In order to further establish and improve the benefit sharing mechanism between employees and the Company and share the development results of the Company with outstanding talents, the Company established the employee stock ownership plan covering all formal employees of the Company and controlling subsidiaries in July 2020. The lock-up period of the subject shares purchased under the H share employee stock ownership plan of the Company had been expired on December 24, 2021, and certain holders exited the employee stock ownership plan according to their own wishes, resulting in changes in the number of holders, the number of Shares held and the shareholding ratio in the employee stock ownership plan. The scope of the employees of the employee stock ownership plan includes the Company and its controlling subsidiaries. The duration of the H share employee stock ownership plan was five years, being from July 13, 2020 to July 12, 2025, which is now fully settled.

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3.6 Deepening Social Contribution

Promoting rural revitalization

The Company has incorporated “Improving the Social Responsibility System” into its 2025-2027 Strategic Plan, indicating that it will continue to advance rural revitalization efforts in areas such as industrial assistance during the new strategic planning period. The Company has continuously improved its working mechanism, comprising a leading group for assistance and working teams, headed by the secretary of the party committee and the chairman of the Board. It formulates an annual rural revitalization work plan each year to ensure the effective implementation of the rural revitalization strategy and the precise allocation of resources for the “One Enterprise for One County” of assistance.

As of the end of 2025, the Company and its subsidiaries have signed pairing assistance agreements with 50 regions, including Moqi in Inner Mongolia, Wufeng County in Hubei Province, Funing County in Yunnan Province and Qiongzong County in Hainan Province, continuously supporting rural revitalization. In 2025, the Company and its subsidiaries carried out a total of 76 rural revitalization projects to consolidate and improve the achievements of poverty alleviation, with a total investment of RMB19,165,700. These initiatives benefited over 12,000 individuals, including grassroots cadres, rural revitalization leaders and industrial farmers.

Statistics on the contribution areas of rural revitalization projects of the Company and its subsidiaries

Main assistance area	Number of assistance projects
Industry assistance	9
Financial assistance	4
Consumption assistance	13
Public welfare assistance	6
Ecological assistance	2
Knowledge assistance	14
Organization assistance	28

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In 2025, in the field of industry assistance, the Company has carried out the “Orient Guniang” industry assistance project in Moqi, Inner Mongolia for nine consecutive years, the “Dong Fang Hong Yi Black Tea” industry assistance project in Wufeng, Hubei Province for eight consecutive years, and the “Oriental Coffee” industry assistance project in Qiongzong, Hainan Province for the second year. With a market-oriented mindset, the Company has built a comprehensive assistance system covering key links such as product processing, brand packaging, and cultural promotion.

In terms of financial assistance, in 2025, Orient Futures actively carried out pilot projects such as the Dalian Commodity Exchange (DCE), Zhengzhou Commodity Exchange (ZCE) and Shanghai Futures Exchange (SHFE). A total of 8 exchange projects were approved this year, with a total premium of RMB9.8541 million and a total notional principal of RMB255 million.

Promoting public welfare and charity

Orient Securities initiated and established the Shanghai DFZQ Xindeyizhang Public Welfare Foundation (the “Xindeyizhang Public Welfare Foundation”) in 2015, aiming to build a “responsible and accountable” brand image. After a decade of development, the projects of the Xindeyizhang Public Welfare Foundation have covered remote villages and cultural heritage sites in more than ten provinces and regions including Xinjiang, Gansu, Yunnan, Zhejiang, Anhui, Hubei, Hunan and Shaanxi, forming a public welfare network connecting cultural heritage sites and rural schools.

In 2025, the Xindeyizhang Public Welfare Foundation held the “Shining Years for Public Welfare, Joyful Orient” 10th Anniversary Public Welfare Exhibition Theme Day and the “Walking Together Through the Years, Drawing the Future Together” Public Welfare Concert. The public welfare exhibition promoted intangible cultural heritage with the themes of “protecting traditional culture” and “empowering children’s aesthetic education”. The public welfare concert took a public welfare diary written by the Company’s volunteers as the main storyline, performed by more than 50 children from five rural schools supported by the Foundation over the long term and public welfare volunteers, presenting the Foundation’s ten-year public welfare achievements through true stories, clear singing and touching dances.

Commitment to volunteer activities

The Company has established the “Orient Youth Volunteer Teams”, built a long-term mechanism for volunteer services, and formed an efficient “Hub-and-Spoke” organizational system, gathering nearly 300 registered young volunteers. It has created the distinctive “Five-Color” (Red, Gold, Silver, Blue, Green) volunteer service brand, covering various fields including red cultural heritage preservation, financial literacy outreach, elderly care services, ecological and environmental protection, and sunshine services for people with disabilities.

In 2025, the Company organized 20 youth volunteer teams to go deep into office buildings and communities. Leveraging its financial expertise, the Company carried out diversified volunteer service activities focusing on community needs and public welfare priorities, including guidance for the Film Festival activities, care for autistic children, financial literacy popularization, elderly care, and public welfare cleaning.

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4. GOVERNANCE: STRENGTHENING THE FOUNDATION AND CONSOLIDATING THE CORNERSTONE OF DEVELOPMENT

4.1 Strengthening the Foundation of Governance

Corporate governance

In 2025, the Company closely followed and strictly implemented a series of new laws, regulations and policies issued by the state and regulatory authorities. The Company mainly complied with the newly revised Company Law of the People’s Republic of China and the transitional arrangements of its supporting systems, and actively aligned with the latest regulatory requirements including the Guidelines for the Articles of Association of Listed Companies, Shanghai Stock Exchange Listing Rules and the Self-Regulatory Guidelines for Listed Companies No. 1 – Standard Operation. To adapt to changes in laws and regulations and optimize the corporate governance structure, the Company, at the extraordinary general meeting in October 2025, deliberated and approved the formal cancellation of the Supervisory Committee. The Audit Committee under the Board of Directors fully undertook the functions and powers of the former Supervisory Committee, completing a major adjustment to the governance structure. Centering on this reform, the Company systematically sorted out and revised 21 corporate governance systems covering corporate governance, information disclosure and investor relations, including the Articles of Association, so as to ensure a smooth transition, clear rights and responsibilities, and effective operation of the internal governance mechanism.

Composition of the Board of Directors and the Key Governance Meetings convened in 2025

Composition of the Board of Directors	Key Governance Meetings convened in 2025
The Board has 15 directors including 1 female director	2 general meetings which considered 18 proposals
3 executive directors 7 non-executive directors 5 independent non-executive directors	9 Board meetings which considered 63 proposals
1 employee representative director	20 meetings of the special committees under the Board

The Company fully understands the benefits brought by the diversity of Board members, and has formulated the Board Diversity Policy (《董事會多元化政策》), which takes into account the diversity of Board members from various aspects including gender, age, cultural and educational backgrounds and professional experience. To ensure scientific decision-making and efficient performance of the Board, the Company has continuously taken measures to enhance the comprehensive performance capabilities of directors by compiling the Board Brief, providing policy updates and industry information, and organizing participation in regulatory and internal training.

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The Company has always attached importance to the development of directors' risk management capabilities. Many members of the Board have experience in research in the financial and legal fields or in corporate compliance and risk management departments, and possess profound expertise in finance, law and compliance risk management, bringing multi-dimensional risk management perspectives to the Board. The Company has arranged a number of directors to participate in training courses on risk management knowledge held by the Shanghai Stock Exchange and the Shanghai Listed Companies Association to strengthen their management capabilities.

To ensure the effective implementation of the Company's strategy and long-term development goals, the Company has established long-term performance indicators for senior management including the CEO, covering key evaluation areas such as overall medium – and long-term strategic objectives, the completion of operating results, the completion of performance of subcontracted management lines, compliance and risk management, integrity practices and other factors. This aims to encourage the management to balance short-term performance and long-term development, and comprehensively enhance the Company's overall competitiveness. In terms of remuneration incentives, the Company strictly implements a deferred payment mechanism linking performance with remuneration. The distribution of performance bonuses for senior management is directly linked to their individual performance appraisal results and appraisal results during their term of office, so as to align their decision-making behaviors with the long-term interests of the Company. In addition, the senior management remuneration system explicitly includes a performance pay clawback clause. If any senior management member fails to fulfill duties diligently, resulting in material violations of laws and regulations or material risk losses to the Company, the Company has the right to recover all performance remuneration paid within the relevant period and suspend payment of all or part of the unpaid remuneration in accordance with regulations and procedures.

Information disclosure and protection of investors' rights and interests

The Company deeply implements the investor-oriented core philosophy, strictly complies with the requirements of the Securities Law and the stock listing rules of the two stock exchanges, and continuously improves the quality and transparency of information disclosure. First, the Company has continuously improved its information disclosure review mechanism by establishing a "smart + manual" dual quality control system. It has consistently optimized the process of preparing and verifying announcements and strengthened the management of the entire information disclosure process. As a result, the Company received an A-grade evaluation for information disclosure from the SSE during the year. Second, to continuously optimize the transparency and readability of information disclosure, the Company prepared and disclosed a total of 124 A-share announcements and 108 H-share announcements (including online documents) throughout the year. By regularly releasing design drafts for annual and interim reports, the Company strengthened report structure optimization and visual expression, thereby enhancing the readability and relevance of periodic reports and continuously improving the reading experience for investors.

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The Company continuously enriches the communication channels between the Company and its investors, effectively utilizes the market value management toolkit, and promotes the systematic improvement of its market value management practices. First, the Company formulated the “Market Value Management System” and a three-year market value enhancement action plan. Focusing on the four dimensions of improving operational management efficiency and quality, effectively communicating the development story, enhancing shareholder returns, and optimizing capital management, the Company proposed practical and actionable measures. Second, the Company strengthened normalized communication with investors and analysts. Throughout the year, the Company conducted 98 various roadshow and exchange activities and held 5 regular performance meetings, promptly responding to market concerns and maintaining a healthy investor ecosystem.

In terms of shareholder returns, the Company actively responded to regulatory requirements by implementing two dividend distributions annually and semi-annually for two consecutive years. In 2025, the Company’s total dividend payout reached RMB1.858 billion, effectively safeguarding shareholder rights and enhancing long-term returns for investors. In 2025, the Company completed its 2024 annual dividend distribution at the end of June, distributing cash dividends totaling RMB843,617,751.1, accounting for 25.18% of the consolidated net profit attributable to owners of the parent company for 2024. At the end of October, the Company completed its 2025 interim dividend distribution, distributing cash dividends totaling RMB1,012,211,857.32, accounting for 29.23% of the consolidated net profit attributable to owners of the parent company for the first half of 2025.

4.2 Upholding Business Ethics

Compliance management

The Company strictly follows the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China, the Regulations on the Supervision and Management of Securities Companies, the Measures for the Compliance Management of Securities Companies and Securities Investment Fund Management Companies, and other laws, regulations, self-discipline rules and the Articles of Association, guided by the principle of “consolidating the foundation, precise prevention and control, and empowering development”, to continuously promote the systematic construction and dynamic updating of its internal compliance management system. Throughout the year, it focused on formulating or revising a series of compliance management systems covering multiple areas such as compliance accountability, employee conduct management, standardized governance, business operation norms, and group-wide control. Concurrently, the Company persistently deepened its compliance management work by systematically advancing key tasks including system improvement, policy development, compliance inspections, assessment optimization, strengthened accountability, compliance empowerment, and digital transformation, thereby comprehensively enhancing the synergy, execution, and foresight of compliance management across the Group.

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Intellectual property protection

The Company strictly complies with the requirements of the Patent Law of the People's Republic of China, the Copyright Law of the People's Republic of China, the Trademark Law of the People's Republic of China and other relevant laws and regulations. While safeguarding its own legitimate rights and interests, it also respects and protects the intellectual property rights of others, gradually establishing and improving relevant systems related to external publicity, information technology, and self-media management.

In daily operations, the Company strives to build a comprehensive management system encompassing "prevention beforehand, control during the process, and response afterwards". It continuously enhances the ability of all departments to identify, self-inspect, and self-correct intellectual property risks, so as to effectively prevent infringement risks and safeguard the legitimate rights and interests of the Company and its clients.

Anti-money laundering management

The Company strictly complies with the Anti-Money Laundering Law of the People's Republic of China and other relevant laws, regulations, and industry standards, having established a three-tier organizational management structure comprising an AML Leading Group, an AML Working Group, and branch-level AML working groups. It has also built a multi-level and systematic internal control framework for AML at the Board, corporate, and departmental levels. The Company has formulated policies such as the Measures for Risk Management of Money Laundering and Terrorist Financing of Orient Securities Company Limited, which clearly define specific management requirements for customer due diligence (CDD), reporting of large-value and suspicious transactions, classification of money laundering risk levels, special AML preventive measures, self-assessment of money laundering risks, AML publicity and training, AML performance assessment and rewards and penalties, as well as AML auditing. In 2025, the Company revised five internal policies, including the Administrative Measures for Customer Due Diligence and Retention of Customer Identity Data and Transaction Records of Orient Securities Company Limited, and newly formulated the Administrative Measures for Anti-Money Laundering Work of Branch Offices of Orient Securities Co., Ltd.

In 2025, the Company continued to improve the effectiveness of risk prevention and control by implementing a series of measures, such as CDD, suspicious transaction reporting, list monitoring, and internal inspection and rectification, thereby fortifying the defense line against money laundering risks.

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Key Measures for Anti-money Laundering Management of the Company

Aspects	Key measures
Customer Due Diligence	• Strict admittance due diligence: The Company requires customers to provide basic identity information and relevant identity certification documents upon the initial establishment of a business relationship to understand the customers as well as the purpose and nature of the business relationship. For institutional customers, the Company performs beneficial owner identification in accordance with regulatory requirements. The Company utilizes tools such as ID card readers and the public security information network to verify the authenticity of certification documents, and denies access to customers with incomplete or doubtful information. • Implementing ongoing due diligence: During the subsistence of a business relationship, relevant departments will promptly undertake due diligence measures in scenarios where ongoing customer due diligence is required under the Company's internal control systems, and dynamically optimize money laundering risk control measures based on the due diligence results.
Monitoring of Large-Value and Suspicious Transactions	• Continuously optimizing monitoring models: Utilizing the AML system's suspicious transaction monitoring as the core, supplemented by ongoing system-based or manual monitoring separately conducted by various departments for different business scenarios, the Company has established and continuously optimizes its transaction monitoring modes, carrying out monitoring and analysis on a per-customer basis. • Strictly implementing information reporting: Upon discovering or having reasonable grounds to suspect that a customer's funds or other assets, or a customer's transactions or attempted transactions are linked to criminal activities such as money laundering and terrorist financing, the Company promptly submits suspicious transaction reports in accordance with relevant requirements.
Watchlist Screening and Monitoring	• Categorised management of watchlist databases: The Company establishes and maintains an AML watchlist database, classifying monitoring lists into three categories – sanctions and terrorism-related, Politically Exposed Persons (PEPs), and other labels of concern – to implement differentiated control measures. • Watchlist monitoring and screening: Various departments conduct watchlist screening through the monitoring system, performing real-time and retrospective monitoring of all customers and counterparties recorded in the AML system. • Establishment of tiered handling procedures: The Company has defined clear handling timeframes and workflows for alerts triggered by different types of watchlists and adopted corresponding risk control measures.

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Aspects	Key measures
Money Laundering Risk Assessment	• The Company regularly organises various departments to conduct money laundering risk assessments. It continuously establishes a money laundering risk assessment indicator system and methodology for products and business lines that are commensurate with its actual business operations and risk profiles, based on which it carries out money laundering risk assessment work. • For business activities with high risk ratings and above, the Company has formulated and continuously refined specific risk control measures and ensures their implementation during the course of business operations.
Systematic Publicity, Training and Culture Building	• Through in-person sessions, videos, and other formats, the Company organised 483 AML training sessions throughout the year, recording approximately 10,314 attendances. The training audience covered management, all employees, and AML personnel, with topics including policy interpretation, suspicious transaction analysis, and system operations. The Company continuously conducts specialised AML training for various departments to assist them in accurately grasping the latest AML regulatory landscape and work requirements, thereby enhancing their capacity to discharge AML duties. • Utilising platforms such as WeChat official accounts and LED displays, the Company organised a total of 180 awareness campaigns, reaching an audience of approximately 20,500. The target audience encompassed Directors, senior management, all employees, and the general public, covering topics such as AML laws and regulations, as well as the combat against illegal fundraising, telecommunications fraud, and online gambling. • Leveraging initiatives such as the “AML Awareness Month”, the Company conducted 111 on-site promotional events to bring AML awareness into schools, communities, and enterprises, and published 101 pieces of promotional materials across various platforms.

In 2025, the Company was not involved in any material administrative penalties or litigation cases related to money laundering.

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Anti-corruption and anti-bribery management

The Company strictly complied with the Provisions on the Integrity of Securities and Futures Business Institutions and Practitioners 《證券期貨經營機構及從業人員廉潔從業規定》 and the Implementation Rules for the Integrity of Securities Business Institutions and Their Staff 《證券經營機構及其工作人員廉潔從業實施細則》, formulated the Management Measures of Integrity Practices 《廉潔從業管理辦法》 and the Management Measures for Integrity Practices, and established a company-level leading group for integrity practices and a working group for integrity practices and set up integrity management specialists in various departments, branches and subsidiaries to form a three-level organizational management structure. The Board has established the integrity practice management objectives and assumes responsibility for the effectiveness of the ethics issues management. The main responsible persons of the Company serve as the primary accountable party for implementing ethics issues management obligations, while heads of departments and subsidiaries bear corresponding management responsibilities according to their respective duties. The Company organizes all employees, securities brokers, contractors, and other personnel to sign the “Commitment Letter for Integrity in Professional Practice” annually, thereby ensuring the effective implementation of the code of conduct for integrity in professional practice.

The Company conducts internal audits on relevant headquarters, branches, and subsidiaries based on regulatory requirements and the actual needs of the Company’s operation and management, with an audit frequency of no less than once every three years. In the audit work, integrity in professional practice is included in the audit scope. Audits are carried out, audit opinions and suggestions are put forward, and relevant units are supervised to implement rectifications for issues identified during the audit.

In 2025, the Company focused on the dynamic management of integrity risk prevention and control, incorporating such measures throughout the entire lifecycle of its business operations and the entire chain of its internal control management. Concurrently, through measures such as special inspections and the philosophy publicizing, the Company focused on establishing a long-term mechanism for integrity risk prevention and control that spans pre-event prevention, supervision and inspection, and post-event rectification.

Key measures for clean governance risk prevention and control implemented by the Company in 2025

Aspects	Key measures
Dynamic management	- Issued the Notice on Conducting Dynamic Management of integrity Risk Prevention and Control for 2025, specifying procedures and requirements for risk identification and prevention. - Organized all departments to systematically sort out job and departmental authority lists and draw up power operation flowcharts. Comprehensively assessed the importance of power, the scope of discretionary authority, and the probability and harm of corruption risks, formulated risk checklists and scoring sheets, and developed an operable integrity Risk Prevention and Control Catalog to refine management. - Established a joint supervision mechanism among relevant functional departments to enhance the granularity of integrity risk management from a “comprehensive supervision” perspective.

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Aspects	Key measures
Special research	Focused on key areas such as integrity risk prevention and control for subsidiaries outside Shanghai, and applied for 8 projects on Party conduct and integrity of the Group. Explored effective approaches to deepen clean governance risk prevention and control around digital supervision and expense control, promoting the integration of Party conduct and integrity with business operations.
Inspection and rectification	- Established a cross-departmental joint inspection team targeting areas prone to “integrated corruption and work style risks”. - Conducted inspections on the implementation of the Eight-point Regulation of the Central Committee by key business departments, administrative departments and subsidiaries through a combination of self-inspection and special inspection. - Systematically addressed non-standard management issues identified in inspections via deadline rectification, system improvement, digital management and control, and education and guidance.
Concept promotion	Strengthened publicity of integrity risk prevention and control concepts through various forms such as field exchanges and promotional videos.

Anti-corruption trainings arranged by the Company for directors and all employees in 2025

Training targets	Training content
Directors	The Company distributed training documents including the 2025 integrity Practice Training PPT, 2025 integrity Practice Publicity Poster and 2025 integrity Practice Training PPT to all directors, conveying the concept of integrity practice and requiring directors to be diligent, honest and trustworthy, and reject corruption.
Middle and senior leaders	The Company organized special discipline and law training sessions themed “Staying Respectful and Wary and Safeguarding the Bottom Line”, conducted case review seminars, and carried out pre-appointment integrity talk and collective talks to strengthen discipline awareness and performance accountability.

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Training targets	Training content
All employees	Achieved full coverage of integrity education anytime and anywhere via the online “Qingfeng Academy” platform. Regularly organized the viewing of warning education videos, launched company-wide integrity training and integrity practice examinations, and dispatched the “Qingfeng Lecture Group” to frontline business units for targeted lectures, ensuring that integrity awareness permeates every employee and jointly builds a strong ideological line of defense against corruption.

In 2025, there were no anti-corruption related corruption lawsuits filed against the Company or its employees in the Company.

Anti-unfair competition

The Company strictly follows the legal requirements, including the Criminal Law of the People’s Republic of China, the Anti-Unfair Competition Law of the People’s Republic of China, and the Securities Law of the People’s Republic of China, to actively build and maintain a fair and orderly business competition environment.

For the regulation of false advertising, the Company adheres to the Advertising Law of the People’s Republic of China and has established internal regulations such as the Management Measures for External Communications and the Management Measures for Self-Media Promotion to rigorously govern external promotional activities. All departments, branches, and subsidiaries of the Company are required to ensure the legality, authenticity, and accuracy of information involved in external communications, strictly following relevant workflows for review and dissemination.

In protecting business secrets, the Company has formulated the Confidentiality Management System and the Management Measures for Confidentiality of Business Secrets, requiring all employees to fulfill obligations in safeguarding corporate business secrets and complying with relevant confidentiality policies.

In terms of anti-monopoly practices, the Company closely monitors regulatory requirements on the control of “concentration of undertakings” imposed by financial regulators and the stock exchanges, i.e., the management of related-party transactions. The Company has formulated the Management Measures for Related Party Transactions and established a full-process management system covering risk identification, monitoring and reporting, which specifies the principles, methods and procedures for identifying related parties. In 2025, the Company conducted rigorous reviews of ongoing related-party transaction data with major shareholders including Shenergy Group, increased the frequency of list updates to quarterly, and organized special on-site training sessions for all departments. Through a series of measures, the Company ensures full procedural compliance and controllable risks for all related-party transactions.

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The Company has regulated unfair competition practices through the Management Measures for Integrity Practice and the Management Measures for Integrity Practice, requiring employees to compete fairly and prohibit improper interest conveyance. In 2025, the Company had no litigation cases or material administrative penalties arising from unfair competition practices.

Implementation of responsible marketing

In external publicity and communication, the Company strictly abides by laws, regulations and regulatory guidelines including the Securities Law of the People's Republic of China, the Advertising Law of the People's Republic of China, the Measures for the Supervision and Administration of Securities Investment Fund Sales and the Measures for the Supervision and Administration of Securities Brokerage Business. It has formulated internal rules and regulations including the Detailed Rules for the Appropriateness Management of Product Sales Business, Measures for the Administration of Offered Financial Products, Detailed Rules for the Implementation of Compliance and Risk Management of Offered Financial Products and Guidelines for the Research, Evaluation and Access of Offered Financial Products by the Wealth Management Committee. In 2025, the Company revised and updated internal systems including the Measures for the Administration of Customer Return Visits by the Wealth Management Committee, Detailed Rules for the Implementation of Investor Appropriateness Management and Investor Education for STAR Market Stocks, Detailed Rules for the Implementation of Customer Complaint Handling in the Wealth Management Sector and Detailed Rules for Investor Appropriateness Management of the Beijing Stock Exchange to ensure all marketing activities are legally compliant, authentic and accurate.

To optimize investor appropriateness management and "Know Your Customer" practices, the Company has formulated systems including the Investor Appropriateness Management Measures, Detailed Rules for the Implementation of Appropriateness Management for Bond Business and Detailed Rules for the Appropriateness Management of Product Sales Business. No violations of marketing and publicity regulations occurred in 2025.

Whistleblowing and reporting and whistleblower protection

In terms of petition reporting and violation handling, the Company strictly implements regulations including the Regulations on the Supervision and Administration of Securities Companies, Shenergy Group Co., Ltd. Petition Work Management Regulations and Shenergy Group Co., Ltd. Discipline Inspection and Supervision Petition Reporting Measures, and has formulated internal systems including the Orient Securities Co., Ltd. Petition Work Management Measures and Orient Securities Co., Ltd. Compliance Accountability Measures. In 2025, the Company incorporated reporting channels, reporting handling and interview verification into the annual training for supervisors, further smoothing reporting channels and implementing whistleblower protection.

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Reporting channels and approaches	Whistleblower protection
The Company publishes the telephone number, fax number, mailbox and workflow for whistleblowing in a prominent position on its website, ensures that the whistleblowing process is conducted in an anonymous manner, arranges designated personnel to handle the work related to whistleblowing, and relevant parties may report to the Company through letters and personal visits. Discipline inspection reporting channels are also clearly indicated on the homepage of the Company's OA system.	The Company specifies the confidentiality of the whistleblowing procedures and the protection mechanism for whistleblowers in the Whistleblowing Measures for Violations by the Compliance and Legal Department 《合規法務管理總部違規舉報工作辦法》. The Company implements a recusal mechanism in whistleblowing cases, requiring staff involved in report handling or investigations to strictly comply with confidentiality disciplines. The Company strictly prohibits the disclosure of the name, department, address and other information of the whistleblower, and strictly prohibits disclosing the reported matters to the persons involved or other persons who may cause adverse consequences to the whistleblower. If any department or person is found to retaliate against the whistleblower, it shall be timely reported to the senior management of the Company and handled in strict accordance with relevant regulations, and cases constituting criminal offenses shall be referred to judicial authorities for legal proceedings according to law.

Supplier management

The Company primarily provides financial products and services. Its suppliers mainly comprise information system (electronic) suppliers and office facility and service (electronic or non-electronic) suppliers. The supplier categories are simple and market supply is sufficient, making supply chain risks controllable. By adopting unified access standards and implementing strict performance assessments, the Company integrates management requirements such as compliance management, environmental protection, anti-corruption, data security and privacy protection into its supplier management process, thereby effectively preventing business continuity risks that may arise from deficiencies in supplier management.

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In strict accordance with the Law of the People's Republic of China on Tendering and Bidding and other relevant laws and regulations, the Company has formulated the Procurement Management Measures of Orient Securities Co., Ltd. and the Supplier Management Measures of Orient Securities Co., Ltd. and other internal systems applicable to suppliers for the Company's tendering and procurement activities. The internal systems specify the management processes for supplier selection, admission, assessment and withdrawal, and incorporate requirements including suppliers' financial status, tax payment status, employees' social security contribution status and occurrence of illegal and irregular incidents into admission criteria. Meanwhile, the Company focuses on the impact of environment in suppliers' operation and conducts scientific evaluation through questionnaire surveys, on-site observations, expert consultation and other methods. In tenders for procurement projects such as engineering projects, IT equipment and office supplies, the Company explicitly requires suppliers' products or services to comply with national and industrial standards as well as green procurement standards, and gives priority to energy-saving and environmentally friendly products.

The Company supervises suppliers and partners in implementing customer privacy protection management, and clearly identifies the key types of suppliers involved in sensitive data and customer privacy. It stipulates requirements for suppliers' conduct during supplier introduction and cooperation, and urges suppliers to comply with such requirements in daily management. For details, please refer to the section "*Ensuring data security*" in this report.

The Company supplier anti-corruption management is an important part of the Company's anti-corruption management. The Company has published the Statement on Commercial Anti-Corruption Conduct 《商業反腐敗行為聲明》 and the Statement on Anti-Corruption Management of Suppliers 《供應商反腐敗管理聲明》 on its official website, and clearly stipulates prohibited corrupt conduct, requiring all suppliers to formulate anti-corruption policies and strictly comply with the anti-corruption requirements of the Company and establish anti-corruption policies and programs to verify compliance. Suppliers and other third parties are required to sign the Letter of Undertaking on Integrity Practices 《廉潔承諾書》 or the inclusion of integrity practice clauses in the relevant agreements. Any identified prohibited conduct during the cooperation shall be promptly notified to the concerned party and addressed in accordance with the internal disciplinary regulations of the Company.

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5 ESG DATA TABLE AND NOTES

Economy Data Table and Notes

Business Performance Table

Indicator	Unit	2023	2024	2025
Total assets	RMB100 million	3,836.90	4,177.36	4,868.76
Operating revenue ¹	RMB100 million	118.97	121.72	153.58
Basic earnings per share	RMB	0.30	0.37	0.65
Social contribution value per share ²	RMB	1.49	1.81	2.37

Note 1: In July 2025, the Department of Accounting of Ministry of Finance issued the Accounting Treatment Implementation Q&A for Standard Warehouse Receipt Transactions. In accordance with the Q&A, the Company has made corresponding changes to the accounting treatment of its purchase and sale contracts for warehouse receipt and has concurrently adjusted the information for the comparable periods in the financial statements. Accordingly, the operating revenue figures for 2023 and 2024 have been retrospectively adjusted.

Note 2: [Calculation method] social contribution value per share = basic earnings per share + (tax paid to the state during the year + salaries paid to employees + interest on borrowings paid to banks and other creditors + value created for other stakeholders, e.g. donations – other social costs due to environmental pollution)/share capital of the Company as at the end of the period.

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Environment data table and notes

Environmental Performance Table¹

Indicator	Unit	2023	2024	2025
Total Greenhouse Gas Emissions (Scope 1 and Scope 2) (by location)	Tonnes of carbon dioxide equivalent	10,006.37	9,732.87	9,157.25
Total Greenhouse Gas Emissions (Scope 1 and Scope 2) (by market)	Tonnes of carbon dioxide equivalent	–	–	2,237.22
Total greenhouse gas emissions within Scope 1 ²	Tonnes of carbon dioxide equivalent	373.43	459.56	511.85
Total greenhouse gas emissions within Scope 2 (by location) ³	Tonnes of carbon dioxide equivalent	9,632.94	9,273.31	8,645.40
Total greenhouse gas emissions within Scope 2 (by market) ³	Tonnes of carbon dioxide equivalent	–	–	1,725.37
Total greenhouse gas emissions within Scope 3 ⁴	Tonnes of carbon dioxide equivalent	9,521.35	8,243.67	12,746.72
Greenhouse gas emissions per unit area (Scope 1 and Scope 2) (by location)	Tonnes of carbon dioxide equivalent/headcount	1.18	1.11	1.10
Greenhouse gas emissions per unit area (Scope 1 and Scope 2) (by location)	Tonnes of carbon dioxide equivalent/sq.m.	0.05	0.04	0.04
Greenhouse gas emissions per capita (Scope 1 and Scope 2) (by market)	Tonnes of carbon dioxide equivalent/headcount	–	–	0.27
Greenhouse gas emissions per unit area (Scope 1 and Scope 2) (by market)	Tonnes of carbon dioxide equivalent/sq.m.	–	–	0.01
Comprehensive energy consumption	Tonnes of standard coal	–	2,393.03	2,255.49
Direct energy consumption	Tonnes of standard coal	–	259.66	230.05
Indirect energy consumption	Tonnes of standard coal	–	2,133.37	2,025.44
Comprehensive energy consumption per unit area	Tonnes of standard coal/sq.m.	–	0.01	0.01
Comprehensive energy consumption per capita	Tonnes of standard coal/headcount	–	0.27	0.27
Total electricity consumption	MWh	17,008.79	17,346.17	15,655.01
Electricity consumption per capita	MWh/headcount	2.01	1.98	1.88
Electricity consumption per unit area	MWh/sq. m.	0.08	0.08	0.07
Total natural gas consumption	Cu.m.	138,104.00	132,893.00	129,033.00
Gasoline consumption of self-owned vehicles	Litre	28,701.29	76,054.40	53,660.62
Diesel consumption	Litre	0.00	75.00	0.00
Clean energy consumption	consumption	–	176.75	1,784.38
Proportion of clean energy consumption in comprehensive energy consumption	%	–	7.39	79.11
Total water consumption	Tonnes	106,552.84	81,643.65	69,444.36
Water consumption per capita	Tonnes/headcount	12.61	9.31	8.35
Water consumption per unit area	Tonnes/sq. m.	0.49	0.36	0.33
Total non-hazardous waste ⁵	Tonnes	–	248.33	2,209.90
Total hazardous waste ⁶	Tonnes	–	–	0.84
Total non-hazardous waste per unit area	Kilograms/sq. m.	–	2.45	10.48
Total hazardous waste per unit area	Kilograms/sq. m.	–	–	0.004

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Note 1: In 2023, the statistical calibre for natural gas consumption, gasoline consumption for self-owned vehicles, and diesel consumption is the headquarters of DFZQ' parent company and its subsidiaries, and the remaining statistical calibre is the scope of DFZQ's consolidated statements. In 2024, the statistical calibre for total waste is the headquarters of DFZQ' parent company and its subsidiaries and the remaining statistical calibre for refrigerants and purchased heat is the headquarters of DFZQ' parent company, and the remaining statistical calibre is the scope of DFZQ's consolidated statements.

Note 2: In 2023 and 2024, greenhouse gas emissions within Scope 1 include direct greenhouse gas emissions from natural gas consumption and gasoline and diesel consumption of self-owned vehicles. In 2025, in addition to natural gas consumption and gasoline and diesel used by owned vehicles, Scope 1 greenhouse gas emissions included new refrigerant fugitive emissions. A conservative factor of 1 was applied for greenhouse gas accounting, and the GWP values were determined based on the Sixth Assessment Report of IPCC. Fossil fuel combustion emissions within Scope 1 are divided into two parts: for Chinese mainland, emission factors are derived from the calorific values provided in the Energy Statistical Yearbook and the emission factors given by the IPCC; for the Hong Kong region, emission factors for fossil fuel combustion are based on the corresponding factors in the Hong Kong Stock Exchange's How to Prepare an ESG Report - "Appendix II: Reporting Guidance on Environmental KPIs".

Note 3: In 2023 and 2024, greenhouse gas emissions within Scope 2 include indirect greenhouse gas emissions from purchased electricity. The carbon emission factors in 2023 refer to the National Grid Carbon Emission Factor in the Notice on the Management of Greenhouse Gas Emissions Report of Power Generation Industry Enterprises in 2023-2025 issued by the Ministry of Ecology and Environment of the People's Republic of China. Greenhouse gas accounting factors for 2024 refer to the Announcement on Releasing the Carbon Dioxide Emission Factors for Electricity in 2022 issued by the Ministry of Ecology and Environment of the People's Republic of China and the National Bureau of Statistics in December 2024. In 2025, the parent company's Scope 2 GHG emissions included indirect emissions from purchased electricity and purchased heat, while the subsidiaries' Scope 2 GHG emissions included indirect emissions from purchased electricity. The greenhouse gas emission accounting factors for purchased heat are based on the latest official data released by the Ministry of Ecology and Environment of the People's Republic of China as of the end of 2025. The greenhouse gas accounting factors for purchased electricity in the Chinese mainland refer to the Announcement on the Release of the 2023 Electricity Carbon Dioxide Emission Factors issued by the Ministry of Ecology and Environment of the People's Republic of China and the National Bureau of Statistics in December 2025. The greenhouse gas accounting factors for purchased electricity in Hong Kong is based on the values in the 2024 Sustainability Report published by HK Electric Investments and HK Electric Investments Limited.

Note 4: Greenhouse gas emissions within Scope 3 include greenhouse gas emissions from employee travel of the headquarters of the parent company of DFZQ and its subsidiaries within the consolidated statements. The statistics for the years 2023 and 2024 are calculated with reference to the GHG Protocol – A Corporate Accounting and Reporting Standard and the GHG Protocol – Corporate Value Chain (Scope 3) Accounting and Reporting Standard. The greenhouse gas emissions accounting for the year 2025 adopts the relevant emission factors from the China Products Carbon Footprint Factors Database (CPCD).

Note 5: Since 2024, the statistics of total amount and density figures of non-hazardous waste have been collected, including waste paper, municipal solid waste, food waste, toner cartridges, ink cartridges, spent batteries, etc. In 2025, due to the expansion of the statistical scope to the consolidated financial statements, the data changed significantly.

Note 6: Since 2025, the statistics of total amount and density figures of hazardous waste have been collected, including discarded electronic products, discarded lamp tubes, etc.

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Society Data Table and Notes

Customer service performance table

Indicator	Unit	2023	2024	2025
Number of customer enquiries through 95503 hotline	Case	1,128,433	1,347,954	1,453,413
Number of complaints	Case	3	3	0
Proportion of handled complaints	%	100	100	–
Customer satisfaction rate	%	90.21	90.30	92.74

Note: The customer satisfaction survey is conducted through the customer satisfaction follow-up project for investment advisory customers, customers of margin financing and securities lending business and stock options business and by adding questions on customers' satisfaction with the Company's service staff in the follow-up review for existing customers and customers of fund investment advisory business.

Supplier performance table

Indicator	Unit	2023	2024	2025
Number of suppliers in Chinese Mainland	Supplier	461	394	1,433
Number of suppliers in Hong Kong, Macau, Taiwan and overseas regions	Supplier	0	0	0

Note: The statistical calibre of supplier-related performance indicators is based on the headquarter of the parent company. Starting from 2025, the Company has fully adopted of the "Bidding and Procurement Platform", and the data statistics were more complete.

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Employment performance table

Indicator		Unit	2023	2024	2025
Total employees¹		Person	8,452	8,766	8,316
By type	Full-time contracted	Person	7,565	7,360	7,055
	Person employee				
	Full-time dispatched	Person	33	31	25
	Person worker				
	Others	Person	854	1,375	1,236
By gender	Male	Person	4,482	4,644	4,373
	Female	Person	3,970	4,122	3,943
By age	<30	Person	2,089	2,847	2,282
	30 to 50	Person	5,841	5,438	5,429
	>50	Person	522	481	605
By region	Mainland China	Person	8,244	8,576	8,141
	Hong Kong, Macau,	Person	208	190	175
	Taiwan and overseas				
Employee turnover rate²		%	13	11	11
By gender	Male	%	16	12	12
	Female	%	10	10	9
By age	<30	%	24	12	11
	30 to 50	%	11	11	11
	>50	%	11	10	8
By region	Mainland China	%	13	11	11
	Hong Kong, Macau,	%	0	14	17
	Taiwan and overseas				
Total number of labour discrimination incidents ³		Piece	0	0	0
Total number of minority staff ⁴		Person	200	192	184
Total number of disabled staff ⁵		Person	2	2	2

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Note 1: The statistical calibre of the total number of employees includes the formal employees, labour dispatch employees, other forms of employment, etc. The full-time labour contract is made to the regular employees, and the full-time labour dispatch is made to the contractors.

Note 2: The statistical calibre for employee turnover rate in 2023 is DFZQ's parent company, while in 2024, it is expanded to the scope of the consolidated financial statements. The various types of employee turnover rate = number of turnover of each category/total number of employees of each category at the end of the period.

Notes 3, 4 and 5: The statistical calibre is DFZQ's parent company.

Employee rights performance table¹

Indicator	Unit	2023	2024	2025
Labour contract signing rate	%	100	100	100
Social insurance coverage rate	%	100	100	100
Number of work-related fatalities	Person	0	0	0
Lost days due to work-related injuries ²	Day	0	79.5	64
Staff health check coverage rate	%	100	100	100
Amount of work-related injury insurance for employees	RMB0'000	–	370.15	410.70
Coverage of work-related injury insurance for employees	%	–	100	100

Note 1: Data statistics are based on consolidated financial statements, covering formal employees.

Note 2: The Company's work-related injuries are mainly accidental injuries happening on employees' commuting journey. Therefore, the Company will take measures to provide extra safety reminders related to employees' commuting routes, in order to reduce the occurrence of employees' work-related injuries and the number of lost days due to work-related injuries.

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Employee training performance table¹

Indicator		Unit	2023	2024	2025
Number of employee training sessions		Session	–	690	867
Participants of employee training		Person	221,855	274,150	153,899
Total number of trained employees		Person	4,998	5,409	5,155
Total investment in employee training and development		RMB	4,160,000	2,800,000	3,600,000
Training cost per employee		RMB	832	518	698
Coverage ratio of employee training²		%	100	100	100
By gender	Male	%	51.68	53.76	53.21
	Female	%	48.32	46.24	46.79
By employee type	Senior management staff	%	0.19	0.22	0.23
	Middle management staff	%	1.37	2.13	1.88
	General staff	%	98.44	97.65	97.89
Annual average training hours received by an employee³		Hour	35	36	36
By gender	Male	Hour	35	36	36
	Female	Hour	35	36	36
By employee type	Senior management staff	Hour	35	36	38
	Middle management staff	Hour	35	36	36
	General staff	Hour	35	36	36
Proportion of staff receiving regular performance and career development assessments		%	100	100	100

Note 1: The statistical calibre is the number of formal employees of the parent company of DFZQ.

Note 2: [Calculation method] The training coverage of employees under each category = the number of employees in the specific category receiving training/the total number of employees receiving training.

Note 3: [Calculation method] Training hours per year of employees under each category = training hours received by employees in the specific category/the number of employees in the specific category.

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Compliance management performance table

Indicator	Unit	2024	2025
Number of violations of laws and regulations related to products and services	Piece	–	0
Total amount of fines for violating laws and regulations related to products and services	RMB0'000	–	0
Number of penalty incidents for violating environmental protection laws and regulations	Piece	0	0
Total amount of fines for violating environmental protection laws and regulations	RMB0'000	0	0
Amount involved in the customer privacy leakage incident	RMB0'000	0	0
Amount involved in the data security incident	RMB0'000	0	0

Innovation-driven performance table

Indicator	Unit	2024	2025
Number of invention patents applied to main business	Piece	4	9
Number of invention patents filed during the Reporting Period	Piece	5	5
Number of invention patents authorized during the Reporting Period	Piece	0	5
Number of valid invention patents during the Reporting Period	Piece	8	9

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Rural revitalization and social contribution performance table

Indicator	Unit	2023	2024	2025
External donation	RMB0'000	2,572	2,395	2,936
Annual fund-raising amount of Xindeyizhang Public Welfare Foundation	RMB0'000	1,181.00	1,349.62	1,115.00
Annual expenditure of Xindeyizhang Public Welfare Foundation	RMB0'000	1,092.00	937.77	1,049.14
Number of people benefiting from rural revitalization	Person	–	8,900	12,000
Amount invested in rural revitalization	RMB0'000	–	2,400.78	1,916.57

Employee voluntary service performance table

Indicator	Unit	2023	2024	2025
Number of employee volunteers	Person	1,049	1,310	2,871
Total length of employee voluntary services	Hour	3,959	4,772	6,250

Note: The statistical calibre for 2023 is the scope of the consolidated financial statements, the statistical calibre for 2024 is volunteer activities organized by the Youth League Committee of DFZQ, the Youth League Committee of Orient Securities Futures, the Youth League Committee of Orient Securities Asset Management, the Youth League Committee of China Universal Asset Management, and Xindeyizhang Public Welfare Foundation. The statistical calibre for 2025 is the scope of the consolidated financial statements.

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Governance data table and notes

Anti-corruption performance table¹

Indicator	Unit	2023	2024	2025
Number of trainings on anti-corruption	Session	5	8	7
Number of employees participating in training on anti-corruption ²	Person	6,350	6,727	6,333
Proportion of employees covered by anti-corruption training	%	–	100	100
Total hours of training on anti-corruption received by employees	Hour	47,625	87,451	88,662
Number of management staff participating in training on anti-corruption	Person	–	127	109
Proportion of management staff covered by anti-corruption training	%	–	100	100
Number of directors participating in training on anti-corruption	Person	13	15	15
Proportion of directors covered by anti-corruption training	%	100	100	100
Total hours of training on anti-corruption received by all directors	Hour	13	15	30
Number of concluded corruption litigation cases filed against the Company and its employees	Case	0	0	0

Note 1: The statistical calibre for “Number of concluded corruption litigation cases filed against the Company and its employees” is the scope of the consolidated financial statements of DFZQ. The statistical caliber of remaining items is current employees of the parent company of DFZQ.

Note 2: The statistics for 2023 are based on the total number of times of raining on anti-corruption that those employees have participated in, while the statistics for 2024 are based on the number of employees that have participated in training on anti-corruption as required by the Guidance of SSE.

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Part D: Climate-related Disclosures		
Climate-related Disclosures		Corresponding Sections of this Report/Other Remarks
Climate resilience		
26	26.a	Aligning Targets and Responding to Climate Change – Strategy
	26.b	Aligning Targets and Responding to Climate Change – Strategy
(III) Risk Management		
27	27.a	Aligning Targets and Responding to Climate Change – Risk Management
	27.b	Aligning Targets and Responding to Climate Change – Risk Management
	27.c	Aligning Targets and Responding to Climate Change – Risk Management
(IV) Metrics and Targets		
Greenhouse gas emissions		
28	28.a	ESG Data Table and Notes
	28.b	ESG Data Table and Notes
	28.c	ESG Data Table and Notes
29	29.a	ESG Data Table and Notes
	29.b	ESG Data Table and Notes
	29.c	ESG Data Table and Notes
	29.d	ESG Data Table and Notes

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Part D: Climate-related Disclosures

Climate-related Disclosures	Corresponding Sections of this Report/Other Remarks
Climate-related transition risks	
30	Due to current limitations in measurement capabilities and resources, statistical results for metrics such as the amount and percentage of the Company's total assets or business activities affected by climate-related transition risks involve high uncertainty. Therefore, "the reasonable information relief" is applied prudently in accordance with relevant Implementing Guidelines.
Climate-related physical risks	
31	Due to current limitations in measurement capabilities and resources, statistical results for metrics such as the amount and percentage of the Company's total assets or business activities affected by climate-related physical risks involve high uncertainty. Therefore, "the reasonable information relief" is applied prudently in accordance with relevant Implementing Guidelines.
Climate-related opportunities	
32	Due to current limitations in measurement capabilities and resources, statistical results for metrics such as the amount and percentage of the Company's total assets or business activities affected by climate-related opportunities involve high uncertainty. Therefore, "the reasonable information relief" is applied prudently in accordance with relevant Implementing Guidelines.
Capital deployment	
33	Aligning Targets and Responding to Climate Change – Strategy Aligning Targets and Responding to Climate Change – Metrics and Targets Practicing Responsible Investment

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Part D: Climate-related Disclosures		
Climate-related Disclosures		Corresponding Sections of this Report/Other Remarks
Internal carbon prices		
34	34.a	During the reporting period, the Company did not apply an internal carbon pricing mechanism. The Company will continue to monitor the development and policy trends of domestic and international carbon markets, and prudently assess the necessity and feasibility of introducing carbon pricing tools in the process of deepening its climate strategy in the future.
	34.b	
Remuneration		
35		During the reporting period, the Company did not include climate-related considerations in its remuneration policies.
Industry-based metrics		
36		Aligning Targets and Responding to Climate Change – Risk Management
Climate-related targets		
37	37.a	Aligning Targets and Responding to Climate Change – Indicators and Targets
	37.b	Aligning Targets and Responding to Climate Change – Indicators and Targets
	37.c	Aligning Targets and Responding to Climate Change – Indicators and Targets
	37.d	Aligning Targets and Responding to Climate Change – Indicators and Targets
	37.e	Aligning Targets and Responding to Climate Change – Indicators and Targets
	37.f	Aligning Targets and Responding to Climate Change – Indicators and Targets
	37.g	Aligning Targets and Responding to Climate Change – Indicators and Targets

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Part D: Climate-related Disclosures		
Climate-related Disclosures		Corresponding Sections of this Report/Other Remarks
38	37.h	Aligning Targets and Responding to Climate Change – Indicators and Targets
	38.a	During the reporting period, the climate-related targets and the methodology for setting the targets of the Company have not been validated by a third party.
	38.b	Aligning Targets and Responding to Climate Change – Indicators and Targets
	38.c	Aligning Targets and Responding to Climate Change – Indicators and Targets
	38.d	During the reporting period, no revisions have been made to the targets by the Company.
39		Aligning Targets and Responding to Climate Change – Indicators and Targets
40	40.a	Aligning Targets and Responding to Climate Change – Indicators and Targets
	40.b	Aligning Targets and Responding to Climate Change – Indicators and Targets
	40.c	Aligning Targets and Responding to Climate Change – Indicators and Targets
		In the “Sustainable Development Plan of DFZQ” published in 2021, the Company has established a net greenhouse gas emissions reduction target and is continuously advancing its achievement. Given that the reporting period remains within the current planning phase, the Company has not yet introduced new total greenhouse gas emissions targets. However, it plans to advance the formulation of such targets in the next planning cycle.
	40.d	During the reporting period, the climate-related targets of the Company were not derived using a sectoral decarbonisation approach.
	40.e	Aligning Targets and Responding to Climate Change – Indicators and Targets
Applicability of cross-industry metrics and industry-based metrics		
41		Applicability judgment has been made.

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GRI Index

Statement of use	DFZQ has prepared this report with reference to the GRI Standards, covering the reporting period from January 1, 2025 to December 31, 2025	
GRI 1 used	GRI 1: Foundation 2021	
GRI Standards	Disclosures	Location
GRI 2: General Disclosures 2021	2-2	About this Report
	2-3	About this Report
	2-4	About this Report
	2-5	Third-Party Independent Assurance Statement
	2-7	Advancing Talent Development Society Data Table and Notes
	2-8	Society Data Table and Notes
	2-9	Sustainable Development Governance and Strategy; Strengthening the Foundation of Governance
	2-10	Strengthening the Foundation of Governance
	2-11	Strengthening the Foundation of Governance
	2-12	About this Report
	2-13	Sustainable Development Governance and Strategies
	2-14	Sustainable Development Governance and Strategies
	2-22	Statement of the Board on Environmental, Social and Governance (ESG) Management Sustainable Development Governance and Strategies
	2-27	Environment; Social; Governance
	2-29	Topic Materiality Analysis

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GRI Standards	Disclosures	Location
GRI 3: Material Topics 2021	3-1	Topic Materiality Analysis
	3-2	Topic Materiality Analysis
	3-3	Environment; Social; Governance
GRI 201: Economic Performance 2016	201-1	Economy Data Table and Notes
	201-2	Aligning Targets and Responding to Climate Change
GRI 203: Indirect Economic Impacts 2016	203-1	Improving Risk Management
	203-2	Serving the Real Economy
		Aligning Targets and Responding to Climate Change
		Deepening Social Contribution
		Society Data Table and Notes
GRI 205: Anti-corruption 2016	205-1	Upholding Business Ethics
	205-2	
	205-3	
GRI 206: Anti-competitive Behavior 2016	206-1	Upholding Business Ethics
GRI 302: Energy 2016	302-1	Aligning Targets and Responding to Climate Change – Risk Management Environment Data Table and Notes
	302-2	
	302-3	
	302-4	

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GRI Standards	Disclosures	Location
GRI 303: Water and Effluents 2018	303-1	Aligning Targets and Responding to Climate Change – Risk Management Environment Data Table and Notes
	303-2	
	303-3	
GRI 305: Emissions 2016	305-1	Environment Data Table and Notes
	305-2	
	305-3	
	305-4	
	305-5	
GRI 306: Waste 2020	306-1	Aligning Targets and Responding to Climate Change – Risk Management
	306-2	Environment Data Table and Notes
	306-3	
GRI 308: Supplier Environmental Assessment 2016	308-1	Upholding Business Ethics
GRI 401: Employment 2016	401-1	Advancing Talent Development Society Data Table and Notes
	401-2	
	401-3	

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GRI Standards	Disclosures	Location
GRI 403: Occupational Health and Safety 2018	403-1	Advancing Talent Development Society Data Table and Notes
	403-2	
	403-3	
	403-5	
	403-6	
	403-7	
	403-8	
	403-9	
	403-10	
GRI 404: Training and Education 2016	404-1	Advancing Talent Development Society Data Table and Notes
	404-2	
	404-3	
GRI 405: Diversity and Equal Opportunity 2016	405-1	Advancing Talent Development Society Data Table and Notes
GRI 406: Non-discrimination 2016	406-1	Advancing Talent Development
GRI 408: Child Labor 2016	408-1	Advancing Talent Development
GRI 409: Forced or Compulsory Labor 2016	409-1	Advancing Talent Development
GRI 414: Supplier Social Assessment 2016	414-1	Upholding Business Ethics

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GRI Standards	Disclosures	Location
GRI 417: Marketing and Labeling 2016	417-1	Upholding Business Ethics
	417-2	
	417-3	
GRI 418: Customer Privacy 2016	418-1	Enhancing Products and Services Society Data Table and Notes

7. THIRD-PARTY INDEPENDENT ASSURANCE STATEMENT



ASSURANCE STATEMENT

REPORT ON SUSTAINABILITY ACTIVITIES IN THE ORIENT SECURITIES CO.,LTD.'S ESG REPORT FOR 2025

NATURE OF THE ASSURANCE/VERIFICATION
SGS-CSTC Standards Technical Services Co., Ltd. (hereinafter referred to as SGS-CSTC) was commissioned by ORIENT SECURITIES CO.,LTD. (hereinafter referred to as ORIENT SECURITIES) to conduct an independent assurance of the ESG Report for 2025 (Chinese version) for the period of January 1, 2025 to December 31, 2025.

INTENDED USERS OF THIS ASSURANCE STATEMENT
This Assurance Statement is provided with the intention of informing all ORIENT SECURITIES's Stakeholders.

RESPONSIBILITIES
The sustainability information in the ESG Report for 2025 and its presentation are the responsibility of ORIENT SECURITIES's ESG governing body and the management. SGS-CSTC has not been involved in the preparation of any of the material included in the ESG Report for 2025.

Our responsibility is to express an opinion on the sustainability performance information within the scope of assurance based upon sufficient and appropriate objective evidence.

SGS-CSTC hereby states that it shall not be held responsible or liable for any direct, indirect, incidental, or consequential damages or losses arising from or in connection with the use of information provided in this report.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE
The SGS Group ESG & Sustainability Report Assurance (SRA) protocols used to conduct assurance are based upon internationally recognised assurance standards including the ISAE 3000.

The assurance of this report has been conducted according to the following Assurance Standards:

Assurance Standard	Level of Assurance
ISAE 3000	Limited

SCOPE OF ASSURANCE
The scope of the assurance included evaluation of quality, accuracy and reliability of entire performance information as detailed below and evaluation of adherence to the following reporting criteria:

Reporting Criteria
GRI Standards 2021 (With Reference to)
Appendix C2 Environmental, Social and Governance Reporting Code of Listing Rules published by Hong Kong Exchanges and Clearing Limited (HKEX)
Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)

ESG PERFORMANCE
This assurance engagement is confined to verifying the material topic assessment process and accuracy and reliability of the entire sustainability performance information presented in the Orient Securities's ESG Report for 2025. The key performance highlights are as follows:

Environmental indicators	Social indicators	Governance indicators
Comprehensive energy consumption	Customer satisfaction rate	Number of trainings on anti corruption
Total water consumption	Total Number of employees	Proportion of directors covered by anticorruption training
Total Non-hazardous waste	Number of participants in training	
Total office paper consumption	Number of employee volunteer service participants	

ASSURANCE METHODOLOGY
The assurance comprised a combination of pre-assurance research, interviews with relevant employees on-site at No. 119, Zhongshan'an Road, Huangpu District, Shanghai, P. R. China, including documentation and record review and validation where relevant. This assurance engagement was restricted to the group level of ORIENT SECURITIES and did not include traceability of all original data from subordinate institutions.

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

LIMITATIONS AND MITIGATION

Data drawn directly from independently audited financial accounts and intensity data calculated based on financial data has not been checked back to source as part of this assurance process.

The greenhouse gas emission related data in the ESG Report for 2025 has been directly adopted from the independent third party verification data and has not been double verified in this audit.

STATEMENT OF INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and certification, operating in multiple countries and providing services. As an affiliate of SGS Group, SGS-CSTC affirm our independence from ORIENT SECURITIES, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment.

FINDINGS AND CONCLUSIONS

ASSURANCE/VERIFICATION OPINION

On the basis of the methodology described and the assurance engagement performed, no inaccuracies or reliability issues were identified within the scope of the sustainability performance information covered by the ORIENT SECURITIES's ESG Report for 2025.

ADHERENCE TO GRI STANDARDS 2021

The assurance team concludes that the ORIENT SECURITIES's ESG Report for 2025 has been prepared with reference to the requirements of GRI Standards 2021.

ADHERENCE TO APPENDIX C2 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE OF LISTING RULES PUBLISHED BY HKEX

The assurance team concludes that the ORIENT SECURITIES's ESG Report for 2025 has been prepared in accordance with the requirements of Appendix C2 Environmental, Social and Governance Reporting Code of Listing Rules published by HKEX.

ADHERENCE TO GUIDELINES NO. 14 OF SHANGHAI STOCK EXCHANGE FOR SELF-REGULATION OF LISTED COMPANIES—SUSTAINABILITY REPORT (TRIAL)

The assurance team concludes that the ORIENT SECURITIES's ESG Report for 2025 has been prepared in accordance with the requirements of Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial).

Signed:



For and on behalf of SGS-CSTC

David Xin
Sr. Director – Business Assurance
16/F Century Yuhui Mansion, No. 73, Fucheng Road, Haidian District, Beijing, P.R. China

Mar. 19th, 2026
WWW.SGS.COM



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8. ABOUT THIS REPORT

This report is the eleventh report on social responsibility issued by DFZQ (hereinafter referred to as the “DFZQ” or “Company”), and is also the third sustainable development report of the Company, aiming to disclose the actions taken by the Company and the results achieved in sustainable development management to all stakeholders.

Reporting Scope

Time scope:	from January 1, 2025 to December 31, 2025, with certain content beyond this scope.
Period of release:	This report is an annual report and its precedent was prepared for year 2024.
Organizational scope:	Unless otherwise stated, the scope of this report corresponds to that of the annual consolidated financial statements of the Company, namely including Orient Securities Company Limited and its subsidiaries (referred to as the “Group”). The full names and abbreviations of the companies within the consolidation scope covered in this report are set out in the table below.

Company full name	Abbreviations
Orient Securities Company Limited	DFZQ, the parent company or the Company
Shanghai Orient Securities Asset Management Co., Ltd.	Orient Securities Asset Management
Orient Finance Holdings (Hong Kong) Limited	Orient Finance Holdings
Orient Securities Futures Co., Ltd.	Orient Futures
Shanghai Orient Securities Capital Investment Co., Ltd.	Orient Securities Capital Investment
Shanghai Orient Securities Innovation Investment Co., Ltd.	Orient Securities Innovation
Orient Securities International Financial Group Co., Ltd.	Orient Securities International

Data statement

The data and cases in this report come from the original records or financial reports of DFZQ and its subsidiaries in actual operation. The financial data of this report are in RMB. In the event of any discrepancy between the financial report and this report, the financial report shall prevail.

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Basis of preparation

This report is prepared in accordance with the Environmental, Social and Governance Reporting Code of the Hong Kong Stock Exchange, with reference to the International Financial Reporting Standards Sustainability Disclosure Standard No. 1 – General Requirements for Disclosure of Sustainability-related Financial Information (IFRS S1) and the International Financial Reporting Standards Sustainability Disclosure Standard No. 2 – Climate-related Disclosures (IFRS S2) of the International Sustainability Standards Board (ISSB), as well as the Sustainability Accounting Standards for “Asset Management & Custody Activities” and “Investment Banking & Brokerage” industry standards of the Sustainability Accounting Standards Board (SASB).

Reporting principles

The process of preparation of this report follows the reporting principles of the Environmental, Social and Governance Reporting Guide of the Hong Kong Stock Exchange with reference to the GRI Standards’ principles for sustainable information disclosure, with specific application as follows.

- **Materiality:** The Company has identified material topics related to operations that are of concern to all stakeholders as the key focus of this report. This report focuses on the characteristics of the industry and business operations of the Company while reporting on material topics. Please refer to the “*Topic Materiality Analysis*” section in this report for details on the process and results of the analysis of topic significance.
- **Accuracy:** This report ensures the accuracy of information as much as possible. Among them, the calculation of quantitative information has explained the data caliber, calculation basis and assumptions to ensure that the scope of calculation errors will not have a misleading impact on users of information. For quantitative information and explanatory information, please refer to the section headed “*ESG Data Table and Notes*” in this report. The Board guarantees that there are no false records, misleading statements or material omissions in this report. At the same time, this report has been verified by a third party to issue a statement of assurance regarding the accuracy of the information contained in the report. For details, see the appendix headed “*Third-party Independent Assurance Statement*” of the report.
- **Balance:** The content of this report reflects objective facts and provides an unbiased disclosure of positive and negative information about the Company. The Company did not identify any negative incidents that should be disclosed but were not disclosed to the targets within the scope of this report during the reporting period.
- **Clarity:** This report is published in both Traditional Chinese and English versions. This report contains information such as forms and model diagrams, which are used as a supplement to the text of this report to facilitate stakeholders to better understand the text of the report. In order to facilitate faster information access to stakeholders, this report provides a table of benchmarking indexes for the catalogue and ESG standards.
- **Quantitativeness:** This report discloses key quantitative disclosure items and, as far as possible, discloses historical data. For details, please refer to the section “*ESG Data Table and Notes*.”

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- **Comparability:** This report maintains consistency in the statistical and disclosure methods of the same quantitative disclosure items across different reporting periods; if there are changes in the data collection, measurement, and calculation methods, retrospective adjustments are made to the relevant data, and the adjustments and reasons are explained in the report notes, enabling stakeholders to conduct meaningful analysis and assess the development trends of the Company's ESG data levels.
- **Completeness:** The scope of disclosure of this report is consistent with the scope of the Company's consolidated financial statements.
- **Timeliness:** This report is an annual report. The Company strives to publish the report as soon as possible after the end of the reporting year to provide timely information reference for stakeholders' decision-making.
- **Verifiability:** The cases and data in this report come from the original records or financial reports of the Company's actual operation. The Company adopts the HiESG performance management system to manage ESG quantitative performance over the years. The disclosed data sources and calculation processes are traceable and can be used to support external assurance inspections.

Publication

This report is published to the public in both Chinese and English in printed or electronic form. The electronic version of this report is available for download on the Company's website (<http://www.dfzq.com.cn>) and HKExnews's website (https://www.hkexnews.hk/index_c.htm).

