

**Guangdong Fogang Rural Commercial Bank
Co., LTD.,
Environmental Information Disclosure Report
2024**

2025.06

Report description

(1) Reporting Period

This report covers the period from 1 January 2024 to 31 December 2024.

(2) Reporting Cycle

This report is an annual report.

(3) Reporting Scope

This report is based on Guangdong Fogang Rural Commercial Bank Co., LTD., covering the head office and its branches.

(4) Data Explanation

The financial data in the report mainly based on the 2024 fiscal year and is derived primarily from the documents and materials of Guangdong Fogang Rural Commercial Bank Co., LTD..

(5) Compilation Basis

This report is compiled with full consideration of the wishes of stakeholders and the actual situation of the Fogang Rural Commercial Bank, following environmental disclosure requirements of the *Guidelines for Financial Institutions Environmental Information Disclosure (JR/T 0227-2021)*, the *Operational Manual on Environmental Information Disclosure for Banking Financial Institutions (Trial)*, the *Task Force on Climate-related Financial Disclosures (TCFD) Recommendations* and other documents.

(6) Reference

To facilitate presentation and reading, in this report, “Guangdong Fogang Rural Commercial Bank Co., LTD.” is referred to as “Fogang Rural Commercial Bank”, “Our bank” or “The Bank”.

(7) Forms of Release

This report is written in Simplified Chinese characters and is available to the public in both eco-friendly paper prints and PDF format. The PDF documents is available on the official website of the Bank.

(8) Report feedback and contact information

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I. Annual Overview

1. Annual Overall Overview

Guangdong Fogang Rural Commercial Bank Co., Ltd. traces its roots back to the 1950s and was restructured into a commercial bank in December 2018. Boasting a service network that covers both urban and rural areas across the region, it stands as the most influential bank in the locality. By the end of 2024, the bank had established 1 Head Office Business Department and 16 branch offices, with a staff of 286 on board, providing services to 6 towns and townships throughout the county. As of the end of 2024, the bank's total assets reached 14.611 billion yuan. Its total deposit balance stood at 10.736 billion yuan, representing a year - on - year increase of 4.63%, while the total loan balance hit 8.801 billion yuan, up by 5.98% year - on - year. The non - performing loan ratio was 0.92% and the provision coverage ratio reached 286%. It contributed 55 million yuan in local taxes, successfully achieving an effective balance among scale, quality and efficiency.

In 2024, adhering to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, Guangdong Fogang Rural Commercial Bank thoroughly implemented the spirits of the 20th National Congress of the Communist Party of China, the Third Plenary Session of the 20th Central Committee of the Communist Party of China and the Central Financial Work Conference. Centering on the specific "1310" deployment of the Provincial Party Committee, the bank fully practiced the concept of green development and actively responded to the national "dual carbon" strategy. Based on local realities, it deeply integrated green finance into its business development, thereby providing strong financial support for creating an overall beautiful and green landscape across Fogang and propelling the high - quality economic and social development.

2. Green Finance Development Plan

Fogang Rural Commercial Bank has incorporated the mission "Guard the lucid waters and lush mountains, be a responsible bank, and make Fogang a more beautiful place" into its Corporate Culture Manual. It has also integrated green finance development into the bank's overall development strategy. In response to the strategic goals of "carbon peaking and carbon neutrality" and based on its actual business operations, the bank formulated the Green Credit Development Strategy (2023–2025) of Guangdong Fogang Rural Commercial Bank Co., Ltd., which clarifies the guiding ideology, vision, philosophy and development goals of its green finance initiatives.

Green Development Vision: Guard the Lucid Waters and Lush Mountains, Be a Responsible Bank, and Make Fogang a More Beautiful Place.

Green Development Strategic Objective: Build a Green Bank and an Ecological Bank, and Support the Sustainable Development of the Local Economy.

Green Finance Strategic Planning:

1.Establish the green credit philosophy of conservation, environmental protection, low carbon and sustainable development; strive to provide a full range of green financial products and services, and fully implement green credit requirements.

2.In accordance with national industrial policies, credit policies and environmental protection requirements, prioritize the selection of customers and projects, increase key support for the green economy sector, and adopt measures such as appropriately raising risk tolerance and tilting economic capital to promote the development of green credit business.

3.Strengthen the monitoring, identification, control and mitigation of environmental and social risks in all links of green credit business; clarify the management requirements and key focus areas for each link, form a risk monitoring system covering the entire green credit business process, and ensure the compliance and sound operation of green credit business in accordance with the law.

4.Enhance the dynamic tracking and evaluation of customers' environmental and social information. Continuously monitor regulatory updates released by government authorities including environmental protection departments, food and drug supervision departments, and quality supervision, inspection and quarantine departments, as well as news media reports. For customers with potential major environmental and social risks, issue timely risk warnings, strengthen follow-up monitoring, and take effective risk prevention measures.

5.Improve internal control management and information disclosure of green credit. Establish an emergency response mechanism for major environmental and social risks of customers, a regular assessment system and an accountability system; improve the green credit assessment system and incentive mechanism, and ensure the proper conduct of green credit information disclosure.

6.Vigorously develop green credit and strive to achieve the "one growth and three controls" target for green credit. Among them, "one growth" means that the growth rate of green credit shall not be lower than that of all loans in the same period; "three controls" means controlling the non-performing loan ratio of green loans to be no higher than that of micro and small enterprise loans, strictly restricting loans to industries with high energy consumption, high pollution and overcapacity, as well as loans to enterprises that violate environmental protection and work safety laws and regulations.

Green Development Path: Promote the green credit philosophy of conservation, environmental protection and low carbon, foster the "hot spring culture", and establish a win-win sustainable development

model with society.

3.Green Finance Development Effect

In 2024, Fogang Rural Commercial Bank actively planned all aspects of green finance work and continuously enhanced its green finance service capabilities. The following achievements were made:

1.The green attributes of credit assets were significantly enhanced. As of the end of 2024, the balance of green credit of Fogang Rural Commercial Bank reached 0.904 billion yuan, accounting for 10.27% of the total loans, representing an increase of 0.12 billion yuan compared with the beginning of the year, with a growth rate of 15.34%, 9.36 percentage points higher than the growth rate of total loans. The number of green credit customers stood at 50, an increase of 2 compared with the beginning of the year; the weighted average interest rate of green loans was 4.62%, a decrease of 51 basis points from the beginning of the year. The overdue rate and non-performing rate of green credit both remained at 0, and there were no loans granted to enterprises that violated environmental protection and work safety laws and regulations.

2.Employees' awareness of environmental protection was strengthened, and per capita energy consumption dropped significantly. Integrating deeply into the national comprehensive green transition strategy, the Bank paid close attention to its own operation, implemented refined management in accordance with the relevant development concept of green operation, incorporated water conservation, electricity conservation and paperless office into the daily operation requirements, formed a low-carbon governance pattern with the participation of all staff, continuously improved employees' awareness of environmental protection, and reduced resource consumption. In 2024, the Bank's per capita energy consumption decreased by 10% compared with that in 2023.

4. Key environmental Performance Indicators

Table1 Environmental key performance¹

<i>Environmental Indicators</i>	<i>Environmental Indicators</i>	<i>Unit</i>	<i>Statistics for 2023</i>	<i>Statistics for 2024</i>
<i>Green Finance</i>	<i>Outstanding On-balance-sheet Loans</i>	<i>100 million yuan</i>	<i>83</i>	<i>88</i>
	<i>Outstanding On-balance-sheet Green Loans</i>	<i>100 million yuan</i>	<i>7.84</i>	<i>9.04</i>
	<i>Of Which: Ratio of Outstanding Green Loans (to Total Outstanding On-balance-sheet Loans)</i>	<i>%</i>	<i>9.44</i>	<i>10.27</i>
	<i>Increase from the Beginning of the Year</i>	<i>100 million yuan</i>	<i>0.73</i>	<i>1.20</i>
	<i>Growth Rate from the Beginning of the Year</i>	<i>%</i>	<i>10.27</i>	<i>15.31</i>

	<i>Number of Green Clients</i>	<i>Number of Entities</i>	<i>48</i>	<i>50</i>
<i>Green Office</i>	<i>Gasoline Consumption of Self-owned Vehicles</i>	<i>Liter(s)</i>	<i>48554</i>	<i>39383</i>
	<i>Electricity Consumption for Business and Office Operations</i>	<i>10,000 kWh</i>	<i>178.12</i>	<i>163.68</i>
	<i>Water Consumption for Business and Office Operations</i>	<i>Ton(s)</i>	<i>16980</i>	<i>16666</i>
	<i>Paper Consumption for Business and Office Operations</i>	<i>10,000 Pieces</i>	<i>94</i>	<i>90</i>
<i>Stress Testing</i>	<i>Whether environmental or climate risk stress testing or scenario analysis has been conducted</i>	<i>-</i>	<i>NO</i>	<i>NO</i>

¹ Data on outstanding on-balance-sheet green loans and total outstanding on-balance-sheet loans are compiled in accordance with the statistical standards of the People's Bank of China; data related to green office operations cover the entire bank.

II. Environmental governance structure

1.The Board of Directors

As the supreme decision-making body for green finance initiatives, the Board of Directors of Fogang Rural Commercial Bank is responsible for formulating the bank's overall green finance development strategy, approving the green credit targets formulated by the senior management and the green finance reports submitted thereby, and supervising and evaluating the implementation of the bank's green credit development strategy. Guided by the "1+N" Plan for the 14th Five-Year Plan period, the bank fully promotes the concept of green development featuring conservation, environmental protection, low carbon emissions and sustainable development.

2.The Senior Management

In accordance with the resolutions of the Board of Directors, the senior management of Fogang Rural Commercial Bank is responsible for formulating green finance targets, establishing green finance working mechanisms and processes, clarifying responsibilities and authorities, and conducting internal supervision, inspection, assessment and evaluation. The senior management has set up a Green Credit Leading Group, with the bank's responsible leader in charge as the group leader, to coordinate and advance the bank's green finance initiatives. It shall report on the progress of green finance work to the Board of Directors at least once a year, and submit and disclose information related to green finance to regulatory authorities in a timely manner in accordance with relevant provisions.

3.The Specialized Department

Fogang Rural Commercial Bank adopts a management model of unified leadership and division of responsibilities for green finance initiatives. Relevant departments perform their respective duties to jointly improve the level of green finance services and strengthen the capacity for preventing environmental and social risks.

Among these departments, the Head Office Credit Department, as the overall coordinating and managing department for the bank’s green finance business, is mainly responsible for formulating green credit development strategies and management systems, coordinating and advancing product innovation, business promotion and environmental information management, as well as conducting supervision and administration over the bank’s green credit operations.

Departments including the Head Office General Administration Department, Board Secretariat, Inclusive Finance Department, Treasury Department, Administrative Management Department, and Business Development & Sci-Tech Finance Department are responsible for the implementation of specific work within their respective mandates, such as green finance business promotion, risk management and back-office support.

All credit business departments and sub-branches shall take charge of promoting the compliant and sound development of green finance business.

III. Environment-related Policies and Systems

1. Carrying Out the Regional System

Table 2 Implementation Status of Regional Policies and Systems

<i>Policy Name</i>	<i>Issuing Authority</i>	<i>Year of Issuance</i>	<i>Measures/Interpretation</i>
<i>Implementation Opinions on Accelerating the Establishment and Improvement of a Green, Low-Carbon and Circular Economic System</i>	<i>People's Government of Guangdong Province</i>	<i>2021</i>	<i>1. Actively support the green development of industry within the jurisdiction. Prioritize financial support for projects related to building green parks, green factories and green supply chains in industrial parks or enterprises of Fogang County.</i>
<i>Implementation Plan for Vigorously Promoting the Development of Green Finance in Qingyuan City (2022-2025)</i>	<i>The Qingyuan Central Sub-branch of the People's Bank of China and seven other departments of Qingyuan City</i>	<i>2022</i>	<i>2. Actively promote the green and low-carbon development of agriculture. Increase credit fund input in the breeding, deep processing and large-scale circulation of agricultural products.</i>
<i>Implementation Plan of Guangdong Province for Developing Green Finance to Support</i>	<i>General Office of the People's Government of</i>	<i>2022</i>	<i>3. Explore and promote the value transformation of ecological</i>

<i>Carbon Peaking Actions</i>	<i>Guangdong Province</i>		<i>products. Strengthen financial support for industries that fully leverage red, green, cultural and characteristic resources to build a dynamic hot spring city, a Guangdong-Hong Kong-Macao Greater Bay Area hub for industry-university-research collaboration, and a destination for outdoor sports, leisure and consumption. 4.Promote the organic integration of green finance, inclusive finance and rural revitalization, accelerate product innovation, and continuously improve the product system serving rural revitalization. 5.Increase the supply of green credit products. Vigorously promote green credit products such as carbon emission right pledge loans, Homestay Loans, live pig pledge loans, Beautiful Village Loans, Photovoltaic Loans, forest tenure pledge loans and Beautiful Pond Loans.</i>
<i>Energy Conservation and Carbon Reduction Action Plan of Guangdong Province (2024-2025)</i>	<i>People's Government of Guangdong Province</i>	<i>2024</i>	
<i>Task Division Plan for Implementing the Guiding Opinions of the People's Bank of China and Six Other Ministries and Commissions on Further Strengthening Financial Support for Green and Low-Carbon Development</i>	<i>Qingyuan Branch of the People's Bank of China</i>	<i>2024</i>	
<i>Special Action Plan for Qingyuan to Implement the Five Key Financial Initiatives</i>	<i>Qingyuan Branch of the People's Bank of China</i>	<i>2024</i>	

2.Current Internal Policies, Management Measures, and Implementation Rules

Table 3 Policy and System Related to Climate and Environment

<i>Document Name</i>	<i>Main Content of the Document</i>
<i>Three-year Action Plan for Improving Corporate Governance of Guangdong Fogang Rural Commercial Bank Co., LTD. (June 2021 to June 2024)</i>	<i>It is proposed to continuously improve the stakeholder protection mechanism and actively fulfill social responsibilities. We will explore mechanisms to continuously implement the concept of innovative, coordinated, green, open and shared development and build harmonious social relations.</i>
<i>Green Credit Management Measures of Guangdong Fogang Rural Commercial Bank Co., LTD. (2021 Edition)</i>	<i>It clarifies the content of the bank's green credit business in terms of organizational management, policy systems, capacity building, process management, risk control and information disclosure, and guides all business departments and sub-branches to implement the full-process monitoring and management of corporate environmental information.</i>
<i>Green Credit Development Strategy of Guangdong Fogang Rural Commercial Bank Co., LTD. 2023-2025</i>	<i>It has set forth the strategic goal of "striving to achieve the 'one growth and three controls' target for green credit", where "one growth" means that the growth rate of green credit shall not be lower than that of all loans in the same period; "three controls" refer to keeping the non-performing loan ratio of green credit</i>

	<i>below that of micro and small enterprise loans, strictly controlling loans to industries with high energy consumption, high emissions and overcapacity ("Two Highs and One Overcapacity"), and loans to enterprises that violate environmental protection and work safety laws and regulations. Meanwhile, it has clarified the basic development strategy and specific work measures for the bank's green credit business.</i>
<i>Three-Year Implementation Plan for Fulfilling the "Five Key Financial Initiatives" of Guangdong Fogang Rural Commercial Bank Co., Ltd.</i>	<i>Clarify the working mechanisms and key tasks for continuously advancing the five key financial initiatives of sci-tech finance, green finance, inclusive finance, elderly care finance and digital finance. Seize the favorable opportunities presented by the ecological development of Beautiful Guangdong, increase support for the green, low-carbon and circular economy, and strengthen the innovation, application and promotion of green financial products. Strictly control carbon emissions, and resolutely prohibit credit access for projects with high energy consumption, high emissions, high pollution and low efficiency during the loan approval process.</i>

3.Practice of External Organizational System

In May 2022, Fogang Rural Commercial Bank became the first local corporate bank in Guangdong Province to sign the Principles for Responsible Banking (PRB) and a member of the United Nations Environment Programme Finance Initiative (UNEP FI), actively participating in international exchanges and cooperation in the field of sustainable finance under the UN framework.

The Bank adheres to the six core principles of the Principles for Responsible Banking, namely Alignment, Impact & Target Setting, Clients & Customers, Stakeholders, Corporate Governance & Culture, and Transparency & Accountability. It integrates these principles into its development strategy, asset structure and service offerings, and embeds sustainability elements across all business areas at the strategic, portfolio and transaction levels.

In December 2024, in accordance with relevant work requirements, the Bank submitted the Principles for Responsible Banking (PRB) Progress Report to the United Nations Environment Programme Finance Initiative (UNEP FI).

IV.Environmental Products Innovation and Research Achievements

1.Related Green Product Innovation and Project Cases

Case 1: Homestay Loan – Precisely Boosting the High-Quality Development of Tangtang Hot Spring Industry

Product Introduction: Homestay Loan is an exclusive financial credit product innovatively launched

to effectively advance the operation and development of Fogang County's characteristic hot spring and homestay tourism industry. It is tailored to meet the capital needs for the construction, renovation and upgrading of hot spring homestays.

Key Practices: In response to the characteristics and pain points of the development of Tangtang's hot spring industry, Fogang Rural Commercial Bank has channeled financial resources precisely into all links of the hot spring industrial chain through three major initiatives: targeted capital injection, service downward extension and technology empowerment. It continues to deepen financial empowerment, helping expand and strengthen the Tangtang hot spring industrial cluster and setting a demonstration model for rural revitalization across the province.

First, innovate products to support the construction and operation of hot spring homestays. Corresponding credit lines are granted based on the actual business scale and capital needs of homestay operators. Meanwhile, repayment terms and frequencies are reasonably set according to the operation cycle and capital recovery cycle of hot spring homestays, fully satisfying the capital demands of homestay businesses.

Second, establish a three-level linkage service system. Full-time customer managers, dedicated service windows and financial special commissioners are assigned at the head office, sub-branches and village committees respectively to strengthen industrial communication and connection, and accurately meet industrial needs.

Third, realize loan disbursement in as fast as 30 minutes through mobile marketing, on-site due diligence and online paperless loan processing, effectively improving the approval and disbursement efficiency of credit products such as Homestay Loan.

Key Achievements: Fogang Rural Commercial Bank has actively supported the development of Tangtang's hot spring cultural tourism industry. It has granted loans totaling over 26.53 million yuan to 64 homestays, helping Tangtang Town develop a large number of high-quality homestays through hot spring industry development and construction, which has effectively driven local economic development and increased the income of village residents. In addition, the Bank has provided loans exceeding 70 million yuan in total to two well-known local hot spring enterprises, facilitating industrial upgrading and forging Tangtang Hot Spring into a shining brand.

Conclusion: Precisely tap into the needs of local characteristic industries to achieve in-depth integration of industry and finance. By thoroughly understanding the development status, industrial scale and future direction of local cultural tourism characteristic industries, Fogang Rural Commercial Bank has identified the bottlenecks and pain points in the development of the hot spring industry, and developed corresponding

financial products in a targeted manner to accurately match the capital needs of the industry. Meanwhile, by establishing a trinity service system for the hot spring industry, which consists of full-time customer managers, exclusive credit solutions and special co-construction docking, the Bank has optimized services and resource allocation, steadily promoted the organic integration of cultural tourism industry and rural revitalization, and effectively boosted the development of local characteristic cultural tourism industry.

Case 2: Beautiful Rural Housing Loan – Supporting the Renovation of "Exposed-Brick Houses" in Rural Areas

Product Introduction: The Beautiful Rural Housing Loan is a personal loan launched by Fogang Rural Commercial Bank to support rural landscape upgrading and facilitate the smooth implementation of the "Project for High-Quality Development of 100 Counties, 1,000 Towns and 10,000 Villages". It is granted to rural and urban residents of the county for the construction, renovation or upgrading of rural houses.

Key Practices: In 2024, Fogang County issued the "Ten Major Action Plans", and pushed forward the "Project for High-Quality Development of 100 Counties, 1,000 Towns and 10,000 Villages" with the intensity of a "top-priority project", which includes the initiative to improve the quality of rural housing landscapes. In response to this, Fogang Rural Commercial Bank strengthened communication and coordination with the County Bureau of Housing and Urban-Rural Development, the County Bureau of Agriculture and Rural Affairs, and the County Bureau of Natural Resources. Targeting the issue of "exposed-brick houses" in rural Fogang, the Bank specially launched the new credit product – the Beautiful Rural Housing Loan. This loan is a RMB-denominated credit facility granted to borrowers on the premise that the borrowers or their family members hold the right to use rural homestead real estate properties or self-built rural houses, and have completed the confirmation of real estate rights for rural houses or obtained complete approval procedures for housing construction. It is exclusively used for the construction, renovation or upgrading of rural houses.

Key Achievements: In April 2024, Fogang Rural Commercial Bank issued the first Beautiful Rural Housing Loan of 450,000 yuan to Ms. Chen from Longxi, Shijiao Town, to support the renovation of "exposed-brick houses" in rural areas. An "exposed-brick house" refers to a building with exposed brick surfaces and poor exterior waterproofing performance. Such houses not only spoil the village appearance but also pose potential safety risks in severe weather conditions. The Beautiful Rural Housing Loan has effectively facilitated the renovation and upgrading of rural houses, eliminated safety hazards, and improved the overall rural landscape.

Conclusion: Financial work must uphold the people-centered principle, enhance the diversity, inclusiveness and accessibility of financial services, and better meet the growing financial needs of the general public. The Beautiful Rural Housing Loan will continue to support the local government in advancing the comprehensive improvement of the living environment, building ecologically livable and beautiful villages, and providing considerate financial services to the broad masses. It contributes the financial strength of rural commercial banks to the "Project for High-Quality Development of 100 Counties, 1,000 Towns and 10,000 Villages".

V.Environmental Risk Management Process

1.Identification and Assessment of Environmental Risks

(I) Process for Identifying and Confirming Key Environmental Issues

In strict accordance with the national "dual carbon" goals and action requirements, and in line with the provisions of policy documents such as the Guidelines for Green Finance in the Banking and Insurance Industries issued by the China Banking and Insurance Regulatory Commission, the Bank has integrated environmental risk management into its overall development plan.

All credit approval and risk management practices are implemented in accordance with the Green Credit Management Measures of Guangdong Folang Rural Commercial Bank Co., Ltd. (2021 Edition). The identification, assessment and management of environment-related risks are incorporated into all stages of pre-loan due diligence, in-loan monitoring and post-loan management. The Bank strictly complies with national industrial policies, environmental management and pollution control requirements, improves the professionalization level of environmental risk management, and promotes the development of green finance.

(II) Identified Material Issues of Stakeholders and Corresponding Response Measures

In strict accordance with the environmental disclosure sections specified in the Guidelines for Environmental Information Disclosure of Financial Institutions issued by the People's Bank of China, the Principles for Responsible Banking (PRB) launched by the United Nations Environment Programme Finance Initiative (UNEP FI), and the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), the Bank conducts identification, assessment and disclosure of material environmental issues concerning stakeholders.

For the Bank, the material environmental issues of concern to stakeholders at this stage mainly include environmental goals and strategic planning, environmental governance structure, environmental compliance management, environmental risk analysis, green financial products, green industry investment and financing,

environmental compliance management, environmental risk analysis, etc. Meanwhile, in response to the requirements of the United Nations Sustainable Development Goals (SDGs), the Bank has sorted out its management policies and specific measures for these material issues in accordance with the main principles and disclosure recommendations of GRI, PRB and TCFD corresponding to the issues. For details, please refer to the table below:

Table 4 Identification of environment major issues for stakeholders

Stakeholders	Material Environment-Related Issues	Corresponding SDGs Targets	Corresponding GRI/TCFD/PRB Criterion	The Bank's Response Measures
Management and Employees of the Head Office and All Branches	Environmental objectives and strategic planning; Environmental governance structure; Environmental compliance management; Environmental risk analysis; Green financial products; Green industry investment and financing; Green office; Green international principles.	6.Clean Water and Sanitation 7.Affordable and Clean Energy 11.Sustainable Cities and Communities 12.Responsible Consumption and Production 13.Climate Action 16.Peace, Justice and Strong Institutions	GRI 102-16 Values, Principles, Standards and Codes of Conduct GRI 102-2 Activities, Brands, Products and Services GRI 103-2 Management Approach and Elements GRI 102-20 Senior Management Responsibility for Economic, Environmental and Social Topics GRI 103-2 Management Approach and Elements GRI 102-20 Senior Management's Responsibility for Economic, Environmental and Social Themes GRI 102-37 Stakeholder Engagement GRI 302 Energy GRI 303 Waste rGRI 305 Emissions TCFD Disclosure Recommendations: 1. Governance; 2. Strategy; 3. Risk Management; 4. Metrics and Targets (b) Greenhouse Gas Emissions PRB Principle 1: Alignment PRB Principle 2: Impact and Target Setting PRB Principle 3: Clients and Customers PRB Principle 5: Corporate Governance and Culture PRB Principle 6: Transparency and Accountability	section1, section2, section3, section4, section5, section6, section8.

<p><i>Government and Regulatory Authorities</i></p>	<p><i>Environmental objectives and strategic planning; Environmental governance structure; Environmental compliance management; Environmental risk analysis; Green financial products; Green industry investment and financing; Environmental information transparency; Green cooperation, communication and publicity; Ecological environment protection; Response to climate change.</i></p>	<p><i>6.Clean Water and Sanitation 7.Affordable and Clean Energy 13.Climate Action 16.Peace, Justice and Strong Institutions</i></p>	<p><i>GRI 103-2 Management Approach and Elements GRI 102-20 Senior Management Responsibility for Economic, Environmental and Social Topics GRI 102-16 Values, Principles, Standards and Codes of Conduct GRI 102-2 Activities, Brands, Products and Services GRI 102-56 External Assurance GRI 109-29 Identification and Management of Economic, Environmental and Social Impacts GRI 102-31 Review of Economic, Environmental and Social Topics GRI 201-2 Financial Impacts, and Other Risks and Opportunities Arising from Climate Change TCFD Recommendations: 1. Governance; 2. Strategy; 3. Risk Management; 4. Metrics and Targets PRB Principle 1: Alignment PRB Principle 2: Impact and Target Setting PRB Principle 3: Clients and Customers PRB Principle 5: Corporate Governance and Culture PRB Principle 6: Transparency and Accountability</i></p>	<p><i>section1, section2, section3, section4, section5, section6, section8.</i></p>
<p><i>Shareholder</i></p>	<p><i>Environmental Targets and Strategic Planning Environmental Governance Structure Environmental Risk Analysis Environmental Governance Structure Environmental Information Disclosure</i></p>	<p><i>12.Responsible Consumption and Production 13.Climate Action 16.Peace, Justice and Strong Institutions 17.Partnerships for the Goals</i></p>	<p><i>GRI 102-20 Senior Management Responsibility for Economic, Environmental and Social Topics GRI 109-29 Identification and Management of Economic, Environmental and Social Impacts GRI 102-31 Review of Economic, Environmental and Social Topics GRI 102-20 Senior Management Responsibility for Economic, Environmental and Social Topics GRI 102-56 External Assurance GRI 102-12 External Initiatives TCFD Recommendations: 2.</i></p>	<p><i>section2, section4, section5, section6, section8.</i></p>

	<i>Green Communication and Publicity</i>		<i>Strategy; 3. Risk Management; 4. Metrics and Targets PRB Principle 2: Impact and Target Setting PRB Principle 3: Clients and Customers PRB Principle 5: Corporate Governance and Culture PRB Principle 6: Transparency and Accountability</i>	
<i>Client</i>	<i>Green Financial Products Environmental Risk Analysis Green Industry Investment and Financing</i>	<i>6. Clean Water and Sanitation 7. Affordable and Clean Energy 12. Responsible Consumption and Production 13. Climate Action</i>	<i>GRI 102-2 Activities, Brands, Products and Services GRI 109-29 Identification and Management of Economic, Environmental and Social Impacts GRI 102-31 Review of Economic, Environmental and Social Topics TCFD Recommendation 3: Risk Management PRB Principle 2: Impact and Target Setting PRB Principle 3: Clients and Customers PRB Principle 6: Transparency and Accountability</i>	<i>section4, section5, section6, Section7.</i>
<i>Partners and Media</i>	<i>Green Public Welfare Green Corporate Culture Green Cooperation and Publicity Ecological Environment Climate Change Response Biodiversity Green International Principles</i>	<i>11. Sustainable Cities and Communities 12. Responsible Consumption and Production 14. Life Below Water 15. Life on Land 16. Peace, Justice and Strong Institutions</i>	<i>GRI 102-37 Stakeholder Engagement GRI 102-2 Activities, Brands, Products and Services GRI 201-2 Financial Impacts, and Other Risks and Opportunities Arising from Climate Change GRI 304 Biodiversity PRB Principle 3: Clients and Customers PRB Principle 4: Stakeholders PRB Principle 5: Corporate Governance and Culture PRB Principle 6: Transparency and Accountability</i>	<i>section6, Section8.</i>

2. Environmental Risk Management and Control Process

In response to the identified material environmental issues, the Bank has adopted the following differentiated risk management measures:

In accordance with the environmental and social risk profiles of its clients, the Bank implements differentiated credit granting and approval processes. Enterprises rated as red or yellow in environmental credit assessments are deemed non-compliant with environmental standards, and in principle, the Bank prohibits any form of new credit support to such enterprises. The Bank shall not provide credit support for projects that fail to pass environmental impact assessment approval or environmental protection facility acceptance checks, nor for new projects falling under the restricted or eliminated categories as specified in national industrial policies. Additionally, the Bank will not extend credit to production-oriented enterprises that discharge pollutants without obtaining a pollutant discharge permit.

In response to the identified material environmental issues, the Bank has implemented the following full-process risk management practices:

Pre-loan Environmental Risk Identification. The Bank requires a comprehensive analysis of clients' environmental and social performance during the pre-loan due diligence phase. It assesses clients' environmental and social performance across all operational aspects, including raw material procurement, production and manufacturing, quality inspection, sales and transportation. The Bank evaluates and analyzes potential environmental, safety and health risks as well as the prevention and control measures adopted, ensuring that the credit investigation report provides thorough analysis of environmental and social performance and adequate risk disclosure.

In-loan Environmental Risk Assessment. Based on clients' environmental and social risk profiles, the Bank adopts differentiated credit granting and approval processes. It strictly controls loans to industries with high energy consumption, high emissions and overcapacity (Two Highs and One Overcapacity) and loans to enterprises that violate environmental protection and work safety regulations. The Bank will gradually withdraw credit granted to enterprises rated as red in environmental credit assessments and reduce the loan balance of enterprises rated as yellow. It shall not extend new loans to red-rated or blacklisted enterprises, nor shall it grant new credit facilities to yellow-rated enterprises. In special circumstances where new credit approval is required, the application must be submitted to the Credit Approval Committee of the Head Office for collective review and approval.

Post-loan Dynamic Risk Management. The Bank continuously monitors regulatory updates released by government authorities including environmental protection departments, food and drug supervision departments, quality supervision, inspection and quarantine departments, work safety supervision departments and land and resources management departments, as well as news media coverage. Meanwhile, it requires account managers to query client-specific information through channels such as the People's Bank of China Corporate Credit Reference System and environmental protection department websites. For

clients with potential material environmental and social risks, the Bank shall issue timely risk warnings, strengthen follow-up monitoring and implement targeted risk prevention measures.

VI. Impact of Environmental Factors on Financial Institutions

Environmental Risks and Opportunities of Financial Institutions

Table 5 Environmental Risk Identification and Opportunity Analysis

<i>Types of Environmental Risks</i>	<i>Environmental Risk Identification</i>	<i>Types of Risks</i>	<i>Environmental Risk Impact</i>	<i>Impact Time</i>	<i>Impact Range</i>	<i>Opportunities</i>
<i>Physical Risk - Acute</i>	<i>Extreme weather events such as typhoons and floods occurred</i>	<i>Operational risk and credit risk</i>	<i>The impact of property damage and power outages and network outages in extreme climates on banking operations and economic losses when disasters occur</i>	<i>Short- and medium-term</i>	<i>locally</i>	<i>Make use of big data innovation to improve cloud technology and network infrastructure construction; Study the application of natural disaster insurance tools</i>
<i>Transformation Risk - Technology</i>	<i>National, local and industrial emission standards are promoted while the requirements of clean production, energy saving and consumption reduction are becoming more stringent.</i>	<i>Credit risk, market risk</i>	<i>In order to meet the requirements of emission standards and energy conservation and consumption reduction, credit customers adopt technology, equipment renewal or business transformation, or invest in high-energy and high-carbon emission industry assets, resulting in unsustainable financial solvency, thus affecting the Bank's income</i>	<i>Medium- and long-term</i>	<i>locally</i>	<i>Pay attention to the industry development dynamics and standard updates, analyze the existing asset allocation of the Bank, carry out environmental stress tests in stages, and plan to gradually withdraw from the brown asset field; Gradually improve the construction of green financial infrastructure and increase the intensity of green credit</i>

VII.The Impact of Investment and Financing Activities on Climate and the Environment

(I)Environmental Benefits Generated by Investment and Financing Activities

Table 6 Environmental benefits supported by investment and financing activities

<i>Index Name</i>	<i>Disclosure</i>	<i>Statistics for 2024</i>
<i>Green loan destination</i>	<i>Energy saving and environmental protection industry (ten thousand yuan)</i>	64862.5
	<i>Clean production industry (ten thousand yuan)</i>	7771
	<i>Ecological environment industry(ten thousand yuan)</i>	17777.02
<i>Equivalent Emission Reduction of Green Loan Balance</i>	<i>Saved amount of standard coal (ton)</i>	5174.24
	<i>Saved amount of water (ton)</i>	27130.84
	<i>Carbon dioxide equivalent emission reduction (ton)</i>	2713.08

(II)Greenhouse Gas Emissions Supported by Investment and Financing Activities

Table 7 Greenhouse Gas Emissions Supported by Investment and Financing Activities²

<i>Index Name</i>	<i>Disclosure</i>	<i>Statistics for 2024</i>
<i>Environmental impact of project investment and financing activities</i>	<i>Total balance of project financing business (ten thousand yuan)</i>	52944.56
	<i>Total number of project financing business (transaction)</i>	20
	<i>Carbon dioxide equivalent emission (ton)</i>	1675.06
<i>Environmental impact of non-project investment and financing activities</i>	<i>Total balance of non-project financing business (ten thousand yuan)</i>	84634.24
	<i>Total number of non-project financing business (transaction)</i>	24
	<i>Carbon dioxide equivalent emission (ton)</i>	30003.19
<i>Environmental impact of investment and financing in eight major industries</i>	<i>Loan balance of eight major industries (Ten thousand Yuan)</i>	12495
	<i>Number of customers involved in eight major industries (number)</i>	5
	<i>Loan proportion of eight major industries (percent)</i>	1.42
	<i>Carbon dioxide equivalent emission (ton)</i>	9823.26

² 1.The accounting scope for the environmental impacts generated by investment and financing activities is defined as the on-balance-sheet list of corporate loans.

2.The accounting of carbon dioxide equivalent emissions converted from project-based and non-project-based investment and financing activities shall be conducted in accordance with the accounting boundaries and methodologies specified in the Guidelines for Carbon Accounting of Financial Institutions.

3.The eight key industries refer to the industry coverage and codes specified by the Ministry of Ecology and Environment,

including power generation, building materials, iron and steel, non-ferrous metals, petroleum refining and petrochemicals, chemicals, papermaking, and civil aviation.

VIII. The Impact of Business Activities on Climate and the Environment

(I) Resource Consumption Generated by Business Activities

Table 8 Resource Consumption and GHG Emission of Operating Activities³

<i>Index Name</i>	<i>Disclosure</i>	<i>Emission(ton)</i>	<i>Per Capita(ton)</i>
<i>Direct Greenhouse Gas Emissions (Scope 1)</i>	<i>Gasoline Consumed by Owned Means of Transport</i>	<i>86.67</i>	<i>0.30</i>
	<i>Fuel Consumed by the Canteen</i>	<i>35.6</i>	<i>0.12</i>
	<i>Fuel Consumed by Generator Sets</i>	<i>1.24</i>	<i>0.04</i>
	<i>Summation</i>	<i>123.71</i>	<i>0.43</i>
<i>Indirect Greenhouse Gas Emissions (Scope 2)</i>	<i>Electricity Consumed for Business Operations and Office Use</i>	<i>771.77</i>	<i>2.70</i>
	<i>Summation</i>	<i>771.77</i>	<i>2.70</i>
<i>Greenhouse Gas Emissions (Scope 3)</i>	<i>Employee Business Travel</i>	<i>5.51</i>	<i>0.02</i>
	<i>Employee Commuting</i>	<i>8.28</i>	<i>0.03</i>
	<i>Office Paper</i>	<i>4.16</i>	<i>0.01</i>
	<i>Summation</i>	<i>17.95</i>	<i>0.06</i>
<i>Total Greenhouse Gas Emissions</i>	<i>Summation</i>	<i>913.43</i>	<i>3.19</i>

³ 1. The scope of direct and indirect natural resource consumption statistics generated by business activities in 2024 is the entire bank;

2. The calculation of per capita emissions is based on a statistical caliber of 286 people corresponding to the emissions.

(II) Environmental Protection Measures and Achievements

Table 9 Management of Environmental Measures

Management Content	Management Measure	Project Implementation
<i>Power-Saving Management</i>	<i>Air Conditioning management</i>	<i>The office air conditioning temperature shall not be lower than 26°C in summer and 20°C in winter, and the windows shall not be opened during the operation of the air conditioning.</i>
	<i>Lighting management</i>	<i>Turn off the lights in time when leaving the office for a long time or after work, and ask employees to turn off the lights as they go out to stop the ever-bright light.</i>
	<i>Elevator management</i>	<i>It is suggested that employees use the stairs to walk up and down within 3 floors, and implement the floor use of the elevator to reduce the energy consumption of the elevator.</i>
<i>Water-Saving Management</i>	<i>Use Sensor Faucets</i>	<i>Use energy-saving induction faucets in the bathroom to avoid water waste caused by forgetting to turn off the faucet.</i>
	<i>Turn Off the Tap When Leaving</i>	<i>The washing water in the bathroom and the tea room should be cut off when people leave, and the water source switch should be turned off during holidays.</i>
<i>Material Conservation Management</i>	<i>Purchase office supplies rationally</i>	<i>Purchase office supplies rationally based on actual needs, publicly disclose the consumption of supplies by each department on a regular basis, and prevent resource waste. Make full use of video conferences, electronic display screens and projectors to reduce the use of paper materials. No office supplies such as document bags or notebooks shall be distributed during meetings.</i>
	<i>Advocate Paperless Office</i>	<i>The application for company seal, office articles, transportation and meeting room has changed from the traditional paper application to the online application for approval. Promote the electronization of business data, change the conference data to iPad electronic reading, and reduce paper consumables.</i>
<i>Fuel Saving Management</i>	<i>Standardize Vehicle Usage Management</i>	<i>Centralized management of official vehicles is implemented. Vehicles need to be reserved first with the unified deployment by special personnel. Vehicle routes and personnel collocation are reasonably arranged, employees are encouraged to share cars to work, so as to improve the efficiency of vehicle use and reduce the frequency of vehicle use.</i>
<i>Grain Saving Management</i>	<i>Canteen Management</i>	<i>1. Use the mini program for food ordering to collect meal requirements in advance and prepare appropriate meals to avoid wasting food and canteen resources. 2. The canteen is changed from the original separate meal to buffet, and employees can choose how much to eat, so that there is no waste of food, and the procurement of food materials in the canteen is more accurate.</i>

IX.Data Sorting, Verification and Protection

(I)Data Sorting and Verification

The Bank attaches great importance to data quality management, and in accordance with the Guidelines on Data Governance of Banking Financial Institutions (issued by CBIRC [2018] No. 22), Data Governance Management Measures of Guangdong Rural Credit Union (2022 Edition) and other relevant provisions, we have formulated multiple data security management systems, including the Data Governance Management Measures of Guangdong Fogang Rural Commercial Bank Co., Ltd. (2023 Edition), Information Security Management Measures of Guangdong Fogang Rural Commercial Bank Co., Ltd. (2022 Edition), Information Technology Risk Management Measures of Guangdong Fogang Rural Commercial Bank Co., Ltd. (2023 Edition), Comprehensive Plan for Information Technology Emergencies of Guangdong Fogang Rural Commercial Bank Co., Ltd. (2023 Edition), covering the entire life-cycle management of electronic data - collection, transmission, storage, usage, deletion and destruction. It is conducive to clarify the operational standards for each stage and ensure the integrity, availability, and confidentiality of information.

In terms of organizational structure, the Bank establishes the organizational structure of data governance of the whole bank in accordance with the principle of "top-down, multi-level implementation", and clarifies the division of responsibilities of the Board of Directors, the Board of Supervisors, senior management and relevant departments. At the same time, the data governance work leading group is established in the Head Office, led by the deputy secretary of the Party Committee (president) who comprehensively coordinates the construction of network security management of the whole bank. The Planning and Finance Department serves as the centralized management department for data governance, coordinating and organizing relevant functional departments to carry out data governance related work.

(II) Data Security and Subject Rights and Interests

The Bank has fully deployed security access control, security audit and security monitoring technical measures, and fully blocked the external interfaces of office terminals to prevent sensitive data from flowing out. The internal network implements technology access control, and external personnel and equipment cannot access production system data without authorization; A series of security protection devices are deployed in the Internet access network area to ensure encrypted transmission of sensitive information and data. Open access management rights in accordance with the principle of least privilege, realize the separation of responsibilities in key posts, and two people are assigned to key affairs to ensure the security of information data operation and management; Regularly carry out network security awareness training,

publicize information security management requirements and relevant laws and regulations, and enhance employees' compliance security awareness; Carry out regular information security inspection to ensure the effective implementation of information security system. In 2023, the Bank's various information security protection measures were effectively implemented and no major information security incidents occurred.

(III) Emergency Plan

In accordance with the relevant requirements of the Guidelines for Information Technology Risk Management of Commercial Banks and the Specifications for Emergency Management of Emergencies in Important Banking Information Systems (Trial), and combining with the actual conditions of the Bank, Guangdong Fogang Rural Commercial Bank Co., Ltd. has formulated a series of systems and emergency plans, including the Measures for Information Security Organization and Management of Guangdong Fogang Rural Commercial Bank Co., Ltd. (2023 Edition), the Measures for Information Technology Risk Management of Guangdong Fogang Rural Commercial Bank Co., Ltd. (2023 Edition), the Comprehensive Emergency Plan for Information Technology Emergencies of Guangdong Fogang Rural Commercial Bank Co., Ltd. (2023 Edition), and the Emergency Plan for Computer Information Systems of Guangdong Fogang Rural Commercial Bank Co., Ltd. (2023 Edition). These documents clearly define the division of responsibilities, handling procedures and reporting channels for sensitive information leakage incidents. The Bank also conducts regular emergency drills to ensure that in the event of data security emergencies, it can respond quickly and orderly to minimize losses.

X.Green Finance Innovation and Research Outcomes

(1) Green Finance Research Outcomes

Won the "Xinhua Credit Jinlan Cup" ESG Excellent Case Award — Excellent Case for Social Responsibility

On December 9, 2024, the case "Upholding Finance for Good: Building a Responsible Bank with Warmth and Commitment" submitted by Fogang Rural Commercial Bank was selected into the list of ESG Excellent Cases — Excellent Cases for Social Responsibility of the 3rd "Xinhua Credit Jinlan Cup". This case went through the joint evaluation of institutions including the School of Environment and Natural Resources of Renmin University of China, China Energy Conservation Association, China ESG Research Institute, China Economic Information Service, State Administration for Market Regulation, China Council for the Promotion of Brand Development, and Capital University of Economics and Business. It was officially released at the event "Climate Finance and Investment Empowering Urban New Productive Forces & Mingzhu Bay International Futures Forum", which is part of the 2024 Mingzhu Bay International Climate

Finance and Investment Conference held in Nansha, Guangzhou.

In recent years, Fogang Rural Commercial Bank has adhered to the philosophy of finance for good, served the real economy, and fulfilled its social responsibilities as a bank. The bank has guided financial capital to key areas related to people's livelihood such as micro and small enterprises, green industries, agriculture-related sectors, inclusive finance, entrepreneurship and poverty alleviation. It has given play to the leverage role of finance as an "accelerator", made contributions to social environment and public well-being, and promoted common prosperity of the society.

(2) Future Outlook

2025 marks the final year of the 14th Five-Year Plan for the Party and the country, as well as a crucial year for formulating the blueprint of the 15th Five-Year Plan. Fogang Rural Commercial Bank will continue to thoroughly implement the guiding principles of the 20th National Congress of the Communist Party of China, the Central Economic Work Conference and the Central Financial Work Conference. It will build a green finance service system tailored to the actual conditions of Fogang, give full play to the positive role of green finance in adjusting industrial structures, transforming development modes, advancing ecological civilization construction and promoting sustainable economic development, and drive the comprehensive, in-depth and high-quality development of green finance business, so as to provide strong financial support for the green transition of Fogang County's economy and society.

"Lucid waters and lush mountains are invaluable assets." Going forward, Fogang Rural Commercial Bank will continuously enhance its green finance service capabilities, focus on key sectors in green finance, facilitate the green transformation of traditional industries, innovate exclusive green financial products, and implement the full-process management of environmental and social risks. Meanwhile, the Bank will strengthen energy conservation, carbon reduction and efficiency improvement, carry out refined management, and raise all staff's awareness of conservation, environmental protection and ecological protection. Guided by the philosophy of "appreciating the beauty of others to achieve shared beauty", the Bank will strive to take the lead in the high-quality development of green finance.

Appendix 1: Statistical caliber and calculation expression of self-operated greenhouse gases

With reference to the *IPCC Guidelines for National Greenhouse Gas Inventories, Guidelines on Enterprises Greenhouse Gas Emissions Accounting and Reporting* issued by the National Development and Reform Commission, the *Guidelines for Measuring Energy Saving and Emission Reduction in Green Credit Projects* (hereinafter referred to as the Guidelines) in the *Green Financing Statistical System (2020 edition)* of former China Banking and Insurance Regulatory Commission, we calculate the direct and indirect greenhouse gas emissions generated by the bank's business activities combined with the corresponding carbon dioxide emission coefficient, after collecting data on various energy activities consumed by our own business activities. The calculation formula is as follows:

$$CO_2 = \sum_1^n E_i \times \alpha_i$$

CO₂ - CO₂ emissions in project, unit: ton of CO₂;

E_i - The amount of a certain energy consumption variety in project, in tons (or megawatt hours or ten thousand cubic meters, etc.);

α_i - CO₂ emission coefficient of energy consumption varieties of the project, unit: ton of CO₂/ton (or ton of CO₂/megawatt hour or ton of CO₂/10000 cubic meters);

The power carbon dioxide emission factor is based on the average carbon dioxide emission factor of China's regional power grids, with the emission factor of the Central China Regional Power Grid being 0.5257 tCO₂/MWh.

The carbon dioxide emission coefficients for natural gas, diesel, and gasoline are taken from the "Guidelines". For energy-saving varieties such as natural gas, the carbon dioxide emission coefficient is 2.17 kilograms of carbon dioxide per standard cubic meter; The energy-saving varieties include diesel (including power diesel for transportation and fuel diesel) and gasoline as fuel, both of which have a carbon dioxide emission coefficient of 3.16 kilograms of carbon dioxide per kilogram of diesel. The carbon dioxide emission coefficient of power gasoline for transportation is 2.98 kilograms of carbon dioxide per kilogram of gasoline.

The per capita carbon footprint is converted by the number of employees corresponding to the bank's energy collection caliber, and the calculation formula is as follows:



$$X = \frac{\sum_1^{12} (\text{月末人数})}{12}$$

Number of people at the end of month

Appendix 2: Calculation and expression of environmental benefits of green credit

According to the *Guidelines* issued by the former China Banking and Insurance Regulatory Commission in June 2020, different calculation methods have been set for green credit projects based on different industries and environmental benefits involved. Our bank uses this as the standard for calculating the environmental benefits of green credit projects within the Bank. The emission reduction data of the green bond and green credit investment projects involved in this report are calculated according to the methods in the *Guidelines*. The key data involved in environmental benefit calculation comes from the feasibility study report and relevant approval documents of the project, as well as the actual production and operation parameters of the project. The required correlation coefficients and default values for calculation are provided by the *Guidelines*.

Renewable energy project

The possible environmental benefits of renewable energy projects include: standard coal conservation benefits, carbon dioxide equivalent, sulfur dioxide, nitrogen oxides, fine particulate matter emission reduction benefits, and water conservation benefits. The biomass power generation and heating projects do not calculate the benefits of carbon dioxide emission reduction and water conservation.

Take the power generation and heating activities within the project scope as the boundary, the energy consumption and pollutant emissions of coal-fired power generation and heating activities as the baseline, and assume that the project's external power supply can be fully connected to the grid, without considering issues such as wind and solar power curtailment.

(1) The Amount of energy saving

$$E = W_g \times \beta \times 10 + Q_g \times b_g \times 10^3$$

Note: This formula is applicable to solar power generation, wind power, hydropower, biomass energy generation, and heating projects, but does not include solar thermal utilization projects. If the calculated project has no heating capacity, the heating capacity data in the formula will be taken as zero. In the formula:

E - Annual standard coal saving capacity, unit: ton of standard coal;

W_g - Annual power supply of the project, unit: 10000 kilowatt hours;

β - National average coal consumption for thermal power supply in the year of project commissioning, unit: kg of standard coal/kWh; This value is taken from the national average coal consumption data for

thermal power supply in the previous year of environmental benefit calculation;

Q_g - Annual heat supply of the project, unit: million GJ;

B_g - Average coal consumption for centralized heating boiler rooms nationwide, unit: kg standard coal/GJ. The default value is 40 kg of standard coal/GJ.

$$E = A \times \alpha \times 10^4$$

This formula is applicable to solar thermal utilization projects. In the formula:

E - Annual saving capacity of standard coal for the project, unit: ton of standard coal;

A - Scale of solar thermal utilization of the project, unit: 10000 square meters;

α - Conversion of standard coal quantity based on unit utilization scale, unit: ton of standard coal per square meter. The default value for solar hot water projects is 0.15 ton of standard coal/square meter.

(2) CO₂ equivalent emission reduction

$$CO_2 = W_g \times \alpha_i + Q_g \times b_g \times 10^3 \times 2.21$$

Note: This formula calculates the carbon dioxide emission reduction based on the renewable energy supply and regional power grid baseline emission factors, combined with the heating supply. In the formula:

CO₂ - Carbon dioxide equivalent emission reduction of the project, unit: ton of carbon dioxide;

W_g - Annual power supply of the project, unit: megawatt hours;

α_i - Carbon dioxide baseline emission factor of the regional power grid where the renewable energy generation project is located, unit: ton of carbon dioxide/megawatt hour; This value is updated with data from the national regulatory authorities;

Q_g - Annual heat supply of the project, unit: million GJ; If only generating electricity without heating, the Q_g value is zero;

B_g - Average coal consumption for centralized heating boiler rooms nationwide, unit: kg of standard coal/GJ. The default value is 40 kg of standard coal/GJ.

(3) Reduction of sulfur dioxide emission

$$SO_2 = \frac{W_g}{\beta_k} \times \beta_i \times \lambda_i \times \alpha_i \times 10$$

In the formula:

SO₂ - Annual reduction of sulfur dioxide emission, unit: ton;

W_g - Annual power supply of the project, unit: 10000 kilowatt hours;

β_i - Annual average coal consumption for power supply of national thermoelectric generating set of the project commissioning, unit: kg/kWh; This value is taken from the national average coal consumption data

for thermal power supply in the previous year of environmental benefit calculation;

β_k - Conversion coefficient of raw coal to standard coal, unit: kg of standard coal/kg, default value is 0.7143 kg of standard coal/kg;

λ_i - Average sulfur content of coal in the project location, unit:%; The default value is 1.2%;

α_i - Average sulfur dioxide release coefficient (pollutants producing coefficient) in general survey of national thermoelectric generating set (coal-fired), with a default value of 1.7.

(4) Reduction of nitrogen oxides

$$NO_x = \frac{W_g}{\beta_k} \times \beta_i \times k \times 10^{-2}$$

In the formula:

NO_x - Annual reduction of indirect nitrogen oxides, unit: ton;

W_g - Annual power supply of the project, unit: 10000 kilowatt hours;

β_i - Annual average coal consumption for power supply of national thermoelectric generating set of the project investment (or commissioning), unit: kg of standard coal/kWh;

β_k - Conversion coefficient of raw coal to standard coal, unit: kg of standard coal/kg, default value is 0.7143 kg of standard coal/kg;

k - Nitrogen oxide pollution coefficient of thermoelectric generating set (coal-fired), unit: kg/ton (note: according to the value of newly built coal-fired low nitrogen burner, the default value is 3.30 kg/ton).

Cogeneration combined heat and power project

The cogeneration combined heat and power project has the benefits of saving standard coal, as well as reducing carbon dioxide emissions, sulfur dioxide and nitrogen oxides, and fine particulate matter emissions. This type of project uses the separation of heat and electricity (cold) production as the baseline for energy consumption and pollutant emissions.

(1) Calculation of Standard Coal Conservation and Parameter Selection

$$E = W_g \times (b_a - b_{gd}) \times 10 + Q \times (b_{ar} - b_{gr}) \times 10^3$$

In the formula:

E - Energy saving of the project, unit: ton of standard coal;

W_g - Annual power supply of the project, unit: 10000 kilowatt hours;

b_{gd} - Standard coal consumption for power supply of the project, unit: kg of standard coal/kWh;

b_a - Annual average coal consumption for power supply of national thermoelectric generating set of the project commissioning, unit: kg of standard coal/kWh;

Q - Annual heating (cooling) capacity of the project, unit: million GJ;

b_{gr} - Coal consumption for heating of the project, unit: kg of standard coal/GJ;

b_{ar} - The average heating coal consumption of central heating boilers nationwide, unit: kg of standard coal/GJ. The default value is set to 40 kg of standard coal/GJ.

(2) Calculation of carbon dioxide equivalent emission reduction

$$CO_2 = \sum_1^n E_i \times \alpha_i$$

CO_2 - CO_2 emission reduction of the project, unit: ton of CO_2 ;

E_i - The physical savings of a certain energy consumption variety of the project, unit: ton (or 10000 kilowatt hours or cubic meters, etc.);

α_i - CO_2 emission coefficient of energy consumption varieties of the project, unit: kg of CO_2 /kg (or cubic meter).

(3) Calculation of sulfur dioxide emission reduction and parameter selection

$$SO_2 = \sum_1^n E_i \times \lambda_i \times \alpha_i$$

SO_2 - Sulfur dioxide reduction, unit: ton;

E_i - The physical savings of energy saving varieties of the project, unit: ton (or 10000 kilowatt hours, etc.);

λ_i - Sulfur content of energy-saving varieties in the project; Take 1.2%;

α_i - Sulfur dioxide pollution coefficient of energy consumption varieties in the project production process, unit: kg/ton of fuel

(4) Calculation of nitrogen oxide emission reduction and parameter selection

$$NO_x = \sum_1^n N_i \times \kappa_i \times 10^{-3}$$

NO_x - Nitrogen oxides Reduction, unit: ton;

N_i - The physical savings of a certain energy consumption variety of the project, unit:ton;

κ_i - Nitrogen oxide pollution coefficient of energy-saving varieties in the project, unit: kg/ton.

Sewage treatment project

The environmental benefits generated by sewage treatment projects include: reduction of chemical oxygen demand, ammonia nitrogen, total nitrogen, total phosphorus and other environmental benefits.

(1) Chemical Oxygen Demand Reduction

$$COD = N \times (\phi_j - \phi_{ch}) \times 10^{-2}$$

COD - Direct reduction of chemical oxygen demand, unit: ton/year;

N - Annual sewage treatment capacity for wastewater treatment project design, unit: 10000 tons/year;

ϕ_j - Average concentration of chemical oxygen demand at the intake, unit: milligrams/liter;

ϕ_{ch} - Designed average concentration of chemical oxygen demand at the outlet, unit: milligrams/liter.

(2) Ammonia nitrogen reduction

$$NH = N \times (\psi_j - \psi_{ch}) \times 10^{-2}$$

NH₃-N - Direct reduction of ammonia nitrogen, unit: ton/year;

N - Annual sewage treatment capacity for wastewater treatment project design, unit: 10000 tons/year;

ψ_j - Average concentration of ammonia nitrogen at the intake, unit: milligrams/liter;

ψ_{ch} - Designed average concentration of ammonia nitrogen at the outlet, unit: milligrams/liter;

(3) Total nitrogen reduction

$$TN = N \times (\lambda_j - \lambda_{ch}) \times 10^{-2}$$

TN - Direct reduction of total nitrogen, unit: ton/year;

N - Annual sewage treatment capacity for wastewater treatment project design, unit: 10000 tons/year;

λ_j - Average concentration of total nitrogen at the intake, unit: milligrams/liter;

λ_{ch} - Designed average concentration of total nitrogen at the outlet, unit: milligrams/liter;

(4) Total phosphorus reduction

$$TP = N \times (\mu_j - \mu_{ch}) \times 10^{-2}$$

TP - Direct reduction of total phosphorus, unit: ton/year;

N - Annual sewage treatment capacity for wastewater treatment project design, unit: 10000 tons/year;

μ_j - Average concentration of total phosphorus at the intake, unit: milligrams/liter;

μ_{ch} - Designed average concentration of total phosphorus at the outlet, unit: milligrams/liter;

Urban electric bus project

Update and purchase buses and trams with low emission, design energy-saving standards that are superior to existing old vehicles, and calculate the standard coal savings, carbon dioxide equivalent emissions reduction, and the emissions reduction benefits of sulfur dioxide, nitrogen oxides, fine particulate

matter, and volatile organic compound of the purchase project.

The project of updating and purchasing low emission buses and trams to replace existing fuel vehicles, should take the goal of achieving the same transportation function as the project boundary, and the operating energy consumption and pollutant emissions of existing fuel vehicles as the baseline.

(1) Saving amount of standard coal

$$E = (\omega_c - \omega_h) \times \rho \times \beta \times N \times K \times 10^{-1}$$

This formula is applicable to the situation where high-efficiency fuel buses replace inefficient fuel buses. In the formula:

E - Standard coal savings of the project, unit: ton of standard coal/year;

ω_c - Design fuel consumption of old vehicles before the implementation of the vehicle renewal project, unit: liter/hundred kilometers; If the design fuel consumption of old vehicles cannot be obtained, the actual fuel consumption of old vehicles can be substituted into ω_c ;

ω_h - After the implementation of the vehicle update project, update the design fuel consumption of the purchased vehicles, unit: liter/hundred kilometers;

ρ - the volumetric mass conversion coefficient of the oil product, which is the density of the oil product and is related to the oil product grade., unit: kilogram/liter;

β - Vehicle fuel conversion factor, unit: kg of standard coal/kg. According to the *General Principles for Comprehensive Energy Consumption Calculation (GB/T2598)*, the conversion coefficient of gasoline to standard coal is 1.4714 kilograms of standard coal per kilogram; The conversion coefficient of diesel to standard coal is 1.4571 kilograms of standard coal per kilogram;

N - Amount of updated vehicles, unit: vehicle;

K - Estimated annual transportation workload for purchasing vehicles, unit: 10000 kilometers.

(2) CO₂ equivalent emission reduction

$$CO_2 = (\omega_c - \omega_h) \times \rho \times \alpha_{oil} \times K \times N \times 10^{-1} \text{ ①}$$

$$CO_2 = (\omega_c \times \rho \times \alpha_{oil} - \omega_h \times \alpha_{electricity}) \times K \times N \times 10^{-1} \text{ ②}$$

Formula 1 is applicable to the situation where high-efficiency fuel buses replace inefficient fuel buses.

Formula 2 is applicable to the scenario where electric buses replace inefficient fuel buses. In the formula:

CO₂- Carbon dioxide equivalent emission reduction of the project, unit: ton of CO₂/year;

ω_c - Design fuel consumption of old vehicles before the implementation of the vehicle renewal project,

unit: liter/hundred kilometers; If the design fuel consumption of old vehicles cannot be obtained, the actual fuel consumption of old vehicles can be substituted into ω_c ;

ω_h - After the implementation of the vehicle replacement project, the designed power consumption of the newly purchased electric vehicles, unit: kWh/100km;

ρ - Volumetric mass conversion coefficient of the oil product, which is the density of the oil product and is related to the oil product grade., unit: kg/liter;

α_{oil} - Greenhouse gas emission coefficient of power fuel, unit: ton of carbon dioxide/ton of fuel. The greenhouse gas emission coefficients of diesel and power gasoline are: 3.16kgCO₂/kg, 2.98kgCO₂/kg;

$\alpha_{electricity}$ - Greenhouse gas emission coefficient of electricity, measured in kg of CO₂/kilowatt hour. The emission coefficient is determined based on the average carbon dioxide emission factor of the power grid in the project area;

K - Estimated annual transportation workload for purchasing vehicles, unit: 10000 kilometers;

N - Number of updated vehicles, unit: vehicle.

Carbon Sink and Forestation Project

The possible environmental benefits of carbon Sink and Forestation Project include carbon dioxide emission reduction benefits. The main consideration is the annual change in carbon sink of forest biomass within the project boundary. Calculation formula for carbon dioxide emission reduction benefits:

$$CO_2 = \sum \alpha_i \times \Delta V_i \times D_i \times BEF_i \times (1 + R_i) \times 0.5 \times 44 / 12$$

In the formula:

CO₂ - Annual increase of carbon sink through forestation or forest nurturing of various tree species in the carbon sink area, unit: ton of CO₂/year;

α_i - Forestation area or forest nurturing area of a certain tree species, unit: hectare (ha);

ΔV_i - Annual increase in aboveground volume per unit area of a certain tree species, unit: cubic meters/hectare/year;

D_i - Basic wood density of a certain tree species, unit: ton/cubic meter;

BEF_i - Average biomass expansion factor of a certain tree species, dimensionless; Used to convert trunk volume into aboveground biomass of trees;

R_i - Root to stem ratio of a certain tree species; Dimensionless. The ratio of underground biomass to aboveground biomass of tree species i;

0.5- Carbon content in the biomass of each tree species;

44/12 - The ratio of the molecular weight of CO₂ to C.

Recycling of waste resources.

The environmental benefits of the waste resource recycling project mainly include: standard coal saving, carbon dioxide equivalent emission reduction, sulfur dioxide emission reduction, water saving benefits, etc.

(1) Saving standard coal

$$E = P \times (\Delta E / 1000)$$

Formula:

P - Recycling amount of project renewable resources, unit: ton;

ΔE - Recovery of energy savings per unit of resource, unit: kg of standard coal/ton of renewable resources.

(2) Calculation of water-saving amount and parameter selection

$$W = P \times \Delta w$$

Formula:

P - Recycling amount of project renewable resources, unit: ton;

Δw - Water-saving amount per unit of resources recovered, unit: cubic meter/ton of recycled resources.

(2) Calculation of sulfur dioxide emission reduction and parameter selection

$$SO_2 = P \times \Delta SO_2$$

Formula:

P - Recycling amount of project renewable resources, unit: ton;

ΔSO_2 - Sulfur dioxide emission reduction per unit of resource recovered, unit: ton of sulfur dioxide/tons of recycled resources.

Appendix 3 Measurement and expression of greenhouse gas emissions from investment and financing activities

Referring to the *Guide on the Carbon Accounting Technology for Financial Institutions(Trial)*, our bank carries out the calculation of greenhouse gas emissions from investment and financing activities. Among them, the measurement of greenhouse gas emissions of enterprises/projects is carried out in accordance with GB/T 32150 and relevant standards for enterprise greenhouse gas emission accounting and reporting, methods and *Reporting Guidelines for Enterprise Greenhouse Gas Emission Accounting (Trial)*, *ISO 14064-1* and other requirements to calculate their carbon dioxide emissions during the reporting period. The production activity data involved in the accounting is calculated based on the carbon emissions or energy consumption data provided by the customer, and the relevant factors. The default values are obtained by searching for relevant standards.

The carbon emissions of the projects/enterprises supported by our investment and financing activities are calculated based on the ratio of the monthly average financing amount of the enterprise or project to the total assets of the enterprise or total investment of the project at the end of our reporting period. The specific calculation formula is as follows:

Project financing business:

$$E_{\text{项目业务}} = E_{\text{项目}} \times \left(\frac{V_{\text{投资}}}{V_{\text{总投资}}} \right)$$

$$E_{\text{Project business}} = E_{\text{Project}} \times (V_{\text{Investment}} / V_{\text{Total investment}})$$

Formula:

$E_{\text{Project business}}$: Carbon emissions corresponding to project financing business during the reporting period, unit: tCO₂e;

E_{Project} : Carbon emissions of the project during the reporting period, unit tCO₂e;

$V_{\text{Investment}}$: The Bank's average monthly investment in the project during the reporting period, unit: 10,000 yuan;

$V_{\text{Total investment}}$: Total project investment, unit: 10000 yuan;

Non-project financing business:

$$E_{\text{非项目业务}} = E_{\text{主体}} \times \left(\frac{V_{\text{融资}}}{V_{\text{收入}}} \right)$$

$$E_{\text{Non-project business}} = E_{\text{Entities}} \times (V_{\text{Financing}} / V_{\text{Income}})$$

Formula:

E_{Non-project business}: Carbon emissions corresponding to non-project financing business during the reporting period, unit: tCO₂e;

E_{Entities}: Carbon emissions of non-project financing entities during the reporting period, unit: tCO₂e;

V_{Financing}: The Bank's average monthly investment in non-project financing of the enterprise during the reporting period, unit: 10000 yuan;

V_{Income}: Main business income of the main business of the enterprise during the reporting period, unit: 10000 yuan;

Appendix 4 Progress Report on the Principles for Responsible Banking (PRB)

The Principles for Responsible Banking (PRB) provide a global framework to ensure that the strategies and practices of signatory banks are aligned with the needs of society in the future. This framework enables the sector to align with the global goals and targets set out in the Sustainable Development Goals and the *Paris Climate Agreement*. As one of the signatories of the PRB, the Bank has always been based on the common demands of various stakeholders in economic and social development, and is committed to maximizing the comprehensive value of the economy, environment and society.

Principle 1: Consistency

The Bank actively alters its business strategy to ensure alignment with, and contribution to, individual needs and societal goals as outlined in SDGs, the *Paris Climate Agreement* and relevant national and regional frameworks.

The Board of Directors of the Bank reviewed and approved the *Development Plan for "14th Five-Year" of Guangdong Fogang Rural Commercial Bank Co., LTD.*, and proposed the "14th Five-Year Plan" strategic development plan of the Bank, focusing on actions and measures in the fields of green finance and rural digital inclusive finance, and implementing the concept of sustainable development. We will continue to practice the concept of green development, continuously improve the stakeholder protection mechanism, and actively fulfill our social responsibilities. We will explore mechanisms to constantly implement the concept of innovative, coordinated, green, open and shared development and build harmonious social relations.

Principle 2: Influence and Goal Setting

The Bank is committed to continuously increasing our positive impact while reducing and managing the negative impact of our activities, products and services on people and the environment. To this end, the Bank will set and publish targets that will have the most significant impact.

The Bank adheres to the concept of green development, actively innovates green financial products, and optimizes green financial service schemes, to promote the Bank's green finance work. The Bank issued the *Green Credit Management Measures of Guangdong Fogang Rural Commercial Bank Co., LTD. (2021 Edition)*. The document further clarifies the organization and management, policies and systems, capacity building, process management, risk control, information disclosure and other aspects of the Bank's green credit business, and guides all business departments and branches to implement the whole process monitoring and management of enterprise environmental information, and forms a risk monitoring system covering the whole green credit business process to achieve legal compliance and steady operation of green

credit business.

The Bank has formulated relevant development targets in accordance with high-impact target areas, such as green finance development strategy, green credit annual target, inclusive loan growth target, etc., to promote consistency with and contribute to the SDGs and the *Paris Climate Agreement*.

Principle 3: Clients and Customers

The Bank is committed to working responsibly with its clients and customers to encourage sustainable practices, promote economic activity and create shared prosperity for present and future generations.

The Bank continues to increase financial support to the field of green development, constantly improve product innovation ability, vigorously promote carbon emission right pledge loan, photovoltaic power generation loan and other green credit products, while designing a series of characteristic inclusive financial products to support the development of local agricultural industry like Yishenzi Loan, Baoyu Loan, live pig loan, beautiful rural Loan, forest rights loan, beautiful pond loan, etc.

The Bank actively supports the green development of industry in Fogang County, promotes the green and low-carbon development of agriculture, explores promoting the value transformation of ecological products, and increases financial support for making full use of red, green, antique and characteristic resources to build a vitality city with hot springs, a gathering place of Industry-University-Research in the Bay Area, and an outdoor sports and leisure consumption destination industry.

Principle 4: Stakeholders

The Bank proactively and responsibly consults, interacts and cooperates with stakeholders to ensure timely and full understanding of the key sustainable development needs of stakeholders and takes measures to respond.

The Bank attaches great importance to the communication with stakeholders, through constructing perfect communication mechanism, so as to ensure the normalized communication with all key stakeholders. The Bank places a high premium on the publicity and promotion of green concepts, actively plays the role of new media platform, carries out various forms of green concept publicity activities, shares industry practical experience, and encourages relevant parties to participate in interaction.

The Bank adheres to green operation, strengthens consumable management, reduces office costs, promotes the electronization of business data, sets energy saving target planning, puts an end to "ever-bright light" and "endless water" to prevent the waste of resources. Save resources in office activities, reduce the direct and indirect loss of water, electricity, paper, oil and other energy, as well as reduce the direct and indirect emissions of greenhouse gases, so as to improve energy efficiency and protect the environment.

The Bank adheres to the principle of people-oriented, cares for employees, improves employee

incentive mechanism and training system, gives full play to the role of employee congress, attaches importance to and protects the legitimate rights and interests of employees.

Principle 5: Corporate governance and banking culture

The Bank will fulfill its commitment on the Principles for Responsible Banking through effective corporate governance and a responsible banking culture.

Our bank is committed to creating a "hot spring culture", which includes: a hot spring culture that integrates financing and intelligence for customers, a "win" culture with enthusiasm and attitude, and a compliance culture of healthy and sustainable development. This means that financial instruments should serve the people with warmth, closeness, and thoughtfulness like a continuous stream of hot spring water that warms the body and mind. At the same time, our bank should also be like a "healthy spring" that has flowed for millions of years, always maintaining a healthy texture and youthful vitality, and steadily moving forward.

The Bank will continue to improve the internal green finance system, actively promote green finance, strategically plan to establish a green bank and an ecological bank, contribute to the development of rural finance at county level, and support the sustainable development of local economy. The Bank has set up a green credit leading group in the senior management, which is responsible for approving and supervising the formulation and implementation of green credit development strategies and objectives, as well as studying and making suggestions on other relevant major decisions.

Principle 6: Transparency and accountability

The Bank will regularly review individual and collective implementation of these principles and maintain transparency and accountability for our positive and negative impacts and our contribution to societal goals.

In addition, the Board of Directors of the Bank attaches great importance to the environment, society and governance of the Bank, comprehensively conforms to the national 14th Five-Year Plan, formulates the strategic development plan of the Bank, and promotes the implementation of carbon peak and carbon neutral goals of the Bank. In the annual report and environmental information disclosure report, the Bank discloses the progress of relevant practices as a responsible bank, discloses relevant sustainable performance indicators, explains the methods and details of budget indicators in the report, and releases them on open channels such as the official website.

Attached list 1: Index of Guidelines for the Principles for Responsible

Banking (PRB)

Index Content	Response	Link/ Reference
Principle 1: Consistency		
We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals (SDGs), the <i>Paris Climate Agreement</i> and relevant national and regional frameworks.		
<p>1.1 Business Model (Summary) Describe the Bank’s Business Model This section is to describe the Bank’s business model, including the main customer groups served, the types of core products and services provided, as well as the major industries and activity types within the key geographic regions where the Bank operates and delivers products and services. In addition, please quantify the relevant information, such as by disclosing the geographical and sectoral distribution (in percentage terms) of the Bank’s investment portfolio (i.e., on-balance sheet and/or off-balance sheet), or by reporting the number of customers and clients served.</p>	<p>Adhering to its positioning as a local, rural and inclusive bank, the Bank has thoroughly practiced the initiatives of supporting agriculture, supporting micro-enterprises and promoting green inclusive finance. As of the end of 2024, Fogang Rural Commercial Bank has established 1 Head Office Business Department and 16 sub-branches, serving 6 towns across the county. The Bank mainly provides deposit and loan financial services. By the end of 2024, the number of its loan customers reached 28,000, representing a 17% year-on-year increase.</p>	<p>Chapter 1 of the 2024 Environmental Information Disclosure Report, Pages 1–4</p>
<p>Strategic consistency Has sustainability been identified and reflected as a strategic priority of the Bank in your corporate strategy? <input checked="" type="checkbox"/>Yes <input type="checkbox"/>No Please describe how the Bank has adjusted and/or plans to adjust its strategy to align with the Sustainable Development Goals (SDGs), the Paris Agreement on Climate Change, as well as relevant national and regional frameworks. Has the Bank referenced any of the following frameworks or sustainability regulatory reporting requirements in its strategic priorities or corporate policies to support the implementation of the Principles? <input type="checkbox"/>UN Guiding Principles on Business and Human Rights <input type="checkbox"/>International Labour Organization fundamental conventions <input type="checkbox"/>UN Global Compact <input type="checkbox"/>UN Declaration on the Rights of Indigenous Peoples <input checked="" type="checkbox"/>Any applicable regulatory reporting requirements on environmental risk assessments, e.g. on climate risk -</p>	<p>The Bank has continued to advance the building of a community with a shared future for mankind, supported international frameworks and agreements such as the United Nations Sustainable Development Goals (SDGs) and the Paris Agreement, and joined hands with all stakeholders to build a better world. Centering on the development strategy outlined in the 14th Five-Year Plan, the Bank has fully implemented the new development philosophy featuring innovation, coordination, green development, openness and sharing. It has earnestly fulfilled its responsibilities as a "leading local financial institution", committed itself to serving rural vitalization, focused on key areas including energy conservation and environmental protection, intensified efforts in product innovation, and</p>	<p>Chapter 1 of the 2024 Environmental Information Disclosure Report, Pages 1–4</p>

<p>please specify which ones: Guidelines for Green Finance in Banking and Insurance Industry of former China Banking and Insurance Regulatory Commission</p> <p><input type="checkbox"/> Any applicable regulatory reporting requirements on social risk assessments, e.g. on modern slavery - please specify which ones: _____</p> <p><input type="checkbox"/> None of the above</p>	<p>accelerated the implementation of green finance businesses. As a result, the Bank has achieved steady growth in both the scale and proportion of green loans, and secured new progress in high-quality development. As of the end of 2024, the balance of green credit of Fogang Rural Commercial Bank stood at 904 million yuan, accounting for 10.27% of the total loans. Compared with the beginning of the year, the balance increased by 120 million yuan with a growth rate of 15.34%, outpacing the growth rate of total loans.</p>	
<p>Principle 2: Impact & Goal Setting</p>		
<p>We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.</p>		
<p>2.1 Impact Analysis (Key Step 1)</p>		
<p>Show that your bank has conducted an impact analysis on investment portfolios, and identified the areas of most significant impact and the areas for which objectives are set on a priority basis. The impact analysis shall be updated regularly and fulfil the following requirements/elements (a-d):</p>		
<p>a) Scope: What is the scope of the Bank’s impact analysis? Please describe which core business areas and products/services in the Bank’s major operating regions (as specified in Section 1.1) are covered by the impact analysis, as well as which areas are not yet included and the reasons therefor.</p>	<p>The scope of our bank's impact analysis mainly includes absorbing RMB public deposits, issuing RMB short-term, medium-term, and long-term loans; Handling entrusted loans, domestic settlements, bill acceptance and discounting, and other related businesses; Acting as an agent to issue, redeem, and underwrite government bonds; Engage in interbank lending, bank card, guarantee and other businesses; Provide safe deposit box services.</p>	<p>Chapter 1 and Chapter 4 of the 2024 Annual Report, Pages 1–4 and Pages 11–20</p>
<p>b) Portfolio Composition Has the Bank considered the composition of its investment portfolio (expressed as a percentage) in the analysis? Please provide the proportional composition of the Bank’s investment portfolio on a global basis and for each region. i) For the commercial, corporate and investment banking portfolio, please break it down by sector and industry (i.e., percentage of sector exposure or industry segmentation) and/orii) For the consumer and retail banking portfolio, please break it down by product and service type as well as customer category.</p>	<p>As of the end of 2024, the balance of corporate loans of the Bank stood at 4.539 billion yuan, accounting for 51.58% of the total customer loans in the year. Among this, the balance of loans to the manufacturing sector reached 2.332 billion yuan, making up 26.5% of the total loans. As of the end of 2024, the balance of personal loans of the Bank was 4.262 billion yuan, accounting for 48.42% of the total customer loans in the</p>	<p>Chapters 1, 7 and 8 of the 2024 Annual Report, Pages 1–4 and Pages 17–20</p>

<p>If the Bank adopts other methodologies to determine the scale of its risk exposure, please provide a detailed explanation to demonstrate how the Bank considers the positioning of its core businesses/main activities in terms of industries or sectors.</p>	<p>year.</p>	
<p>c) Policy Background: What are the key challenges and priorities related to sustainable development in the major countries/regions where your bank and/or your clients conduct business? Please describe the considerations given to these factors, including which stakeholders you have collaborated with to provide information for this impact analysis element.</p> <p>This step aims to place the impact of your bank’s investment portfolio in the context of social needs.</p>	<p>Against the backdrop of the carbon peaking and carbon neutrality goals, green finance, as a powerful tool to support green and low-carbon development, has become an important instrument for boosting the green development of countries and regions. Based on its actual conditions, the Bank has prioritized support for green finance and inclusive finance initiatives, contributing to environmental improvement and social development.</p>	<p>Chapters 3 and 4 of the 2024 Environmental Information Disclosure Report, Pages 6–10</p>
<p>d) With respect to these aspects (at least two priority impact areas):</p> <p>Performance Measurement: Has your Bank identified the industrial sectors, industries, and types of clients receiving financing and investment that generate the most significant positive or negative actual impacts? Please describe how you assess these performances (using appropriate indicators related to the material impact areas that align with the policy context of the region and country where your Bank operates).</p> <p>When selecting priority areas for target-setting from the most impactful areas, you should take into account your Bank’s current performance level, i.e., the qualitative and/or quantitative indicators and/or proxy indicators that reflect the social, economic, and environmental impacts arising from the Bank’s activities and the products and services it provides. If you have identified climate and/or financial health and financial inclusion as the most impactful areas, please also refer to the applicable indicators in the annexes.</p> <p>If your Bank adopts other methodologies to assess the intensity of impacts generated by its activities and the products and services it provides, please provide an explanation.</p> <p>The outcomes of this step will also serve as a baseline (including indicators) that can be used to set targets in the two most impactful areas.</p>	<p>The launch of the Bank's characteristic green credit products such as carbon emission right pledge loans and photovoltaic power generation loans has generated positive environmental and social benefits.</p> <p>Through innovative products including Yishenzi Loans, Baoyu Loans, live pig pledge loans, Beautiful Countryside Loans, forest tenure rights loans and Beautiful Pond Loans, the Bank effectively integrates green finance, inclusive finance and rural revitalization. This integration drives the agricultural transformation and upgrading as well as urban-rural integration in Fogang County, accelerates rural revitalization and advances the construction of a Beautiful China.</p>	<p>Chapters 4 and 10, Pages 8–10 and Pages 22–23 of the 2024 Environmental Information Disclosure Report</p>
<p>Self-Assessment Summary:</p> <p>Which parts of the impact analysis has your bank completed to identify the areas where your bank has the greatest positive and negative (potential) impacts?</p>		

Scope:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> In progress	<input type="checkbox"/> No
Portfolio Composition:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> In progress	<input type="checkbox"/> No
Context:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> In progress	<input type="checkbox"/> No
Performance Measurement:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> In progress	<input type="checkbox"/> No
Through impact analysis, which areas with the greatest impacts have you identified for your bank?			
Climate change mitigation, climate change adaptation, financial health & inclusion			
When were the data used and disclosed in the impact analysis updated?			
<input type="checkbox"/> Up to 6 months prior to publication			
<input checked="" type="checkbox"/> Up to 12 months prior to publication			
<input type="checkbox"/> Up to 18 months prior to publication			
<input type="checkbox"/> Longer than 18 months prior to publication			
Open a text box to describe potential challenges, aspects not covered above, etc. (optional)			
2.2 Target Setting (Key Step 2)			
State that your bank has set and published at least two targets, which address a minimum of two high-impact areas identified in your impact analysis.			
These targets must be Specific, Measurable (qualitative or quantitative), Achievable, Relevant and Time-bound (summarized as SMART). Please disclose the following target-setting elements (a-d) for each target separately.			
<p>a) Alignment:</p> <p>which international, regional or national policy frameworks to align your bank's portfolio with have you identified as relevant? Show that the selected indicators and targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks.</p> <p>You can build upon the context items under 2.1</p>	<p>The Bank adheres to the concept of green development, actively innovates green financial products, optimizes green financial service solutions, and commits to the organic integration of its own development and the fulfillment of social responsibilities. It supports the rural revitalization strategy, continuously increases credit support for the agricultural sector, develops inclusive finance businesses, and contributes to common prosperity.</p>	<p>Chapters 1, 4, 6 and 10, Pages 1–4, 8–10, 16–17 and 22–23 of the 2024 Environmental Information Disclosure Report.</p>	
<p>b) Baseline:</p> <p>Have you determined a baseline for selected indicators and assessed the current level of alignment? Please disclose the indicators used as well as the year of the baseline.</p> <p>You can build upon the performance measurement undertaken in 2.1 to determine the baseline for your target. A package of indicators has been developed for climate change mitigation and financial health & inclusion to guide and support banks in their target setting and implementation journey. The overview of indicators can be found in the Annex of this template.</p> <p>If your bank has prioritized climate mitigation and/or financial health & inclusion as (one of) your most significant impact areas, it is strongly recommended to report on the indicators in the Annex, using an overview table like below including the impact area, all relevant indicators and the corresponding indicator codes:</p>	<p>Our bank has selected the end of 2022 data as the baseline for the above indicators.</p>		

Impact area	Indicator code	Response		
Climate change mitigation	A.1.2	The Bank has carried out the calculation and disclosure of carbon emission data, and actively explored its own operational carbon neutrality work.		
	A.1.3	Our bank actively engages in cooperation with customers and has established customer relationship related policies.		
	A.1.5	Through green financial products including Yishenzi Loans, Baoyu Loans, Live Pig Pledge Loans, Beautiful Countryside Loans, Forest Tenure Rights Loans and Beautiful Pond Loans, Fogang Rural Commercial Bank effectively integrates green finance, inclusive finance and rural revitalization. As of the end of 2024, the balance of the Bank's green credit stood at 904 million yuan, accounting for 10.27% of the total loans. Compared with the balance at the beginning of the year, it increased by 120 million yuan, representing a growth rate of 15.34%, which is significantly higher than the average growth rate of all loans.		
	A.4.1	The launch of the Bank's characteristic green credit products such as carbon emission right pledge loans and photovoltaic power generation loans has		

		generated positive environmental and social benefits. In 2024, the green credit extended by the Bank achieved an annual saving of 5,174.24 tons of standard coal, an annual reduction of 2,713.08 tons of carbon dioxide emissions, and an annual water conservation of 27,130.84 tons.		
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Impact area	Indicator Code	Response		
Financial health & inclusion	C.1.1	In terms of credit service mechanism, the Bank implements preferential loan interest rates for key customers such as inclusive small and micro enterprises and green finance, and guides operating units to actively increase their marketing efforts for inclusive small and micro green loans. In the research and optimization of loan products, our bank has launched multiple financial products suitable for small and micro enterprises to address their financing difficulties. In the green operation of inclusive financial products, our bank adheres to technological innovation, continuously promotes the construction of green channels, and uses technologies such as big data and mobile internet to improve service efficiency and convenience.		
	C.3.3	Since its launch in November 2021, the Bank has continuously upheld its fundamental mission of serving the people through finance, advanced the "Household Coverage Program" in depth, and built a framework integrating "government services accessible to every village + financial services accessible to		

	<p>every household". The Bank has established information files for over 300,800 entities across the county, including permanent households, individual industrial and commercial households, and micro and small enterprises, with 94,900 clients granted pre-approved credit or formal credit lines.</p>		
<p>If you have identified other and/or additional indicators, please ensure that these indicators are relevant for determining the baseline and assessing the consistency level of the impact-driven targets, and disclose them accordingly.</p>			
<p>c) SMART targets (including key performance indicators (KPIs)):</p> <p>Please disclose the targets for your first and your second area of most significant impact, if already in place (as well as further impact areas, if in place). Which KPIs are you using to monitor progress towards reaching the target? Please disclose.</p>		<p>Based on the impact analysis results, our bank has set the growth rate of green finance and inclusive finance as our SMART goals.</p> <ol style="list-style-type: none"> 1. Green finance goal: The annual growth rate of green loans should not be lower than the average growth rate of all loans of our bank. 2. Inclusive finance goal: The annual growth rate of inclusive loans should not be lower than the average growth rate of all loans of our bank. <p>Our bank has set two KPIs, namely the growth rate of green loans and the growth rate of inclusive loans, in the "Annual Business Target Assessment Plan", and monitors the achievement of the goals through quarterly assessments.</p>	
<p>d) Action plan:</p> <p>Which actions including milestones have you defined to meet the set targets? Please describe.</p> <p>Please also show that your bank has analyzed and acknowledged significant (potential) indirect impacts of the set targets within the impact area or on other impact areas and that it has set out relevant actions to avoid, mitigate, or compensate potential negative impacts.</p>		<ol style="list-style-type: none"> 1. Strategic planning. First, the "14th Five-Year Plan" was formulated, clearly stating that during the "14th Five-Year Plan" period, the scale of green credit will be maintained to grow, ensuring that the growth rate of green credit is higher than that of all loans, and planning for the proportion of green credit to exceed 11% by the end of 2025, with the growth rate of inclusive loans meeting regulatory requirements. Second, the "Green Credit Development Strategy of Guangdong Foge Rural Commercial Bank Co., Ltd. (2023-2025)" was formulated to guide the development of green credit. Third, the 	

	<p>"Comprehensive Promotion Plan for 'Guangdong Rural Finance (Inclusive) Household Access'" was issued to fully implement the household access project and promote inclusive finance work.</p> <p>2. Institutional setup. In terms of green finance, to ensure the overall planning and implementation of green finance throughout the bank, our bank has established a green credit leading group, specifically responsible for the marketing management and development promotion of green finance business. In terms of inclusive finance, our bank has specially established an inclusive finance department, specifically responsible for the expansion and management of inclusive finance business.</p>	
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Self-assessment summary:

Which of the following components of target setting in line with the PRB requirements has your bank completed? Or evaluating your...

	...first area of most significant impact: (please name it)	...second area of most significant impact: (please name it)	(If you are setting targets in more impact areas) your third (and subsequent) area(s) of impact: (please name it)
Consistency	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No
Baseline	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No
SMART targets	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No
Action plan	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No

2.3 Target implementation and monitoring (Key Step 2)

<p>For Each Target: State that your bank has implemented the action plans formulated for the targets. Use indicators and KPIs to monitor the progress defined in Section 2.2, and report the progress your bank has made toward each established target since the last report, as well as the impacts generated therefrom. If there are changes to the implementation plan (applicable</p>	<p>The Bank has established a Green Credit Leading Group, which regularly evaluates the progress of green credit work and promotes the compliant and steady development of green finance business. In 2024, centering on the 14th Five-Year Plan for development, the Bank fully</p>	<p>Chapters 1, 2, 4, 7 and 8, Pages 1–6, 8–10 and 17–20 of the 2024 Environmental Information Disclosure</p>
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<p>only to the 2nd and subsequent reports): Describe the potential changes (including changes to priority impact areas, adjustments to indicators, early achievement/need for revision of targets, new key milestones, or amendments to action plans) and explain the necessity of such changes.</p>	<p>implemented the new development philosophy of innovation, coordination, green development, openness and sharing. It earnestly fulfilled its responsibility as a "local financial flagship institution", committed itself to serving rural revitalization, focused on key areas such as energy conservation and environmental protection, intensified product innovation efforts, and promoted the faster and wider implementation of green finance business. As a result, the scale and proportion of green loans have maintained steady growth, and notable achievements have been made in high-quality development.</p> <p>As of the end of 2024, the Bank's green credit balance stood at 0.904 billion yuan, registering a year-on-year growth rate that was 9.36 percentage points higher than the average growth rate of all loans. The growth rate of inclusive loans met the regulatory requirements. In accordance with the energy conservation and emission reduction calculation requirements specified in the Guidelines for Calculating Energy Conservation and Emission Reduction Volumes of Green Credit Projects issued by the China Banking and Insurance Regulatory Commission (CBIRC), the Bank has conducted environmental benefit assessments on green credit projects, achieving remarkable environmental benefits.</p>	<p>Report</p>
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Principle 3: Clients and Customers

We cooperate with clients and customers based on the principle of responsibility, encourage sustainable practices, promote the development of economic activities, and create shared prosperity for the current and future generations.

<p>3.1 Client engagement</p> <p>Does your bank have a policy or engagement process with clients and customers in place to encourage sustainable practices?</p> <p><input checked="" type="checkbox"/>Yes <input type="checkbox"/>In progress <input type="checkbox"/>No</p> <p>Does your bank have a policy for sectors in which you have identified the highest (potential) negative impacts?</p> <p><input checked="" type="checkbox"/>Yes <input type="checkbox"/>In progress <input type="checkbox"/>No</p>	<p>The Bank has always paid close attention to the financial needs of customers, made the concept of "hot spring culture" deeply rooted in the masses including serving people with warm,closeness and thoughtfulness. The Bank has always maintained a healthy texture and youthful vitality, steadily moved forward and</p>	<p>Chapters 4, Pages 8–10 of the 2024 Environmental Information Disclosure Report</p>
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<p>Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and promote economic activities sustainably. It should include information on relevant policies, actions planned/implemented to support clients' transition, selected indicators on client engagement and, where possible, the impacts achieved.</p> <p>This should be based on and in line with the impact analysis, target-setting and action plans put in place by the bank.</p>	<p>ensured that products and services have strong competitiveness, for the purpose of supporting urban and rural residents' income acceleration system and mechanism to improve, helping common prosperity, and providing customers with a full range of quality services.</p>	
<p>3.2 Business opportunities</p> <p>Describe what strategic business opportunities in relation to the increase of positive and the reduction of negative impacts your bank has identified and/or how you have worked on these in the reporting period. Provide information on existing products and services, information on sustainable products developed in terms of value (USD or local currency) and/or your portfolio, and which SDGs or impact areas you are striving to make a positive impact on (e.g. green mortgages - climate, social bonds - financial inclusion, etc.).</p>	<p>The Bank meets the increasingly diversified funding needs of customers, continuously increases the supply of green credit products, and vigorously promotes green credit products such as carbon emission right pledge loans, photovoltaic power generation loans, Yishenzi loans, Baoyu loans, live pig pledge loans, beautiful countryside loans, forest tenure loans, and beautiful pond loans.</p>	
<p>Principle 4: Stakeholders</p>		
<p>We will proactively and responsibly engage in consultation, interaction and cooperation with stakeholders to achieve social goals.</p>		
<p>4.1 Stakeholder identification and consultation</p> <p>Does your bank have a process to identify and regularly consult, engage, collaborate and partner with stakeholders (or stakeholder groups) you have identified as relevant in relation to the impact analysis and target setting process?</p> <p><input checked="" type="checkbox"/>Yes <input type="checkbox"/>In progress <input type="checkbox"/>No</p> <p>Please describe which stakeholders (or groups/types of stakeholders) you have identified, consulted, engaged, collaborated or partnered with for the purpose of implementing the Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders, what issues were addressed/results achieved and how they fed into the action planning Process.</p>	<p>The bank communicates with key stakeholders, including our management, employees, government and regulatory authorities, shareholders, customers, partners, and media, through regular visits, exchange reports, and open day activities. We have identified the major environmental issues of concern to stakeholders at this stage as environmental goals and strategic planning, environmental governance structure, environmental compliance management, environmental risk analysis, green financial products, green industry investment and financing, environmental compliance management, and environmental risk analysis. Our bank has sorted out these major issues and proposed management policies and specific measures.</p>	<p>Chapters 5, Pages 11–16 of the 2024 Environmental Information Disclosure Report</p>
<p>Principle 5: Corporate Governance & Banking Culture</p>		

<p>We will fulfill our commitment to these principles through effective corporate governance and a responsible banking culture.</p>		
<p>5.1 Governance Structure for Implementation of the Principles for Responsible Banking</p> <p>Does your bank have a governance system in place that incorporates the PRB? <input checked="" type="checkbox"/>Yes <input type="checkbox"/>In progress <input type="checkbox"/>No</p> <p>Please describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support the effective implementation of the Principles. This includes information about:</p> <ul style="list-style-type: none"> ● which committee has responsibility over the sustainability strategy as well as targets approval and monitoring (including information about the highest level of governance the PRB is subjected to), ● details about the chair of the committee and the process and frequency for the board having oversight of PRB implementation (including remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected), as well as ● remuneration practices linked to sustainability targets. 	<p>The Bank promotes the compliance and steady development of green finance business from multiple levels including the Board of Directors, senior management and relevant functional departments. The Bank has set up a green credit leading group in the senior management, which is responsible for approving and supervising the formulation and implementation of green credit development strategies and objectives, as well as studying and making suggestions on other relevant major decisions.</p>	<p>Chapters 2, Pages 5–6 of the 2024 Environmental Information Disclosure Report</p>
<p>5.3 Policies and Due Diligence Processes</p> <p>Has your bank formulated policies to address environmental and social risks in its investment portfolio? Please provide a description.</p> <p>Please describe the due diligence processes that your bank has put in place to identify and manage environmental and social risks associated with your investment portfolio. These may include identifying material/significant risks, defining environmental and social risk mitigation measures and action plans, conducting monitoring and risk reporting, establishing existing grievance mechanisms, as well as the governance structures set up for risk oversight.</p>	<p>Our bank has formulated the <i>Green Credit Management Measures of Guangdong Fogang Rural Commercial Bank Co., Ltd. (2021 Edition)</i> and the <i>Green Credit Development Strategy of Guangdong Fogang Rural Commercial Bank Co., Ltd. (2023-2025)</i>, which clarify policies to address environmental and social risks, and guide various business departments and branches to implement full process monitoring and management of enterprise environmental information.</p>	<p>Chapters 3, Pages 6–8 of the 2024 Environmental Information Disclosure Report</p>
<p>Self-assessment summary</p> <p>Does the CEO or other C-suite officers have regular oversight over the implementation of the Principles through the Bank's governance system? <input checked="" type="checkbox"/>Yes <input type="checkbox"/>No</p> <p>Does the governance system entail structures to oversee PRB implementation (e.g. incl. impact analysis and target setting, actions to achieve these targets and processes of remedial action in the event targets/milestones are not achieved or unexpected neg. impacts are detected)?</p>		

Principles for Responsible Banking. Your feedback will be helpful to contextualize the collective progress of PRB signatory banks.

What challenges have you prioritized to address when implementing the *Principles for Responsible Banking*? Please choose what you consider the top three challenges your bank has prioritized to address in the last 12 months (optional question).

If desired, you can elaborate on challenges and how you are tackling these:

- Embedding PRB oversight into governance
- Customer engagement
- Gaining or maintaining momentum in the bank
- Stakeholder engagement
- Getting started: where to start and what to focus on in the beginning
- Data availability
- Conducting an impact analysis
- Data quality
- Assessing negative environmental and social impacts
- Access to resources
- Assessing negative environmental and social impacts
- Reporting
- Setting targets
- Assurance
- Other:...
- Prioritizing actions internally

Attached list 2: Index of Guidelines for TCFD

Indicator Content	Index to Corresponding Disclosure Content
1. Governance	
1.1 Describe the Board of Directors' oversight of climate-related risks and opportunities.	P5-P7
1.2 Describe the Management's role in assessing and managing climate related risks and opportunities.	
2. Strategy	
2.1 Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	P18-P19.P21-P22
2.2 Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	
2.3 Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a scenario with 2°C or lower temperature.	
3. Risk Management	
3.1 Describe the organization's processes for identifying and assessing climate-related risks.	P12-P18
3.2 Describe the organization's processes for managing climate-related risks.	
3.3 Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	
4. Metrics and Targets	
4.1 Disclose the metrics used by the organization to assess climate related risks and opportunities in line with its strategy and risk management process.	P12-P20
4.2 Disclose Scope 1, Scope 2, and, Scope 3 greenhouse gas (GHG) emissions if appropriate, and the related risks.	
4.3 Describe the targets used by the organization to manage climate related risks and opportunities, and	

performance against targets.	
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