

Upholding Integrity and Harmony in Pursuit of Dreams

Caitong Securities Co., Ltd.

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2025
Sustainability Report
Caitong Securities Co., Ltd.

Stock Code: 601108



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Board Statement on Sustainable Development

In 2025, Caitong Securities forged ahead steadily on the journey of high-quality development. Faced with opportunities and challenges in the macro environment, we have always adhered to the original aspiration of "serving the country through finance", taken serving the real economy as the fundamental purpose, and thoroughly practiced the "five major tasks" in finance. Grounded in our positioning of being "Being a Securities Company of Zhejiang Entrepreneurs and Enterprises", we strive to build a first-class modern investment bank with comprehensive competitiveness. We adhere to the orientation of sustainable development, deeply integrate the concept of Environmental, Social and Governance (ESG) into all aspects of corporate strategy and operation and management, and endeavor to achieve the coordinated progress of economic benefits, social value and environmental benefits, contributing continuous financial strength to the green transformation and inclusive growth of the economy and society.

We consolidate the governance foundation to safeguard steady development.

The Company has continuously improved the ESG governance structure with Caitong characteristics. The Strategy and Sustainable Development Committee of the Board of Directors gives full play to its role in top-level design, supervision and guidance, and runs the requirements of sustainable development through the entire process of corporate governance. Upholding the industry culture of "compliance, integrity, professionalism and prudence", we have been improving the comprehensive risk management system, and enhancing the efficiency of risk control and compliant operation by virtue of digital tools, laying a solid foundation for the steady and long-term development of the Company. In 2025, the Company has continued to gain recognition from the market and regulators in terms of information disclosure and ESG rating, and its governance level has reached a new height.

We hold up the green engine to empower low-carbon transformation.

Responding actively to the national "dual carbon" goals, the Company deeply integrates the concept of green development into its business layout and operational practices. By innovating green financial products and services, we have continuously strengthened financial support for green industries and low-carbon transformation fields, helping optimize the industrial structure and improve the ecological environment. In its own operations, the Company systematically promotes energy conservation, consumption reduction and resource recycling, actively advocates green office, effectively reduces operational carbon footprint, and demonstrates its sense of responsibility.

We anchor social responsibility to build a value ecosystem.

Always bearing in mind the "national priorities", the Company has taken active actions in serving coordinated regional development and boosting rural revitalization. Through establishing common prosperity funds and promoting characteristic models such as "insurance + futures", we help enhance the vitality of county economies and increase farmers' income. In the field of public welfare and charity, we have continued to invest resources in supporting education development, emergency disaster relief and ecological protection, repaying the society with concrete actions. The Company is committed to building a responsible ecosystem of harmonious coexistence and shared value with employees, customers, partners and communities, conveying the warm power of finance for good.

We focus on customer experience to enhance service warmth.

Adhering to a customer-centric approach, the Company has continuously optimized service processes, innovated service models, and improved financing convenience and service accessibility through digital platforms. Focusing on key areas such as technology finance, pension finance and inclusive finance, we have launched a series of innovative products to precisely meet the diversified needs of the real economy. Investor protection and education have been carried out solidly and thoroughly, helping improve public financial literacy and effectively safeguarding the legitimate rights and interests of investors.

We value talent to stimulate organizational vitality.

Regarding talents as the most precious asset, the Company strives to create an organizational atmosphere of respect, empowerment and growth. By improving the career development system, strengthening diversified training and caring for employees' physical and mental health, we have continuously enhanced employees' sense of belonging and creativity. We attach importance to the diversification and inclusiveness of team building, supporting every employee to realize personal value on the platform of Caitong and grow together with the enterprise.

Looking ahead, Caitong Securities will continue to uphold the corporate spirit of "Harmonious Caitong, Striving for Dreams", adhere to long-termism, and further deepen ESG practices with a higher strategic stance, more solid sense of responsibility and more flexible innovation mechanism, striving to write the Caitong chapter of the "five major tasks" in finance. While creating stable returns for shareholders, we are willing to forge ahead hand in hand with all stakeholders to jointly create a bright future of sustainable development.



Report Preparation Instructions

This report is the ninth sustainability/ESG/social responsibility report issued by Caitong Securities Co., Ltd. (hereinafter referred to as "Caitong Securities", "the Company" or "we"), aiming to disclose to all stakeholders the actions taken and achievements made by the Company in environmental, social and corporate governance.

Report Preparation Scope

Organizational Scope

The scope of this report is consistent with that of the Company's annual consolidated financial statements, taking Caitong Securities as the main body and including all subsidiaries within the scope of consolidated financial statements. The full names and abbreviations of the subsidiaries and important associated companies involved in this report are shown in the table below.

Full Name of Enterprise	Abbreviation of Enterprise
Caitong Securities Asset Management Co., Ltd.	Caitong AM
Zhejiang Caitong Capital Investment Co., Ltd.	Caitong Capital
Caitong Innovation Investment Co., Ltd.	Caitong Innovation
Caitong Securities (Hong Kong) Co., Ltd.	Caitong Hong Kong
Yon'an Futures Co., Ltd.	Yon'an Futures
Caitong Fund Management Co., Ltd.	Caitong Fund

Time Scope

January 1, 2025 to December 31, 2025. To ensure the completeness of the report, some contents are traced back or extended forward and backward.

Release Cycle

This report is an annual report, and the previous report is the 2024 Sustainability Report.

Report Preparation Basis

- Guidelines on Environmental Information Disclosure for Financial Institutions issued by the People's Bank of China
- Guidelines for the Content and Format of Annual Reports of Securities Companies, Standards for the Content and Format of Information Disclosure by Companies Issuing Publicly Offerings of Securities No. 2 – Content and Format of Annual Reports issued by the China Securities Regulatory Commission
- Self-Regulatory Guidelines for Listed Companies on the Shanghai Stock Exchange No. 14 – Sustainability Report (for Trial Implementation)
- Self-Regulatory Guidelines for Listed Companies on the Shanghai Stock Exchange No. 4 – Preparation of Sustainability Reports (Revised in January 2026)
- Sustainability Reporting Standards (GRI Standards) by the Global Sustainability Standards Board (GSSB)
- International Financial Reporting Standards for Sustainability Disclosure No. 2 – Climate-related Disclosures (IFRS S2) by the International Sustainability Standards Board (ISSB)
- United Nations 2030 Sustainable Development Goals (SDGs)

Report Preparation Principles

The report is prepared in accordance with the principles of materiality, accuracy, balance and consistency.

★ Materiality Principle

The Company identifies material topics concerned by stakeholders as the focus of this report. The analysis process and results of material topics are detailed in the chapters "Material Topic Identification and Analysis" and "Stakeholder Communication" of this report. Meanwhile, this report focuses on disclosing matters in environmental, social and corporate governance that may have a material impact on investors and other relevant parties.

⚖ Accuracy Principle

The Company makes every effort to ensure the accuracy of information in this report. The calculation of quantitative information has stated the data caliber, calculation basis and assumptions to ensure that the calculation error range will not mislead information users. Quantitative information and supplementary notes are detailed in the "Key Performance Indicators" section of this report. The Board of Directors warrants the content of the report, which contains no false records, misleading statements or material omissions.

⚖ Balance Principle

The content of this report objectively reflects facts impartially, disclosing both positive and negative information and performance to avoid affecting readers' decisions or judgments due to omissions or inappropriate report formats.

🔄 Consistency Principle

The preparation method of this year's sustainability report is consistent with that of previous years. Any changes that may affect meaningful comparisons with previous reports have been explained in the corresponding positions.

Report Data Description

The data and cases in the report come from the original records or financial reports of Caitong Securities and its subsidiaries and important associated companies. Unless otherwise specified, the financial data in the report are denominated in RMB, and in case of any inconsistency with the financial reports, the financial reports shall prevail. Unless otherwise specified, the statistical caliber of relevant texts and data in the report is consistent with the scope of the Company's financial statements.

Report Access

This report is released in Simplified Chinese and English versions. In case of any discrepancy, the Simplified Chinese version shall prevail. The electronic report can be downloaded and viewed from the following channels:

- Official website of Caitong Securities (<https://www.ctsec.com>)
- CNINFO (<http://www.cninfo.com.cn/new/index>)
- Shanghai Stock Exchange (<http://www.sse.com.cn>)



About Caitong Securities

Company Profile

Caitong Securities Co., Ltd. is a characteristic and comprehensive securities holding group headquartered in Hangzhou. Founded as Zhejiang Finance Securities Company in 1993, it was listed on the Shanghai Stock Exchange in October 2017 (stock code: 601108). With more than 30 years of development, the Company has always adhered to compliant, steady, upright and innovative operations. Seizing the opportunities of management system adjustment and industry innovation and development, it has evolved from a regional brokerage securities firm into a full-license, characteristic, group-based and international listed securities company, building a full-chain and comprehensive service system covering securities, futures, funds, asset management, equity investment and overseas finance.

Total Assets

CNY **161.412** billion



Net Profit

CNY **2.632** billion



Operating Revenue

CNY **6.922** billion



Weighted Average
Return on Net Assets

7.08 %



Business Landscape

As of the end of the reporting period, the Group (excluding Caitong Fund and Yon'an Futures) has 4,659 on-the-job employees and 163 branches, achieving a national business layout with 100% coverage across Zhejiang, and extending overseas services to Hong Kong, Singapore and countries along the "Belt and Road". It has 6 subsidiaries and important associated companies under its umbrella, namely Caitong Securities Asset Management Co., Ltd., Zhejiang Caitong Capital Investment Co., Ltd., Caitong Innovation Investment Co., Ltd., Caitong Securities (Hong Kong) Co., Ltd., Yon'an Futures Co., Ltd. and Caitong Fund Management Co., Ltd., each forming its own characteristics and advantages in respective segments.



163
Branches

6
Subsidiaries and significant
invested companies



Honorary Award

"China ESG Listed Companies State-owned Enterprise Pioneer 100 (2025)"

CCTV Finance Center, SASAC, All-China Federation of Industry and Commerce, Research Institute for State-owned Economy of CASS, China Enterprise Reform and Development Society, etc.

2025 Hangzhou Listed Companies ESG Strategic Charity Influence Ranking Pioneer 20

Strategic Charity Influence Ranking Pioneer 20 Guided by Department of Civil Affairs of Zhejiang Province, Zhejiang Charity Federation; organized by Hangzhou Civil Affairs Bureau, Hangzhou Charity Federation (Hangzhou Charity Federation), Xiaoshan District Party Committee and Government

Grade A in 2025 Securities Company Investor Education Work Evaluation

Investor Education Work Evaluation Securities Association of China, Shanghai Stock Exchange, Shenzhen Stock Exchange, National Equities Exchange and Quotations Co., Ltd.

Class A in 2024-2025 Annual Shanghai Listed Company Information Disclosure Evaluation

Evaluation Shanghai Stock Exchange

"2025 Annual Best Practice Case of Listed Company Board of Directors"

China Listed Company Board of Directors China Listed Companies Association

Excellent Practice Case of Sustainable Development

China Listed Company Board of Directors China Listed Companies Association

2024 Annual "Best Practice Case of Listed Company Investor Relations Management"

China Listed Companies Association

2025 "SSE Eagle · Golden Quality" Corporate Governance Award

Guided by China Listed Companies Association; Shanghai Securities News

3rd "Golden Bull Award for Fund Investment Advisory Institutions"

China Securities Journal

2025 China Securities Industry Investor Education Junding Award

Securities Times

2025 China Securities Industry Institutional Service Provider Junding Award - Private Equity Service

Securities Times

2025 China Asset Management Industry Yinghua Typical Case - Social Welfare Practice Asset Management Institution

China Fund News

2025 Most Characteristic Fund Investment Advisory Service Securities Company

National Business Daily

2025 Most Influential Offline Investor Education Base of Securities Companies

National Business Daily

2025 Securities Industry Golden Tripod List "Securities Company with Most Social Responsibility" Award

National Business Daily

2nd "Huazun Award · Best Customer Experience Award"

Caixin Media

Zhejiang State-owned Assets and Enterprises New Fashion · Pioneer Sample

Zhejiang State-owned Assets Association, Tide News

2025 (1st) Excellent Cases of Party Building Innovation in Enterprises in the New Era

Chinese Red Flag Publishing House

"2025 ESG Outstanding Enterprise", "2025 Zhejiang Merchants ESG Classic Sample"

Zhejiang Merchants Magazine

2025 (15th) Most Trusted Financial Institution by Zhejiang Merchants

Zhejiang Merchants, Zhejiang Merchants · Financier Magazine

ESG Rating Grade A

Wind

2025 Mid-year Best Private Equity Investment Institutions TOP50

Rime Data under Wind Information

2025 Annual Excellent Practice Award for Investor Education Projects

Sina Finance

"Golden Extract Award - Best REIT-like Product of the Year"

China REIT Industry Alliance

Excellent Case Collection of Zhejiang Financial Talents Empowering High-quality Industrial Development

Zhejiang Financial Talents Association

2024 Annual Financial Technology Development Award Second Prize, Third Prize

People's Bank of China

"Green Waters and Green Mountains Award · ESG Finance Annual Award"

Caixin Media

2024 Listed Companies Rural Revitalization Excellent Practice Case

China Listed Companies Association

"2025 Top 100 Zhejiang Listed Companies with Best ESG Performance"

Zhejiang Enterprise Social Responsibility Promotion Association

"2025 Zhejiang Venture Capital Institutions TOP50"

Zhejiang Venture Capital Association

"2025 Best Hangzhou Investment Partner"

Hangzhou Financial Investment Group, Hangzhou Capital, Bank of Hangzhou, Zero2IPO Ventures

"2025 China Best Investment Institutions in Intelligent Manufacturing Field TOP30"

China Venture Capital Research Institute

LP CLUB List "Best Strategic Core Equity Investment Institutions TOP30"





LP CLUB

Overview of Sustainable Governance

Sustainable Development Philosophy

Caitong Securities takes serving the real economy and practicing financial patriotism as its mission. It focuses on building a professional and efficient comprehensive financial service system, adhering to the foundation of compliance and integrity, the soul of professional value, the principle of client-centricity, and the path of green harmony. The Company continuously creates long-term and stable comprehensive value for all stakeholders including shareholders, clients, employees, government and regulatory authorities, partners, and communities, and strives to promote the high-quality and sustainable development of the Company.

Core of Sustainable Development Serving the real economy and practicing financial patriotism

Stakeholders	Objectives	Actions
 Shareholders and Partners	Uphold the foundation of compliance and integrity	The Company adheres to compliant operation, integrity-based development and standardized governance, consolidates the foundation for steady development, continuously creates long-term value returns for shareholders, and works hand in hand with shareholders, suppliers and various partners for mutual benefit and win-win results.
 Clients	Uphold the soul of professional value	Give full play to the advantages of comprehensive financial services, provide professional, efficient and warm high-quality financial services, effectively empower the high-quality development of the real economy and green industries, and provide solid financial support for the implementation of the national "30·60" carbon peaking and carbon neutrality strategic goals.
 Employees	Uphold the principle of client-centricity	The Company upholds the people-oriented and collaborative "family" culture, strives to build a sunny, inclusive, positive and vibrant workplace ecology, and grows together with employees through mutual support.
 Government, regulatory authorities and communities	Uphold the path of green harmony	The Company actively responds to national calls and industry guidelines, takes the initiative to serve major national strategic deployments, earnestly fulfills the social responsibilities of financial enterprises, continuously promotes green and low-carbon operations, jointly builds a harmonious and beautiful ecological and community environment, and contributes to the high-quality and sustainable economic and social development with practical actions.

Sustainable Development Governance Structure

Caitong Securities strictly complies with the Corporate Governance Code of Listed Companies issued by the China Securities Regulatory Commission (CSRC) and the Self-Regulatory Guidelines for Listed Companies No. 1 – Standardized Operation of the Shanghai Stock Exchange (SSE). It deeply integrates sustainable development into the overall strategic layout, continuously improves the sustainable development governance structure and working mechanism, accurately identifies and efficiently manages major sustainable development risks and opportunities, and builds a clear and efficient sustainable development management system. Relying on the three-level governance structure of "Decision-Making Level – Management Level – Execution Level", the Company realizes the effective top-down transmission of strategic planning, scientific allocation of resource coordination, and organic connection of business implementation, fully guaranteeing the orderly progress of sustainable development work.

Caitong Securities' Sustainable Development Governance Structure and Responsibilities



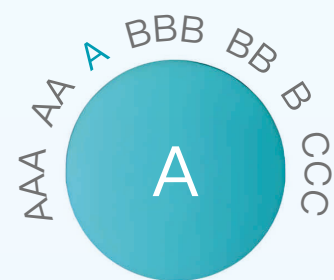
Sustainable Development Strategy

The ESG governance structure and management mechanism have laid a solid foundation for the Company to achieve sustainable development goals. In 2025, in light of the latest requirements of the CSRC and stock exchanges on sustainable development management and the focus of ESG rating agencies, the Company updated and issued a series of ESG management system documents, including the Detailed Rules for Compliance Inspection of Investment Banking Business, Detailed Rules for Compliance Accountability (Revised 2025), Detailed Rules for the Management of Insiders of Non-public Information of Investment Banking Business, and Measures for Compliance Review (Revised 2025).

Participation in Sustainability Ratings and Recognition



Rating agency	Date	Company rating recognition
MSCI	December 2025	BBB



Rating agency	Date	Company rating recognition
Wind ESG	January 2026	A



Dual Materiality Topic Identification and Analysis

Conducting materiality topic analysis is the starting point and important foundation for the Company's sustainable development management and information disclosure. The Company established a working group composed of internal and external experts to carry out materiality topic research for stakeholders to better respond to their demands and expectations. In 2025, in accordance with the Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 14 – Sustainable Development Reports (for Trial Implementation) (hereinafter referred to as the "SSE Guidelines"), which puts forward more comprehensive requirements and guidance for enterprises to conduct materiality topic analysis, the Company upgraded the process and methodology of materiality topic analysis in line with stock exchange requirements. By comprehensively applying policy research, industry benchmarking, expert judgment and other methods, the Company updated, screened and evaluated sustainable development topics, forming a list of 24 topics, and further assessed their financial materiality and impact materiality.

Issue assessment process

1 Step 1 Understand the background of the Company's activities and business relationships

- Analyze the Company's activities and business relationships combined with the external objective environment to identify key affected stakeholders.
- Analyze the Company's main activities and business relationships from the value chain perspective: as a financial institution, the Company has a relatively simple upstream supplier base with low material risks; its own business requires high attention to regulatory requirements and faces fierce industry talent competition; as a state-owned enterprise, it should set an example in rural revitalization and social contribution; the downstream value chain mainly includes individual and institutional clients of the Company's diversified financial products, as well as the public as potential clients. Comprehensive client services directly reflect the value of financial institutions.

2 Step 2 Establish a topic list

- Identify and screen sustainable development topics related to the Company by benchmarking against the latest requirements such as the SSE Guidelines, referring to international GRI standards and the focus of ESG rating agencies, combined with industry peer benchmarking. Analyze the actual and potential impacts, risks and opportunities related to sustainable development topics.

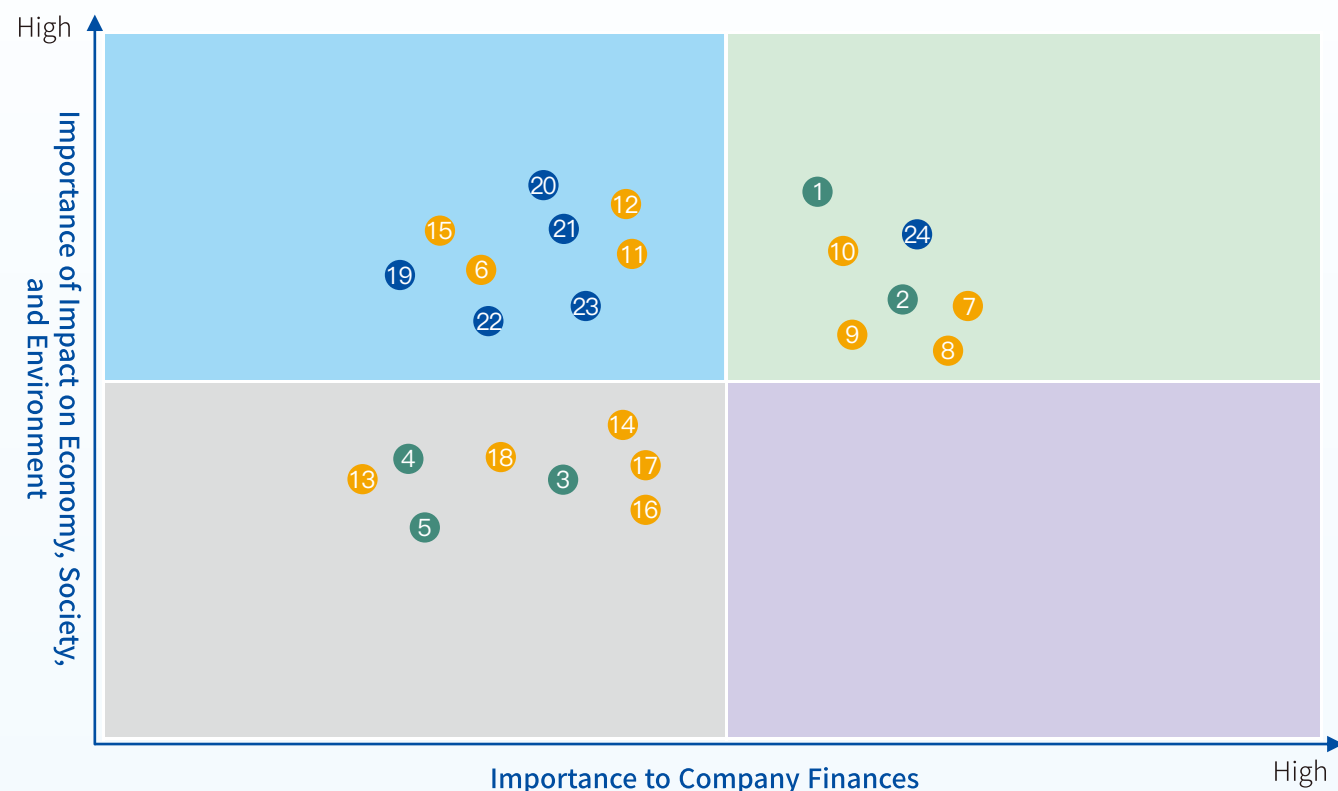
3 Step 3 Topic materiality assessment and confirmation

- Impact Materiality Assessment:** Evaluate whether the Company's performance on relevant topics will have a significant impact on the external economy, society and environment. Based on stakeholder survey results, internal and external experts calibrate topic scores from the two dimensions of "severity of impact" (scale, scope and irreparability of impact) and "likelihood of impact" to form an impact materiality matrix.
- Financial Materiality Assessment:** Evaluate whether each topic is expected to have a significant impact on the Company's financial performance in the short, medium and long term. Conduct communication with the Company's senior executives and finance-related personnel through on-site interviews, questionnaire surveys and other methods, assess topics from the two dimensions of "likelihood of impact occurrence" and "degree of financial impact", and refer to internal and external expert opinions to form a financial materiality matrix.
- Summary of Dual Materiality Results:** Calculate the impact materiality and financial materiality matrices to form a dual materiality matrix, and define the threshold for materiality judgment.

4 Step 4 Topic reporting

- After review and confirmation by the Company's Board of Directors, focus on disclosing topics with high materiality in the 2025 report.

重要性议题矩阵图



Environmental

- 1 Climate change response
- 2 Green finance
- 3 Green concept
- 4 Green supply chain
- 5 Biodiversity conservation

Social

- 6 Responsible investment
- 7 Tech finance
- 8 Inclusive finance
- 9 Pension finance
- 10 Digital finance
- 11 Employee care
- 12 Employee training and development







- 13 Employee health and safety
- 14 Client services
- 15 Responsible marketing
- 16 Investor education
- 17 Rural revitalization
- 18 Community public welfare

Governance

- 19 Compliance operation
- 20 Anti-money laundering
- 21 Business ethics and anti-corruption
- 22 Digital Innovation-Driven Development
- 23 Client privacy protection and data security
- 24 Risk management

Stakeholder Engagement

Caitong Securities always believes that working together with all stakeholders is an important cornerstone for the long-term, steady and sustainable development of the enterprise. The Company attaches great importance to communication, interaction and collaborative development with diverse stakeholders including government and regulatory authorities, shareholders and investors, clients and partners, communities and public welfare organizations, and all employees. It actively builds a closed-loop management mechanism of "identification – communication – response – improvement", accurately defines core ESG topics, takes the initiative to disclose key performance information, and effectively translates stakeholders' opinions and suggestions into practical actions for improving the governance system, innovating products and services, and co-creating social value.

Stakeholders	Key Concerned Topics	Communication Channels and Methods
 Government/ Regulatory Authorities	<ul style="list-style-type: none"> • Compliant operation • Risk management • ESG management • Serving the economic development of Zhejiang and other regions • Serving the real economy • Common prosperity • Promoting cultural development 	<ul style="list-style-type: none"> • Participate in government research • Strengthen compliance risk control • Promote the construction of "Four-type Caitong" • Build investor education bases • Promote industry cultural development
 Shareholders and Investors	<ul style="list-style-type: none"> • Investor relations management • Investor education • Corporate governance 	<ul style="list-style-type: none"> • Shareholders' meetings • Regular information disclosure • Investor research and interaction • Performance briefings • Investor education base construction
 Clients	<ul style="list-style-type: none"> • Client services • Data security and privacy protection • Responsible marketing • Financial technology • Responsible investment 	<ul style="list-style-type: none"> • Client service hotline • Caitong Securities APP • Client satisfaction surveys • Investor education base construction
 Partners	<ul style="list-style-type: none"> • Compliant operation • Supplier management • NGO cooperation 	<ul style="list-style-type: none"> • Cooperation and exchanges • Contract performance
 Communities/ Public Welfare Organizations	<ul style="list-style-type: none"> • Rural revitalization • Public welfare charity and volunteer services • Green operation 	<ul style="list-style-type: none"> • Volunteer services • Public welfare activities • Green office • Green finance
 Employees	<ul style="list-style-type: none"> • Employee training and development • Employee rights and benefits • Employee equality and diversity • Talent retention and incentives 	<ul style="list-style-type: none"> • Staff representative assemblies • Training programs • Employee activities • Trade union condolences

Contribution to the UN Sustainable Development Goals (SDGs)

Guided by the philosophy of high-quality sustainable development, Caitong Securities steadily improves its sustainable development capabilities with reference to the UN Sustainable Development Goals.

	<p>1 NO POVERTY No Poverty: Support the development of small and medium-sized enterprises and rural areas through inclusive financial services, help local areas foster endogenous development momentum and enhance sustainable hematopoietic capacity.</p>	<p>Corresponding Topics</p>	<ul style="list-style-type: none"> · Responsible investment · Rural revitalization
	<p>2 ZERO HUNGER Zero Hunger: Empower agricultural and rural development projects with financial power, improve agricultural production efficiency, increase farmers' income, and contribute to the goal of zero hunger.</p>	<p>Corresponding Topics</p>	<ul style="list-style-type: none"> · Responsible investment · Rural revitalization
	<p>3 GOOD HEALTH AND WELL-BEING Good Health and Well-being: Actively carry out public welfare donations, volunteer services and other social welfare activities to help improve social public health and people's well-being.</p>	<p>Corresponding Topics</p>	<ul style="list-style-type: none"> · Community public welfare · Client services
	<p>4 QUALITY EDUCATION Quality Education: Carry out regular investor education activities, popularize financial knowledge, improve public financial literacy, and promote the healthy development of social finance.</p>	<p>Corresponding Topics</p>	<ul style="list-style-type: none"> · Investor education
	<p>5 GENDER EQUALITY Gender Equality: Promote gender equality in corporate governance and operation, and ensure female employees enjoy equal career development opportunities and fair treatment.</p>	<p>Corresponding Topics</p>	<ul style="list-style-type: none"> · Employee care · Community public welfare
	<p>6 CLEAN WATER AND SANITATION Clean Water and Sanitation: Support water resources protection, sewage treatment and other environmental protection projects through green financial tools to help ensure the supply of clean drinking water and sanitation facilities.</p>	<p>Corresponding Topics</p>	<ul style="list-style-type: none"> · Green practice · Responsible investment
	<p>7 AFFORDABLE AND CLEAN ENERGY Affordable and Clean Energy: Support the development of clean energy industry through green finance, help optimize energy structure and promote green and low-carbon transformation.</p>	<p>Corresponding Topics</p>	<ul style="list-style-type: none"> · Climate change response · Green practice · Responsible investment
	<p>8 DECENT WORK AND ECONOMIC GROWTH Decent Work and Economic Growth: Provide diversified financial services for various market entities, focus on meeting the financing needs of small and medium-sized enterprises, drive employment growth and contribute to high-quality economic development.</p>	<p>Corresponding Topics</p>	<ul style="list-style-type: none"> · Client services · Employee care

	<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE Industry, Innovation and Infrastructure: Accelerate the layout of digital finance, use financial technology to improve the quality and efficiency of financial services and inclusive accessibility, and help industrial upgrading and infrastructure innovation.</p>	<p>Corresponding Topics</p>	<ul style="list-style-type: none"> · Innovation-driven · Intellectual property protection · Client services · Industry cooperation and development
	<p>10 REDUCED INEQUALITIES Reduced Inequalities: Continuously carry out financial knowledge popularization and investor education, improve public financial literacy, help narrow the development gap and promote social equity.</p>	<p>Corresponding Topics</p>	<ul style="list-style-type: none"> · Community public welfare · Client services · Rural revitalization
	<p>11 SUSTAINABLE CITIES AND COMMUNITIES Sustainable Cities and Communities: Support urban green infrastructure and ecological environment protection with green finance, and help build low-carbon, livable and sustainable cities and communities.</p>	<p>Corresponding Topics</p>	<ul style="list-style-type: none"> · Biodiversity conservation · Community public welfare
	<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION Responsible Consumption and Production: Build a systematic responsible investment management system, fully integrate ESG standards into investment decisions, and guide invested enterprises to practice sustainable development through selecting high-quality targets.</p>	<p>Corresponding Topics</p>	<ul style="list-style-type: none"> · Responsible investment · Environmental management
	<p>13 CLIMATE ACTION Climate Action: Vigorously develop green financial business, provide precise financing support for green industries such as clean energy and energy conservation and environmental protection, and promote carbon emission reduction and energy structure optimization.</p>	<p>Corresponding Topics</p>	<ul style="list-style-type: none"> · Climate change response · Responsible investment
	<p>15 LIFE ON LAND Life on Land: Support ecological restoration and forest protection projects through green financial projects, and help maintain terrestrial ecosystems and biodiversity.</p>	<p>Corresponding Topics</p>	<ul style="list-style-type: none"> · Responsible investment · Environmental management
	<p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS Peace, Justice and Strong Institutions: Continuously improve the corporate governance and compliance management system to ensure transparent and standardized operation; build a governance structure including the Board Strategy and Sustainable Development Committee and a professional ESG management team to ensure the implementation of sustainable development strategies and contribute to building a fair and just social environment.</p>	<p>Corresponding Topics</p>	<ul style="list-style-type: none"> · Compliance operation · Anti-commercial bribery and anti-corruption · Anti-unfair competition · Risk management and internal control · Information security
	<p>17 PARTNERSHIPS FOR THE GOALS Partnerships for the Goals: Deepen cooperation with various stakeholders, gather multi-party forces, and jointly promote the implementation of the UN Sustainable Development Goals.</p>	<p>Corresponding Topics</p>	<ul style="list-style-type: none"> · Industry cooperation and development · Innovation-driven

Special Topic I

Focusing on the "Five Major Articles" of Finance



Caitong Securities actively responds to the goal of building a financial power, and implements the requirements of the "Five Major Articles" of finance: tech finance, green finance, inclusive finance, pension finance, and digital finance. Tech finance focuses on sci-tech innovation enterprises and industrial chain upgrading. Green finance deepens green investment and financing and industrial empowerment. Inclusive finance innovates common prosperity models and serves rural revitalization. Pension finance steadily operates the pension product system. Digital finance accelerates the intelligent upgrading of AI and core systems.

Governance

Relying on a sound ESG governance structure, Caitong Securities takes the "Five Major Articles" of finance as the core starting point for serving the real economy and sustainable development strategy.

Under the overall supervision of the Board of Directors, the Strategy and Sustainable Development Committee is responsible for integrating the "Five Major Articles" into the Company's ESG strategy for overall planning and implementation supervision. As the execution layer, the ESG management team is responsible for specifically promoting the implementation of each article, coordinating relevant business departments, and regularly reporting progress and effectiveness to the Committee.

Strategy

Seize product and service opportunities brought by the "Five Major Articles" in the short and medium term to drive the growth of the Company's operating income.

In accordance with the overall requirements of completing the "Five Major Articles" of finance, give play to the advantages of comprehensive financial services, improve the overall quality and efficiency of serving the real economy, realize the benign complementarity of social value and commercial value, and inject sustainable momentum into the high-quality development of the enterprise.

Impact, Risk and Opportunity Management

Focus on the needs of the real economy by completing the "Five Major Articles", provide precise financial services, and use intelligent tools to improve risk control efficiency to ensure the simultaneous progress of financial services and risk prevention and control.

The management details of the "Five Major Articles" are covered in the relevant subsections of this chapter.

Indicators and Targets

The Company is committed to actively serving the real economy through financial products and services, helping enterprises meet financing needs, realizing the in-depth integration of financial services and the real economy, and taking this as a goal.

The highlight performance achievements and set targets of the "Five Major Articles" are detailed in each subsection.

1 Deepening Tech Finance Services to Boost More Innovative Development

Caitong Securities focuses on serving tech finance, boosts the development of new quality productive forces with professional financial capabilities, and centers on national strategic emerging industries such as new-generation information technology, high-end equipment, new materials, new energy, energy conservation and environmental protection, and biomedicine. Relying on its regional advantages in Zhejiang and the Yangtze River Delta, the Company systematically integrates the whole business chain resources including research, investment banking, equity investment and asset management, deepens the "investment + investment banking + research" three-in-one linkage mechanism, and strives to promote the formation of innovative capital and the transformation of scientific and technological achievements.

2025 Highlights

Underwrote **28** sci-tech innovation bonds with an underwriting scale of **7.5** billion yuan

Caitong Capital invested in **42** sci-tech innovation and "Little Giant" enterprises with a total investment of **1.919** billion yuan

Caitong Innovation invested **201** million yuan in sci-tech enterprises

Established cooperative relations with **436** "Little Giant" enterprises and **354** high-tech and innovative enterprises

Deepening Investment Banking Services to Empower Sci-tech Innovation Enterprises

Case Creating multiple "national first" sci-tech innovation bond models such as China Information Technology Group and Zhejiang Second Light Industry Group

Caitong Securities actively responds to the national innovation-driven development strategy and continuously makes breakthroughs in the field of sci-tech innovation bonds, successfully creating a number of market-demonstrative "national first" benchmark projects. The Company helped China Information Technology Group issue the first central enterprise integrated circuit special sci-tech innovation corporate bond on the SSE with an issuance scale of 200 million yuan; helped Zhejiang Second Light Industry Group issue the first national sci-tech innovation corporate bond specially supporting the intelligent ship field in 2025, with an initial issuance of 300 million yuan and an innovative "3+2 year" term design to support scientific research and industrial upgrading in the intelligent ship manufacturing field with flexible solutions.

热烈庆祝
浙江省二轻集团有限责任公司
2025年面向专业投资者公开发行科技创新公司债券
(支持智能船舶)

成功发行
全国首单专项支持智能船舶科技创新公司债券
债券顺利发行!

债券简称	簿记日	发行规模
25二轻K1	2025-11-28	3亿元
发行期限	发行利率	全市场倍数
3+2年	2.00%	3.6倍
		主体评级
		AA+

牵头主承销商、簿记管理人、受托管理人 联席主承销商
华泰联合证券 HUATAI UNITED SECURITIES 财通证券 CAITONG SECURITIES

审计机构 律师事务所
bakertilly 天职国际 浙江匠之总律师事务所 ZHEJIANG JIANGZHIXIN LAW FIRM

Case Precise Empowerment for Sci-tech Innovation: Supporting Bofei Electric and Zhongxin Wafer Financing

Caitong Securities gives full play to its professional advantages to provide full-cycle and customized financing services for sci-tech innovation enterprises. The Company successfully assisted Bofei Electric in completing private placement, raising 143 million yuan to effectively support its technological R&D and capacity expansion; meanwhile, helped Zhongxin Wafer successfully list on the NEEQ and complete private placement capital increase of 610 million yuan, providing solid capital support for its expansion of semiconductor material business and enhancement of core competitiveness.

Strengthening Investment Functions to Boost Industrial Upgrading

Caitong Capital is committed to patient capital and firmly practices the investment philosophy of "investing early, investing small, investing long-term, and investing in hard tech". It completed 53 project investments in the whole year, a year-on-year increase of 144%; the cumulative investment amount was 2.4 billion yuan, doubling year-on-year. During the year, 2 invested enterprises were successfully listed on the Hong Kong Stock Exchange, 8 enterprises successfully entered the IPO pipeline, and 7 enterprises were selected as "Zhejiang Sci-tech Little Dragons".

Case Group Private Equity and Alternative Subsidiaries Actively Layout High-quality Sci-tech Investment Target

Caitong Securities develops a "group army" collaborative operation model of "parent-subsidary linkage". Relying on the "two-wheel drive" of private equity subsidiary Caitong Capital and alternative subsidiary Caitong Innovation, it deeply integrates into the national overall strategy of promoting the in-depth integration of scientific and technological innovation and industrial innovation and boosting the development of new quality productive forces. In a number of cutting-edge sci-tech tracks, it injects strong financial momentum into the country to cultivate new quality productive forces through the group collaborative approach of intensive cultivation of private equity parent-child funds and large-scale investment of alternative subsidiaries. The invested enterprises include Super Fusion, Linkhou Robot, ENGINEAI, EMPOSAT, Whole Sense Radar, SPINQ, etc.



Comprehensively Promoting the Construction of Tech Finance Service Centers

To in-depth serve regional scientific and technological innovation, Caitong Securities, relying on the Group's full-license comprehensive financial advantages, has jointly built 23 tech finance service centers in provincial-level and above high-tech zones and economic development zones in Hangzhou, Ningbo, Wenzhou and other places, building a service network rooted in parks. For park enterprises, the Company innovatively launched the "Five Integrations" (5S) standardized service system covering "financing, chain integration, intelligence integration, talent integration and reputation integration", and supporting the issuance of the "Caitong Nine Benefits" Three-in-one Linkage Financial Service Plan, providing 9 free professional services including strategic consulting and financing docking, reducing the total annual fee for enterprises by more than 3 million yuan, and effectively promoting the in-depth integration of science and technology and industry through financial innovation. By the end of the reporting period, the Company had successfully signed cooperation agreements with 27 park enterprises through this model.



2 Empowering Green Finance to Boost More Sustainable Development

The Company focuses on serving the national "dual carbon" goal and completes the major article of green finance. It strives to give play to comprehensive service capabilities such as investment banking, investment and trading, product creation and risk management, responds to the green financial needs of real enterprises, actively expands carbon financial business, serves the construction and development of China's carbon market, empowers the market to carry out green and low-carbon technological innovation with higher efficiency and lower cost, helps the green and low-carbon transformation of economic society, and serves the construction of a Beautiful China.

2025 Highlights

Underwriting scale of green bonds (including ABS) reached **3.3** billion yuan, a year-on-year increase of **74%**

Established **6** green funds with a new subscribed scale of **2.561** billion yuan

Continuously Enriching Green Financial Services and Products

Caitong Securities actively practices the national green development strategy, adheres to its role as a bridge connecting industry and capital, and provides financial services for the development of green industries through various forms such as enterprise listing, bond financing and industrial funds. In 2025, Caitong Securities helped Aksu Regional Green Industry Development Group Co., Ltd. complete bond financing of 1.86 billion yuan; helped Taizhou Water Group Co., Ltd. issue green perpetual bonds of 380 million yuan, setting the lowest coupon rate for bonds of the same rating and type in the province in the past three years.



Case Helping West Lake Urban Investment Green Corporate Bond Issuance Achieve Outstanding Results

In 2025, CFT Securities was the lead underwriter for the 960 million yuan green bond issuance of Hangzhou Xihu City Investment Co., Ltd. The bond has a 5+2 year term and an interest rate of 1.97%, setting a new record for the lowest issuance rate of corporate bonds in China's history. It is also a typical case of financing for county-level state-owned enterprises in the service area. CFT Securities adheres to the "customer-centered" philosophy, tailoring the issuance plan to meet the specific needs of the client. The raised funds are mainly invested in the fields of life health and intelligent manufacturing, aligning with the five key industrial directions of Hangzhou, facilitating the implementation of research and development results, promoting the construction of Xihu District into a top-level core area for scientific and technological innovation, and demonstrating the strength of green financial services.

Providing full-life cycle comprehensive financial services for national-level "Green Factory" Windey Co., Ltd.



Upholding the service philosophy of "One Handshake, Lifetime Companionship", since successfully sponsoring Windey Energy Technology Group Co., Ltd. to go public in 2019, Caitong Securities has fully escorted the national-level "Green Factory" Windey Co., Ltd. through convertible bonds, rights issues, green bonds and other methods, empowering the development of green industries through financial innovation, improving the financing efficiency of green industries, helping Windey Co., Ltd. become a leader in the wind power industry, enhancing its market share, and realizing financial services for the green upgrading of the real economy.



Initiating the Establishment of Green Industry Investment Funds

Caitong Capital signed the Liheng Green Industry Investment Fund in Zhoushan with a scale of 500 million yuan, focusing on investing in green industries, completing the "last piece of the puzzle" of the fund layout in all prefecture-level cities in Zhejiang, realizing full coverage of Zhejiang prefecture-level city funds, and injecting financial "living water" into the development of island green industries, in line with the "Mountain-Sea Collaboration" strategy.

Participating in the Establishment of Equity Investment Partnerships



Caitong Capital and a subsidiary of GCL Energy Technology jointly established Caixin Lvxin (Jiaxing) Equity Investment Partnership with a scale of 50 million yuan, responding to the "dual carbon" goal, exploring the collaborative development model of "industry + capital", focusing on new energy industry projects such as green power and energy storage, carrying out market-oriented investment in the green energy field, and helping the cultivation of the new energy industry chain.

Strengthening Research on Green Industries and Green Enterprises

Caitong Securities focuses on low-carbon fields such as photovoltaic, new energy vehicles and hydrogen energy, carries out research on green industrial chains, and provides research and consulting services for green industrial enterprises. It strengthens cooperation with universities, scientific research institutions and other parties to jointly carry out research projects related to green industries and enhance the influence of green industrial research.



Establishing Zhejiang Provincial New Era Industry-Finance Collaborative Innovation Research Institute

On October 10, Caitong Securities, together with a number of provincial financial institutions, jointly established the Zhejiang Provincial New Era Industry-Finance Collaborative Innovation Research Institute, aiming to build a "ship and bridge" across finance and industry, based on Zhejiang's advantageous industries such as artificial intelligence, new materials and new energy, explore effective paths to promote the virtuous cycle of science and technology, industry and finance, and inject financial momentum into the high-quality development of Zhejiang's industries.



3 Completing the Major Article of Inclusive Finance to Boost More Comprehensive Development

The Company actively responds to the Implementation Opinions on Promoting the High-quality Development of Inclusive Finance, develops inclusive finance business around the goal of "helping business entities facilitate financing" at the business end, strives to be a pioneer in inclusive finance, strengthens support for private enterprises, and treats small and medium-sized enterprises equally. It actively helps solve the financing problems of small and medium-sized enterprises and provides full-cycle and full-industry chain comprehensive financial services for small and medium-sized enterprises.

2025 Performance Highlights

Underwriting scale of SME support bonds (including ABS) reached **2.873** billion yuan

Underwriting scale of rural revitalization bonds (including ABS) reached **430** million yuan



Caitong Securities Helps the Successful Landing of the First National ABS Project for Common Prosperity Demonstration Zone Construction

Exclusively underwritten by Caitong Securities and managed by Caitong Asset Management as the plan manager, the "Caitong - Zhejiang Construction Leasing Phase 3 Asset-backed Special Plan (Supporting the Construction of Common Prosperity Demonstration Zone)" was successfully issued on the Shanghai Stock Exchange with a total scale of 690 million yuan, becoming the first national ABS project specially serving the construction of the Common Prosperity Demonstration Zone. It is another typical case of Caitong Securities practicing the "inclusive finance" major article and building a gold name card of "Common Prosperity Investment Banking". The raised funds of this project will be mainly invested in key areas such as infrastructure construction and industrial upgrading in mountainous and island counties, accurately targeting the focus of regional coordinated development, and opening a low-cost financing channel for county development.

热烈庆祝
财通-浙江建设租赁3期资产支持专项计划(助力共同富裕示范区建设)
成功发行
全国首单助力“共同富裕示范区”建设ABS

发行规模 **6.90** 亿元
优先级资产支持证券综合票面利率 **2.32%**

资产支持证券	发行规模(亿元)	信用等级	期限(年)
优先A1级	3.06	AAA	0.95
优先A2级	2.63	AAA	1.95
优先A3级	0.86	AAA	2.45

挂牌场所: 上海证券交易所
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计划管理人: 财通证券资管
销售机构: 财通证券

4 Completing the Major Article of Pension Finance to Boost Higher-quality Development

Developing pension finance is an important measure to cope with population aging, helping to improve the sustainability of pension funds and effectively connect with the consumption demand of the elderly. In 2025, Caitong Securities actively laid out pension financial products, strengthened the design of pension fund products, focused on and carried out special research on the pension industry, strengthened cooperation with insurance, banking and other peer institutions, explored a collaborative pension financial service model, gave full play to the advantages of long-term capital, and helped build a multi-level, wide-coverage, wide-field and sustainable pension system.

2025 Performance Highlights

3 pension financial product FOFs in existence
with a scale of 241 million yuan

Case Successfully Issuing the First National Silver-haired Economy-themed Asset Securitization Product Including Data Intellectual Property Rights

Acting as the financial advisor and Caitong Asset Management as the plan manager, Caitong Securities successfully issued the "Caitong - Hangzhou Binjiang Intellectual Property Phase 2 Asset-backed Special Plan (Sci-tech Innovation)", realizing direct financing of 102.5 million yuan, covering enterprises in medicine, health, medical products and other fields, closely in line with the national strategic direction of actively responding to population aging, and guiding capital to the silver-haired economy field through financial innovation.



发行人:
财通证券股份有限公司

证券简称	证券评级	发行规模(万元)	发行期限(天)
杭滨2优	AAA _{sf}	10,150	364
杭滨2次	/	100	364

5 Completing the Major Article of Digital Finance to Boost Smarter Development

Digital finance is a financial format that integrates finance and digitalization, and promotes financial innovation and technological innovation. Caitong Securities continuously promotes the development of digital finance, actively pays attention to cutting-edge fields such as artificial intelligence, continuously promotes the capacity building of various platforms, injects digital thinking and digital elements into all businesses of the Company, and builds a new interactive and empowering financial development ecosystem.

2025 Highlights

Jinfubao · PanGu ESOP System
won the
**Third Prize Of The 2024 Financial
Technology Development Award**

Data Element Competition -
Zhejiang Region
**Third Prize in the Financial Services
Category**

Case Caitong Securities UF30 Core Trading System Phase II Launched, Setting a New Benchmark for Industry Technological Innovation

The Phase II project of Caitong Securities' new-generation core trading system UF30 was officially launched, marking that the Company's digital reform has entered a new stage and providing a "Caitong Model" for technological innovation in the securities industry. On the basis of separating account management and trading business in Phase I, UF30 Phase II successfully completed the comprehensive switching of multiple funds and asset-securities businesses, and piloted the launch of core business modules such as securities, margin trading and options. During the project construction, it completed more than 1,000 new demands, more than 4,000 data table migrations, more than 500 new peripheral interfaces and 51 sets of downstream system adaptation, building a closely coordinated and efficient system ecosystem.

Caitong Securities Won the Qualification for Authorized Operation of Zhejiang Public Data, Leading the Innovative Practice of Data Assetization

In 2025, relying on solid data infrastructure and innovative application capabilities, Caitong Securities successfully obtained the qualification for authorized operation of Zhejiang public data; in the 2025 Interim Report, Caitong Securities successfully completed the data asset listing and disclosure, becoming one of the few securities companies in the industry to realize data assetization. Driven by data, it optimizes business processes, accurately matches client needs, further taps the application value of public data, and promotes the transformation of digital financial services from "passive response" to "active empowerment".

Special Topic 2

The Accompanying Responsibility Practice of Caitong Securities Being a Securities Company of Zhejiang Entrepreneurs and Enterprises



1

Core Positioning

Solidifying the Foundation of Responsibility with the "Zhejiang Root"

As a state-owned securities firm under the jurisdiction of Zhejiang Province, Caitong Securities has always remained firmly committed to its distinctive positioning as "Being a Securities Company of Zhejiang Entrepreneurs and Enterprises" Upholding the service philosophy of "speaking the Zhejiang dialect, embracing Zhejiang's sentiments, and achieving success for Zhejiang's entrepreneurs," Caitong Securities deeply integrates corporate development into the Zhejiang business ecosystem—whether Zhejiang-based entrepreneurs and enterprises are rooted in Zhejiang itself or expanding into domestic cities such as Shenzhen, Beijing, Shanghai, Chongqing, and Hainan, or even overseas markets like Hong Kong, Vietnam, Singapore, and London—Caitong consistently serves as a "single thread" that builds emotional connections and provides seamless services. We remain true to our promise: "Wherever Zhejiang's entrepreneurs and businesses go, Caitong will follow and provide support." We are dedicated to co-building with Zhejiang's entrepreneurs and businesses a "community of shared destiny, a community of shared interests, and a community of shared development," ensuring that "choosing Caitong means smooth sailing and prosperous fortune" becomes a resonant commitment—a shared responsibility for weathering storms together and achieving win-win futures.



2

Practical Approach

Fulfilling the Responsibility of Companionship
Through “Three-Dimensional Collaboration”

Community of Shared Destiny: Providing Full-Cycle Support for Business Growth

Focusing on the “urgent difficulties and worries” of Zhejiang merchants and enterprises, Caitong Securities has established a “company leadership grassroots contact and empowerment mechanism”, taking enterprise needs as the key target of efforts.



Precise Support for Market Entry

It has sponsored 23 Zhejiang merchants and enterprises including Hongxin Technology and Minsheng Health to list on the capital market, with more than 20 enterprises in the counseling or review stage. Through the model of “three-dimensional binding for underwriting breakthrough + multi-measure underwriting tackling”, it helped Zhongxin Wafer complete the NEEQ listing in only half a year, realizing “short-cycle, high-quality” service delivery.



In-depth Accompaniment with Professional Empowerment

provides full-life-cycle services for enterprises such as Sterling Bearing, starting empowerment and cultivation from the early stage of enterprise development, assisting in equity sorting and system construction, promoting two key mergers and acquisitions from the NEEQ, designing equity incentives to retain core talents, completing three rounds of financing within four years, and finally listing on the ChiNext in 2023 with a fundraising of 1.03 billion yuan, practicing the responsibility commitment of “one handshake, lifelong accompaniment”.

Community of Shared Interests: Empowering Value Creation across the Whole Chain

Activating the synergistic efficiency of the “troika” of “investment + investment banking + wealth management” to create a value multiplication model of “1+1+1 > 3”.



Tackling Financing Services

During the 14th Five-Year Plan period, it has raised more than 500 billion yuan for Zhejiang merchants and enterprises, and leveraged 166 billion yuan of social funds in 2025. In 2025, it assisted Shengbella in listing on the Hong Kong Stock Exchange, accelerating ODI declaration and fund establishment by linking group resources, realizing seamless connection of cross-border financing and listing services.



Support from Professional Platforms

Relying on subsidiaries to build a full-category service matrix: Caitong Asset Management manages 332 billion yuan of residential assets, ranking among the top in the industry; Yongan Futures firmly occupies a leading position in the industry; Caitong Fund's equity products have ranked first in yield for ten consecutive years; Caitong Capital manages funds exceeding 130 billion yuan, providing Zhejiang merchants and enterprises with one-stop solutions of “investment and financing + wealth management + risk management”.

Community of Shared Development:
Assisting Industrial Upgrading across the Whole Ecosystem

Closely following the needs of Zhejiang’s “sweet potato economy” upgrading and the cultivation of new quality productive forces, Caitong Securities has built a collaborative ecosystem of “government-industry-university-research-finance”.



Tech finance going downstream

In 2025, it launched 23 technology finance service centers across the province, innovating the “5S” service system of “financing, chain integration, intelligence integration, talent integration and reputation integration”, covering tens of thousands of “specialized, refined, distinctive and new” enterprises. In 2025, it assisted 5 “specialized, refined, distinctive and new” enterprises in listing on the NEEQ; “specialized, refined, distinctive and new” enterprises accounted for nearly 90% of IPO counseling projects, and the underwriting scale of science and innovation bonds reached 7.5 billion yuan.



Regional Collaborative Empowerment

Implemented the “3510 One Enterprise, One Policy to Boost Common Prosperity” campaign, providing bond financing of over 56 billion yuan for mountainous and island counties, including 18.7 billion yuan in 2025. Established the first county-level investor education base in the province in Qingtian, a hometown of overseas Chinese, and carried out 1,740 “Wise Wealth Management, Caitong for All” activities, benefiting more than 3.4 million people, promoting the tilt of financial resources to weak areas and people’s livelihood sectors.

3 Value Effect: Demonstrating ESG Value with “Responsible Achievements”

Service Breadth: Covering the Whole Life Cycle of Zhejiang Merchants

It has served more than 10,000 listed companies, unicorn enterprises and “specialized, refined, distinctive and new” enterprises, provided comprehensive financial services for more than 30 Zhejiang unicorns, and won the “Entrepreneurship Service Institution” award at the All Things Grow Conference. In 2025, it participated in the 7th World Zhejiang Merchants Conference, and its cooperative project was selected as one of the top ten financial advisor cases of “Practicing Benign Finance and Assisting Zhejiang Merchants Development”. As the only strategic securities partner, it deeply participated in the main forum and the specialized, refined, distinctive and new sub-forum.

Empowerment Depth: Leading Industry Innovation Practice

It has created benchmark projects such as the nation’s first ABS for common prosperity demonstration zone construction, Binjiang intellectual property ABS, and Yangtze River Economic Belt REITs. After the launch of commercial real estate REITs pilot in 2025, it took the lead in setting up a professional team to help Zhejiang merchants revitalize high-quality assets. Its bond business continues to lead the Zhejiang market; in 2025, the underwriting scale of corporate bonds and enterprise bonds ranked first in the province for consecutive years, and the scale of characteristic products such as science and innovation bonds, green bonds and rural revitalization bonds has steadily expanded, winning the “2025 Caixin Media Excellent Bond Underwriter Case”.

Ecological Warmth: Conveying the Service Concept of “Home”

It pioneered the “Cornerstone Account Manager” system, realizing “one Caitong externally, one customer internally”. The Chairman, as the “No.1 Cornerstone Account Manager”, responds to needs 7×24 hours. In 2025, the closed-loop resolution rate of customer needs reached over 98%. Launched the “Hundreds–Thousands–Tens of Thousands” industrial–finance collaboration special campaign to boost the innovative development of Zhejiang merchants and enterprises, organized hundreds of “three–investment” (investment banking, investment, investment research) talents, and linked thousands of experts from ecological partners such as banks and insurance companies to customize “one enterprise, one policy” solutions, achieving “one order, one success”.

4 Future Commitment: Deepening Responsible Symbiosis through “Sustained Evolution”

Service Upgrade

Continue to promote the construction of the “AI × (1+4+N)” smart Caitong system, and improve service efficiency through intelligent platforms such as “Zheli Yirong”. Plan to achieve full coverage of technology finance service centers in all prefecture-level cities of Zhejiang by 2026.

Ecological Expansion

Deepen the function of Zhejiang Provincial New Era Industry–Finance Collaborative Innovation Research Institute, join hands with more than 20 financial institutions and the Zhejiang Merchants Association to promote “investment–investment linkage” and cross-border services, and assist Zhejiang merchants in two-way empowerment of “going global” and “bringing in”.

Value Sinking

Focus on the cultivation of new quality productive forces, increase support for Zhejiang enterprises in artificial intelligence, low-altitude economy, biological manufacturing and other fields, and inject more financial momentum into Zhejiang’s high-quality development in building a common prosperity demonstration zone.

Environment

Green as the Engine, Empowering New Economic Dynamics

Green as the engine lays the foundation for sustainable development; financial empowerment integrates new green drivers for the economy. Caitong Securities has always embedded environmental responsibility into its corporate strategic layout and operational practices, actively shouldering the ecological responsibility of financial institutions, and assisting in the realization of the “dual carbon” goals and ecological civilization construction. We address climate risks and explore green opportunities in accordance with international standards and domestic regulations, integrate the green and low-carbon concept into daily operations, adhere to the bottom line of environmental protection compliance, extend responsibility to upstream and downstream supply chains, build a sustainable cooperation ecosystem, respond to the national call to protect biodiversity, connect all links of green development with financial power, promote the coordinated progress of ecological protection and economic development, and write a high-quality answer sheet for financial empowerment of green transformation.

2025 Highlight Performance

Greenhouse gas emissions (Scope 1 and Scope 2) per unit area: **4,877.91** tons of CO₂ equivalent per square meter

Total office electricity consumption: **2,207,128** kWh

Total water consumption: **10,840** tons

Gasoline consumption decreased by **17.48%** year-on-year

SUSTAINABLE DEVELOPMENT GOALS

This chapter responds to the United Nations Sustainable Development Goals (SDGs)






Addressing Climate Change

Facing the global issue of climate change, Caitong Securities actively responds to the challenges and opportunities brought by climate change, attaches importance to climate risk governance, and orderly promotes the construction of response mechanisms. In accordance with the requirements of the International Financial Reporting Standards Sustainability Disclosure Standards 2—Climate-related Disclosures (IFRS S2) issued by the International Sustainability Standards Board (ISSB) and the recommended framework of the former Task Force on Climate-related Financial Disclosures (TCFD), the company has established a climate change governance system and strategy, identified relevant climate risks and opportunities, promoted the management of climate-related risks and opportunities, and ensured the orderly implementation of climate actions.

Climate Change Governance System

Caitong Securities has built a relatively complete climate-related governance system. The Board of Directors is responsible for supervising the climate impact of the company's operations and reviewing the business development strategy under the background of climate change at the "supervisory-management-executive" levels. The Strategy and Sustainable Development Committee, as the overall management institution for climate-related issues, takes the lead in formulating climate-related strategies and plans to ensure the implementation of climate-related actions. The company's cross-departmental ESG management team is specifically responsible for following up the promotion and implementation of climate change-related matters.

Level	Responsible Body	Working Mechanism
 Supervisory Level	Board of Directors	Comprehensive supervision of climate risks; Overall supervision of esg matters including climate change
 Management Level	Strategy and Sustainable Development Committee	Overall person in charge of ESG work; Regularly reports to the board of directors on the status of climate-related risk management and the achievement of sustainable financial goals; reviews proposals on climate change response, clarifies strategies, objectives, risks, opportunities and action plans
 Executive Level	ESG Management Team	Promotes the implementation of climate change actions; Members cover all business departments and subsidiaries; promotes the implementation of climate change-related matters

Climate Change Strategy

The company deeply practices the national "dual carbon" goals, closely follows the requirements of green financial development in the "five major articles" of finance, integrates climate-related risks and opportunities into the overall development strategy, and continuously promotes the implementation of short-term, medium-term and long-term plans. While reducing its own operational greenhouse gas emissions, it focuses on green financial empowerment to promote the low-carbon transformation of investment and financing entities, and contributes Caitong's strength to the realization of the national "dual carbon" goals and global climate governance in combination with the construction needs of Zhejiang's common prosperity demonstration zone.

Short-term Actions (1-3 years)

Improve the climate risk management system

Further refine the system, integrate climate risks into the existing risk management framework, and clarify assessment standards and processes to fully consider climate factors in project evaluation and investment decisions.

Strengthen green financial product innovation

Increase R&D and promotion of green bonds, green ABS and other products to provide diversified financing channels for green enterprises.

Improve low-carbon internal operations

Promote energy conservation, paperless office and green commuting to reduce carbon intensity.

Medium-term Actions (3-5 years)

Deepen green investment layout

Increase investment in new energy and environmental protection, expand green investment coverage through green industrial funds, and improve the proportion of green investment projects.

Improve ESG information disclosure

Enhance the quality and transparency of climate-related disclosure in line with TCFD and international standards.

Long-term Actions (Over 5 years)



Impact, Risk and Opportunity Management

The company comprehensively considers macro policies, combines its own business and strategy, and consults internal and external experts to actively identify various climate-related risks and opportunities related to its operations and investment and financing business, assess their potential financial impacts, and provide forward-looking insights for strategic decision-making.

Climate-related Risk and Opportunity Management Process



Analysis of Potential Financial Impacts of Climate-related Risks and Countermeasures

Risk Type	Description	Time Horizon	Stakeholders Affected	Potential Financial Impact	Related Risks	Response Strategies
Market Risk	Changes in market supply and demand favor climate-friendly products; customers/investees face operational risks, affecting solvency and valuation, leading to credit and portfolio depreciation risks.	Short Medium Long	Shareholders, Creditors, Customers, Employees, Suppliers	↓ Revenue, ↓ Portfolio Value	Credit, Market	Help enterprises improve ESG systems and recognize sustainable development
Acute Physical Risk	Extreme weather (typhoons, floods) disrupts operations and affects customers/investees, leading to business suspension and valuation decline.	Short	Community	↓ Revenue, ↓ Portfolio Value, ↓ Fixed Assets	Credit, Market, Operational	Prepare emergency plans to reduce impacts of extreme weather
Chronic Physical Risk	Long-term climate changes (sea-level rise, high temperatures) affect operations and industries such as agriculture, forestry, animal husbandry and fishery.	Medium Long	Shareholders, Creditors, Customers, Employees, Suppliers	↑ Operating Costs, ↓ Portfolio Value	Market	Track climate impacts on the market continuously
Policy & Legal Risk	Tightening environmental policies affect customers/investees; Non-compliance leads to legal liabilities and reputation losses.	Short Medium Long	Shareholders, Regulators, Customers	↓ Revenue, ↓ Portfolio Value	Credit, Market	Incorporate ESG factors into due diligence
Reputational Risk	Failure to meet stakeholder expectations for green operations damages reputation; customers' poor ESG performance increases credit risk.	Medium Long	Shareholders, Regulators, Customers, Employees	↓ Revenue, ↓ Portfolio Value, ↑ Costs	Reputational, Credit, Market	Fulfill social responsibilities and strengthen investor communication

Analysis of Potential Financial Impacts and Response Measures for Climate-related Opportunities

Opportunity Type	Description	Time Horizon	Stakeholders Affected	Potential Financial Impact	Response Strategies
Market Opportunity	“Dual carbon” policies drive green finance growth; investment targets’ valuation rises.	Short Medium Long	Customers, Employees, Suppliers	↑ Revenue, ↑ Portfolio Value	Develop green finance business to provide financial services for green industries such as energy conservation, environmental protection, and new energy. At the same time, establish thematic funds focused on energy conservation, environmental protection, carbon neutrality, and so on.
Product & Service Opportunity	Innovate climate-friendly products and services for green industries to expand growth space.	Short Medium Long	Customers, Suppliers	↑ Revenue, ↑ Portfolio Value	
Resource Efficiency Opportunity	Digital finance, green data centers and paperless office improve resource efficiency and reduce costs.	Medium Long	Employees, Community	↓ Operating Costs	Promote energy conservation and environmental awareness among employees

Indicators and Targets

The company’s greenhouse gases mainly come from energy consumption for office equipment and lighting, as well as fuel consumption for official vehicles and employee commuting. It has established an indicator system and set control targets for green finance, energy use and carbon emission management, regularly monitors progress, and formulates improvement measures.

Indicator	Unit	2023	2024	2025
Total GHG Emissions	tCO ₂ e	4077.15	4283.06	4877.91
Scope 1 GHG Emissions	tCO ₂ e	121.07	127.77	132.87
Scope 2 GHG Emissions	tCO ₂ e	3956.08	4155.29	4745.04
GHG Emissions Per Capita	tCO ₂ e/person	0.90	0.89	1.02
Natural Gas Consumption Per Unit Area	m ³ /m ²	1.10	1.30	1.32

Practicing Green Concepts

In accordance with the Environmental Protection Law of the People’s Republic of China, Circular Economy Promotion Law, Water Law, Air Pollution Prevention and Control Law, Energy Conservation Law and other policies, the company adheres to the concept of sustainable development, advocates green and low-carbon office, integrates green concepts into daily operations through energy, water and waste management, and reduces environmental loads. No major environmental violations occurred during the reporting period.

Energy Management

The company’s energy consumption mainly includes electricity, natural gas, gasoline and diesel for office operations. It strengthens energy conservation and consumption reduction to reduce greenhouse gas emissions and support the “dual carbon” strategy.

Energy Management Initiatives

MAIN AREA	OUR ACTION
Clean Energy Use	<ul style="list-style-type: none"> Adhere to centralized energy management; the exterior walls of the company’s office building are made of energy-saving and environmentally friendly materials to reduce energy consumption. Install solar photovoltaic panels on rooftops.
Energy Conservation & Consumption Reduction	<ul style="list-style-type: none"> Hire a professional team to be responsible for computer room operation and maintenance, implement specialized and refined management, optimize the cooling efficiency of power and environmental equipment, and eliminate energy waste. Implement scheduled management and quantitative control for the building’s air conditioning system. Retrofit the fluorescent lights in the underground parking garage with energy-saving measures, uniformly replacing them with 4-watt LED bulbs. Use video conferencing systems to reduce the number of in-person meetings, thereby lowering carbon emissions generated from business travel.
Green Commuting Advocacy	<ul style="list-style-type: none"> Post energy-saving reminder signs near light and air conditioning switches. Equip the company parking area with new energy vehicle charging stations to encourage employees to adopt green commuting.
Emergency Management	<ul style="list-style-type: none"> Establish comprehensive emergency management measures, implement a 24-hour security guard duty and accident information reporting system, and equip emergency equipment to effectively prevent extreme weather from affecting the company’s operations.

Water Resource Management

The company follows the principle of water conservation and uses municipal water for office operations. Total water consumption in 2025 was 10,840 tons, with per capita water consumption of 6.95 tons/person.

Water Resource Management Initiatives

MAIN AREA	OUR ACTION
Water Conservation Advocacy	<ul style="list-style-type: none"> Post water-saving signs in offices.
Scientific Water Use	<ul style="list-style-type: none"> Adopt water-saving sanitary ware to reduce water consumption. Make full use of the rainwater recycling system to collect and purify rainwater for vegetation irrigation and vehicle washing. Regularly inspect and maintain water equipment to prevent running, dripping, and leaking.

Waste Management

The company's resource consumption mainly consists of paper consumption from contracts, bills, documents, and other paper materials used during office operations. The waste generated primarily includes hazardous waste such as electronic waste, toner cartridges, and ink cartridges, as well as non-hazardous waste like office garbage. In 2025, the company actively adopted optimization measures to manage waste emissions and strive to reduce the environmental impact of waste.

Main Area	Our Actions and Achievements
Promote Paperless Office	<ul style="list-style-type: none"> Promote paperless office based on platforms such as OA system and online workflow approvals. Advance online procurement, enabling coordinated operation of multiple systems (procurement, contract, payment, etc.), fully realizing online and standardized management of office consumables throughout the process, significantly reducing the use of paper materials. Encourage meeting materials to be transmitted and displayed in electronic format to reduce paper consumption.

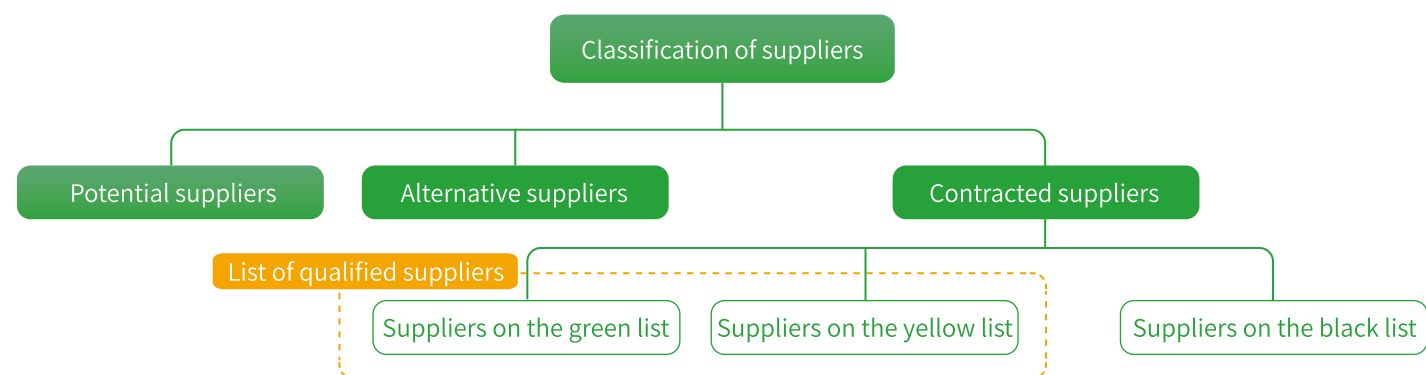
Main Area	Our Actions and Achievements
Waste Utilization Management	<ul style="list-style-type: none"> 1. Adhere to the concept of "waste utilization, creating value" when handling waste. Implement classified collection and temporary storage at designated points. Entrust qualified units to recycle and treat non-hazardous and hazardous waste. <ol style="list-style-type: none"> Office wastewater is discharged into the municipal sewage network and treated by the city sewage plant. Office garbage is cleared by the property management. Hazardous waste such as batteries, ink cartridges, and toner cartridges is coordinated with the local community and recycled, disposed of, or reused by professional institutions. 2. Optimize the allocation of fixed assets, improve the utilization rate of existing assets, and avoid idle waste.
Garbage Classification Management	<ul style="list-style-type: none"> In response to the "Zhejiang Province Household Waste Management Regulations", establish a regular clearing mechanism for household waste to ensure proper disposal of classified waste. Post promotional posters on garbage classification to educate employees on the concepts and methods, creating an atmosphere where "everyone participates in garbage classification".

Green Supply Chain

The company continuously advances the construction of a green supply chain, adhering to the principles of transparent procurement, responsible procurement, and green procurement. It deeply integrates sustainable development requirements into supplier access and whole-process supervision, iteratively optimizing supplier evaluation and access mechanisms. The company has formulated and issued institutional documents such as the "Caitong Securities Procurement Management Measures", "Caitong Securities Procurement Supplier Management Rules", and "Caitong Securities Co., Ltd. Integrity Management Measures", actively advocating anti-corruption and diversified sustainable development concepts, and building a mutually beneficial, win-win, and sustainable healthy cooperation ecosystem.

Supplier Management

The company strictly complies with laws and regulations such as the "Tendering and Bidding Law of the People's Republic of China" and the "Government Procurement Law of the People's Republic of China", follows relevant internal company systems, clearly adheres to the principle of competitive selection in procurement, improves the supply chain management system, and standardizes and normalizes procurement processes.



Key Tasks in Supplier Management



Selection & Admission

- Possess good commercial reputation and a sound financial and accounting system.
- Have the necessary equipment and professional technical capabilities to perform the contract, as well as a good record of paying taxes and social security contributions in accordance with the law.
- Have no records of major violations or irregularities in business operations in the three years prior to participating in procurement activities.



Standardized Management

- Establish a hierarchical and categorized supplier management system and implement differentiated resource allocation. Suppliers are classified into potential suppliers, alternative suppliers, and contracted suppliers. Regular evaluation and review shall be conducted on contracted suppliers to identify Green List, Yellow List, and Black List suppliers.
- Optimize supplier management procedures, standardize the use and management of expert and conference service suppliers, and support consolidated procurement applications for the same supplier in single-source procurement, so as to effectively reduce repetitive processes and improve overall procurement efficiency.
- Organize a series of procurement management training sessions covering policy interpretation and review practice, to enhance the standardization of full-process operations.



Evaluation & Review

- Optimize the management model for procurement bidding agencies and establish corresponding standards for early warning, deadline-based rectification, and elimination.
- In procurement and bidding activities, verify suppliers' credit status including credit reports and query results from Credit China.
- Adopt a zero-tolerance policy toward suppliers with serious misconduct such as material breach of contract, fraud, commercial bribery, or provision of falsified qualifications. Once verified, such suppliers shall be blacklisted, cooperation terminated, and banned from participating in the company's procurement activities for three years. The company reserves the right to pursue legal liability.



Organize Employees to Conduct Online Learning on the Detailed Rules for Procurement Implementation and Expert Review Training

Anti-Corruption Management for Suppliers

The Company attaches great importance to supply chain compliance and integrity management, upholding the principles of fairness, impartiality and good faith, and ensuring standardized and transparent procedures through open and competitive procurement. It has strengthened integrity control over the entire procurement process, completed data connection with the Zhejiang Enterprise Integrity Platform, established a data collection channel, improved the supplier compliance management system and set up a special supervision team, embedding integrity requirements into key links. Meanwhile, procurement management is standardized in accordance with the Caotong Securities Procurement Management Measures, with clear review disciplines and strict implementation of the review recusal mechanism. In accordance with the Caotong Securities Employee Rewards and Punishments Measures, Caotong Securities Measures for Accountability for Violation of Business Management and other regulations, relevant violations shall be held seriously accountable in accordance with the rules.

In addition, the Company has established a supplier blacklist management mechanism and breach of trust disciplinary standards. Suppliers involved in violations of laws and disciplines, commercial bribery and other breaches of contract shall be disqualified from cooperation in accordance with laws and regulations. Up to now, a total of 23 suppliers have been registered on the blacklist. Through normalized management and control, the Company continuously improves the compliance and transparency of procurement links and builds a solid line of defense against procurement risks.

Promotion of Green Procurement

The Company pays close attention to suppliers' performance in environmental protection and social responsibility, and clarifies relevant management requirements based on the Caotong Securities Procurement Supplier Management Rules. Suppliers shall conscientiously abide by environmental laws and regulations, and on a reasonable and feasible basis, take the initiative to track, control and reduce the environmental impact of their business activities, strengthening management in areas such as energy consumption, greenhouse gas emissions, water resource utilization and waste disposal. Meanwhile, it is stipulated that office procurement shall follow the principle of green procurement, giving priority to energy-saving and environmentally friendly products.

Biodiversity Conservation

The Company actively responds to the requirements of the China Biodiversity Conservation Strategy and Action Plan (2023–2030) issued by the Ministry of Ecology and Environment, upholds the vision of harmonious coexistence between humans and nature, continuously carries out biodiversity conservation initiatives, and is committed to protecting biodiversity in the Yangtze River Basin, helping to achieve national biodiversity conservation strategic goals in the new era.

Advancing Mainstreaming of Biodiversity

Caotong Securities collaborates with all sectors to promote biodiversity conservation, encouraging employees, clients, partners, the public and other groups to understand and participate in biodiversity protection, and advancing the mainstreaming of biodiversity.



Continuously conducts dialogues with environmental NGOs, academic institutions, securities regulators and financial peers.



Integrates biodiversity conservation evaluation indicators into the Company's sustainable development strategy system, strengthening top-level design and implementation considerations.



Actively develops public welfare-themed asset management products, and collaborates with local governments and communities to carry out public welfare practice projects.

Deepening Ecological and Environmental Protection Practices

In recent years, Caotong Securities has proactively served the national strategy of the "Yangtze River Conservation Campaign" and the policy initiative of "East-West Cooperation", actively responded to the call for synergy between biodiversity conservation and economic development, earnestly practiced the concept of sustainable development, and focused on ecological civilization construction.



Caotong Securities Established the Qianjiangyuan Biodiversity Conservation Fund to Jointly Advance Biodiversity Protection in the Qianjiangyuan–Baishanzu National Park

The Qianjiangyuan Biodiversity Conservation Fund is mainly used to fund wildlife protection, ecological restoration and environmental improvement projects, integrating biodiversity conservation with local economic development, promoting common prosperity and achieving a win-win situation between ecological protection and economic growth. Caotong Securities took the initiative to participate in the establishment of the fund, jointly exploring and promoting ESG evaluation standards related to biodiversity conservation, and guiding enterprises and all sectors of society to focus on and participate in biodiversity protection.

The 4th Caotong Securities Health Run Held to Practice Ecological Protection with Concrete Actions



On October 12, at the first event of the 5th "Caotong Day" and "Caotong Culture Week", the 4th "Zhenghe Caotong · Running for Dreams" Health Run was launched at Dingshan Square in Xianghu. Notably, ESG and sustainable development concepts were specially integrated into this event. Through the health run, the Company further promoted the living concepts of green development, health and low-carbon lifestyle, and advanced the harmonious coexistence between humans and nature.



Society

Anchored in Responsibility, Building a Robust Value Network

Caitong Securities has always upheld the original aspiration of finance for the people, and deeply embraced the political essence and people-centered nature of financial work. Seizing new opportunities arising from policies and the market, the Company firmly shoulders the mission of “Being a Securities Company of Zhejiang Entrepreneurs and Enterprises”, integrates deeply into the overall national development, and continues to build its flagship brand “Choose Caitong, Prosperity Abounds”.

We foster a new ecosystem of symbiosis between industry and finance through responsible investment, inject new impetus into high-quality development by serving the real economy, channel precision financial “living water” to underdeveloped regions through rural revitalization, and unlock endogenous drivers for common prosperity through social contribution.

By building a responsibility-oriented value system that integrates industrial empowerment, livelihood security, rural development and public welfare practices, we weave a warm and robust value network. With solid actions and commitment, we deliver Caitong’s contribution to the “Five Major Financial Tasks”, and support the construction of the Common Prosperity Demonstration Zone with professional responsibility.

2025 Highlights

Underwriting scale of corporate bonds in Zhejiang: RMB 59.586 billion

Cumulative scale of supported green projects: over RMB 12 billion

Holdings of ESG bonds with own funds: RMB 1.683 billion

Ranked among the Top 20 Pioneers in the 2025 Hangzhou Listed Companies ESG Strategic Charity Impact Ranking

SUSTAINABLE DEVELOPMENT GOALS

This chapter aligns with the United Nations Sustainable Development Goals (SDGs).



Implementing Responsible Investment

Responsible investment refers to investment strategies and practices that integrate environmental, social and governance (ESG) factors into investment decisions and active ownership. It plays a vital role in directing capital toward sustainable development sectors. Caitong Securities adheres to the philosophy of value investing and responsible investment. While pursuing investment returns, the Company incorporates ESG responsibilities into its investment decision-making process to support the sustainable transformation of the economy.

Organizational Structure and Management of Responsible Investment

The Company has formulated and issued the Responsible Investment Statement of Caitong Securities Co., Ltd., established the Strategy and Sustainable Development Committee and an ESG management team, and appointed ESG coordinators in relevant headquarters departments and subsidiaries to continuously enhance the professional capacity and management level of responsible investment. In the investment process, ESG factors are integrated into the screening of investment targets and the decision-making procedures of the Investment Decision Committee.

The Strategy and Sustainable Development Committee serves as the oversight body for responsible investment, responsible for comprehensive supervision of related matters. The Investment Decision Committee acts as the management layer, responsible for making responsible investment decisions. The ESG management team functions as the execution layer, responsible for screening, evaluation and other specific work related to responsible investment targets.

The Company clearly requires relevant business departments to integrate ESG factors into the entire process of equity investment, fixed income investment and private equity investment business across the Group, and incorporate the three key dimensions of environmental responsibility, social responsibility and corporate governance into investment decision-making.

Responsible Investment Strategies and Applications

Investment Strategy	Strategy Application	Asset Classes Involved
Positive Screening	<ul style="list-style-type: none"> 1. When selecting sectors and establishing stock pools, the Company fully considers ESG factors and positively screens sectors and companies with above-average performance in environment, society and governance. It focuses on target enterprises in line with national development strategies and green development concepts, such as intelligent manufacturing, information technology, healthcare, carbon neutrality and new energy. 2. Caitong Asset Management, a subsidiary, actively tracks developments in technological innovation and makes opportunistic allocations. For investments in traditional energy sectors such as steel, non-ferrous metals and chemicals, priority is given to enterprises with high environmental management standards. 3. Caitong Innovation, a subsidiary, gives priority to enterprises with high environmental and intelligent management standards in intelligent manufacturing; in healthcare, it prioritizes enterprises that solve practical livelihood issues and promote social health development. 	Equity investments, Alternative investments — Private equity

Investment Strategy	Strategy Application	Asset Classes Involved
Negative Exclusion	<ul style="list-style-type: none"> 1. The Company excludes enterprises without social benefits or inconsistent with sustainable development pathways by establishing an investment negative list. 2. Through comprehensive due diligence and ESG negative listing, Caitong Innovation cautiously proceeds with investments in enterprises that may have negative social impacts. Caitong Asset Management fully integrates ESG integration strategies into research, analysis and investment decisions, encouraging researchers to conduct comprehensive analysis combining ESG factors and traditional financial indicators to comprehensively assess industry prospects and individual stock growth, providing strong support for investment decisions. 	Equity investments, Alternative investments — Private equity
ESG Factor Integration	<ul style="list-style-type: none"> 1. In research, analysis and investment decision-making, the Proprietary Investment Headquarter comprehensively evaluates issuers' performance in social responsibility, environment and governance, together with traditional financial indicators, to form investment decisions. 2. Caitong Asset Management fully integrates ESG integration strategies into research, analysis and investment decisions, encouraging researchers to combine ESG factors with traditional financial indicators for holistic analysis, supporting investment decisions. 3. Caitong Innovation incorporates national strategic alignment, material violations, integrity issues and other ESG factors into investment analysis, assigns weighted scores to ESG factors and uses composite scores as a reference for investment recommendations. 	Fixed-income investments, Alternative investments — Private equity
Active Ownership	<ul style="list-style-type: none"> 1. As a shareholder, Caitong Asset Management actively participates in the governance of invested companies, including on-site due diligence and voting at shareholder meetings, to monitor ESG practices, address insufficient disclosure and information asymmetry, and assist and urge listed companies to adopt ESG principles. 2. Caitong Innovation strengthens refined post-investment management, attaches importance to modernized governance and employee care, and spreads ESG philosophy to invested enterprises to enhance their governance capabilities. 	Alternative investments — Private equity

Investment Strategy	Strategy Application	Asset Classes Involved
Sustainable Thematic	<ul style="list-style-type: none"> 1. The Company provides financial support to green industries by investing in green bonds. 2. It launches ESG strategy products to support energy conservation and carbon reduction, green industries represented by new energy vehicles, and sustainable development of enterprises in photovoltaic, energy storage, lithium battery and other sectors. 	Fixed-income investments
Impact Investing	<ul style="list-style-type: none"> Actively invests in bonds whose proceeds are used for targeted poverty alleviation, new energy and other purposes. 	—

Responsible Investment Promotion and Communication

We deeply understand and firmly uphold the political and people-centered nature of financial work. We root the concept of responsible investment in our development strategy, fully integrate ESG principles into all aspects of investment decision-making, and promote sustainable social development through financial strength.

Due Diligence

Conduct ESG due diligence on potential investment targets. Issuers that fail to actively fulfill social responsibilities or have material issues in environmental, social, and governance aspects will be rejected with a one-vote veto.

Credit Analysis

Conduct credit research and analysis on potential investment targets. In addition to routine analysis on issuers, shareholders, and regions, we focus on issuers' ESG performance and contributions.

Pool Inclusion

Add ESG-related requirements to the eligibility criteria of preferred bond pools for industrial bonds (excluding real estate and financial sectors), real estate bonds, financial bonds, convertible bonds, and exchangeable bonds. Bonds must meet ESG standards to be included in the pools.



The 5th "Caitong Day" & Caitong Culture Week Launch

On October 24, 2025, the 5th "Caitong Day" and Caitong Culture Week were officially launched. Following the spirit of the Fourth Plenary Session of the 20th CPC Central Committee, Caitong Securities deeply upholds the political and people-centered nature of financial work, promotes the financial culture with Chinese characteristics of "Five Musts and Five Must-Nots", fosters the industry culture of "compliance, integrity, professionalism, and prudence", and practices the corporate spirit of "Positive-Sum Caitong, Running for Dreams", continuously injecting impetus into high-quality development.



Caitong Securities actively implements the *Implementation Plan for the High-Quality Development of Green Finance in the Banking and Insurance Industry*, the *Guiding Opinions on Further Strengthening Financial Support for Green and Low-Carbon Development*, and other policy guidelines. The Company deeply integrates the green development philosophy into all dimensions of its business, continuously explores green finance with professional financial capabilities and industrial influence, provides innovative solutions for green and low-carbon industries, and supports the green and low-carbon transition of the economy and society.



Caitong Securities Deeply Participates in China's First Clean Energy Hold-to-Maturity Real Estate ABS

In 2025, Caitong Securities deeply participated in the issuance and listing of Taikang Asset-Caitong-Envision New Energy Hold-to-Maturity Real Estate Asset-Backed Special Plan (Carbon Neutrality), the first clean energy hold-to-maturity real estate ABS in China. The underlying asset is the Hengpeng Wind Farm in Weixian, Handan, Hebei Province. Supported by stable long-term operating cash flow and traceable green certificate attributes, it is a typical carbon-neutral green financial product. The project generates approximately 230 million kWh of electricity annually, reducing carbon dioxide emissions by more than 150,000 tons per year, with outstanding ecological benefits. As a landmark practice of Caitong Securities in implementing the green finance strategy and supporting the "dual carbon" goals, the project not only enriches the Company's green financial product system but also provides a replicable and scalable benchmark for clean energy asset securitization in China.





Case Caitong AM Issues Green Asset-Backed Special Plans to Boost Carbon Finance

In 2025, centering on the national “dual carbon” strategic goals, Caitong Asset Management deeply practiced the mission of green finance and leveraged its professional strengths in ABS business. It successfully issued multiple green asset-backed special plans, including Caitong-Wuchan Huaneng Power Grid Tariff Revenue Right Green Asset-Backed Special Plan and Caitong-XCMG Leasing Phase 16 Green Asset-Backed Special Plan (High-End Manufacturing), with a total issuance size of RMB 1.73 billion. Through targeted and efficient financial innovation, the Company directed capital into clean energy and green industries, injecting strong financial impetus into the low-carbon transition of the economy and society.



The Company has deeply engaged in green research, actively participated in industrial exchanges and seminars, and explored effective ways to integrate sustainable development and environmental protection. We have established a professional green research team to thoroughly analyze the green industrial chain, regularly release quantitative environmental benefit evaluation reports and investment value correlation analysis, and consolidate the research foundation for green finance.

In 2025, research teams covering machinery, automotive, electrical new energy, public utilities, construction and building materials, strategy, fixed income, and macroeconomics all released research reports focusing on green development and sustainable investment. Representative reports include Commentary on the Central Urban Work Conference — Focus on Development Opportunities in Urban Planning, Smart City, Energy Conservation and Carbon Reduction, Caitong Securities Solid-State Battery Equipment Weekly: Lithium Battery Export Controls Implemented, Strategic Status Highlighted, etc. A total of 2,792 related reports were released throughout the year, providing investors with accurate and comprehensive green financial information and professional investment advice to help seize investment opportunities in the green development sector.

Serving the Real Economy

As a provincial securities firm, Caitong Securities has always adhered to its original mission of “finance serving the nation and the real economy”. Rooted in Zhejiang, it focuses on the high-quality development of the regional economy. Through diversified financial services, in-depth regional collaboration, professional research support and think tank empowerment, the Company channels financial resources precisely to key areas such as Zhejiang-based enterprises, industrial upgrading and regional development. It aligns with Zhejiang’s overall development, fulfills its responsibility as a provincial securities firm in serving the real economy, and helps build a new pattern of high-quality development across the province.

Deepening Local Financing to Empower Zhejiang Enterprises

Focusing on the development needs of Zhejiang-based enterprises, the Company optimized its financing service system, enriched financing instruments and continuously improved the quality and efficiency of financing services. In the whole year, it provided a total of RMB 67.656 billion in financing for enterprises in Zhejiang.

In bond financing, the Company increased investment in provincial bonds, with an annual investment of RMB 20.579 billion, effectively smoothing debt financing channels for Zhejiang enterprises, easing financing pressure and helping enterprises optimize their capital structure.



Caitong Securities successfully issued the first securities company science and technology innovation bond in Zhejiang



Caitong Securities assisted in issuing the first district/county-level CMBS in Taizhou

In addition, Caitong Capital gave full play to its equity empowerment role, with a total of 274 Zhejiang-based enterprises invested and an investment amount of RMB 25.8 billion, covering new-generation information technology, high-end equipment, biomedicine and other advantageous sectors, helping enterprises cultivate core competitiveness and promote industrial transformation and upgrading.

Caitong Asset Management deepened financial cooperation with peers in the province, with an annual cooperative scale of RMB 51.8 billion. Through ABS projects, it precisely met enterprises’ needs for asset revitalization and financed RMB 13 billion for provincial enterprises. It carried out equity pledge businesses for listed companies in the province, raising RMB 900 million for high-quality listed firms to match their needs for operation, R&D and steady growth.

Deepening Regional Collaboration to Build a Full-Coverage Service Pattern



Caitong Securities was awarded "Outstanding Collective of Financial Institutions in Zhejiang Supporting Economic and Social Development"

Based on the development needs of Zhejiang, the Company took strategic cooperation as a link, innovated service models, improved the service system, and continuously deepened regional cooperation to fulfill its mission of serving regional development.

In terms of government strategic cooperation, the Company expanded its coverage, adding 8 new local government strategic cooperations in the year. It has achieved full coverage of prefecture-level cities in Zhejiang, and signed agreements with 61 county-level administrative regions (coverage rate 67%), including full-domain strategic cooperation with 5 cities: Taizhou, Zhoushan, Quzhou, Shaoxing and Huzhou. Outside Zhejiang, the Company optimized its layout and built five business headquarters in Beijing, Shanghai, Chongqing, Shenzhen and Hainan. It established strategic cooperation with 9 prefecture-level cities (districts/counties) outside Zhejiang including Chongqing and Suzhou, forming a service network of "full coverage in the province and key breakthroughs outside". Meanwhile, with the Science and Technology Financial Service Center as a key platform, the Company promoted the implementation of strategic cooperation with local governments, integrated financial services with local industrial development and livelihood improvement, and supported high-quality local economic development.

In serving major industrial counties

The Company innovated and upgraded its service model, completing the signing and renewal of contracts with 5 major industrial counties, and sinking financial services to industrial parks. It piloted the "Four Ones" service system in Deqing, Tongxiang and other places, forming replicable service cases to solve financing difficulties, high financing costs and inaccurate services, helping cultivate advantageous industries and expand industrial clusters.

In service model innovation

The Company explored a "Local Government Asset Steward" service mechanism, sorted out common needs in asset revitalization, industrial funds and REITs, and compiled the Local Government Asset Steward Service Manual to improve service efficiency and professionalism. It also promoted a grid-based service system and completed the research on Constructing a Regional Grid-Based In-Depth Collaboration Service System, deepening the customer-centric reform and improving service accuracy and effectiveness.

Focusing on the Industrial Chain and Serving the Full Enterprise Lifecycle

The Company deepened industry and industrial chain research, releasing 22 in-depth industry reports covering real estate, transportation, machinery manufacturing, innovative drugs and other pillar industries in Zhejiang, analyzing development trends and pain points to provide professional references for enterprises. It completed 32 key industrial chain reports, precisely covering 4 trillion-level world-class advanced industrial clusters, High-end equipment machinery: 18 reports. New-generation information technology: 9 reports. Modern consumption and health: 4 reports. Green petrochemicals and new materials: 1 report. These reports provided comprehensive research support for upstream and downstream enterprises in the industrial chain.

The Company strengthened on-site connection with enterprises, visiting 67 key industrial chain companies during the year to understand pain points, financing needs and development plans, and achieve "precise profiling, precise docking and precise services". It also improved service tools for Zhejiang enterprises. The 2025 Zhejiang Stock Investment Handbook added 388 newly included company analysis reports, systematically sorting out development status, investment value and opportunities to support steady growth of Zhejiang enterprises.

Exerting the Think Tank Role to Empower Regional Development Strategies

The Company precisely met the decision-making needs of local governments, holding 21 events on high-quality regional economic development and industrial transformation and upgrading for governments across Zhejiang, interpreting policies and industrial trends and providing professional suggestions. It provided 18 customized reports for governments, regulators and the Company's business strategies to improve scientific decision-making.

The Company actively built exchange and cooperation platforms, jointly holding 8 strategy conferences with local governments or key state-owned enterprises, bringing together experts, enterprise representatives and financial institutions to discuss industrial development, green transformation and empowerment of the real economy. Through "Fast Response Direct Line", special reports and other forms, the Company provided advice to the Group Party Committee and actively supported the work of regulatory authorities. It effectively played the role of a think tank bridge, boosted local economic development and enhanced the brand influence and industry recognition of Caitong Securities.



Boosting Rural Revitalization

As a state-owned financial enterprise with more than 30 years of deep roots in the industry, Caitong Securities actively responds to the national strategy for rural revitalization, integrates its core business strengths with social responsibilities, and develops and implements an integrated and distinctive comprehensive service package for rural revitalization. Upholding the philosophy of “finance for good”, the Company has established a working mechanism featuring “collaboration between parent and subsidiaries, and joint fulfillment of social responsibilities by all staff” to empower rural revitalization through diversified measures and continuously foster new quality productive forces in rural areas.

2025 Highlights

Total investment in rural revitalization: RMB 4.5729 million

Awarded the “Most Socially Responsible Securities Firm” on the 2025 Securities Industry Jinding List

Wing On Futures won the 2025 Lucid Waters and Lush Mountains Award · ESG Finance of the Year

Support System

In 2025, Caitong Securities firmly implemented the strategic arrangements of the Central Committee of the Communist Party of China and the State Council on comprehensively advancing rural revitalization and promoting common prosperity. In line with the work plans of the Zhejiang Provincial Party Committee and Provincial Government, and in strict compliance with the Implementation Plan for Zhejiang’s High-Quality Development and Construction of a Demonstration Zone for Common Prosperity (2021–2025), the Company carried out coordinated financial, industrial, educational and ecological support through systematic planning, project-based promotion and targeted implementation. It earnestly fulfilled corporate social responsibility, fully empowered the development of common prosperity, and fully demonstrated the mission and responsibility of a provincial securities firm.

Concrete Practices

Deepening Pairing Assistance and Consolidating Poverty Alleviation Achievements

Caitong Securities continued to improve the “one city, one county” pairing assistance mechanism. It invested RMB 2.3 million in Yugan County (Jiangxi), Jiange County (Sichuan), Luquan County (Yunnan) and Gangu County (Gansu) to support the development of characteristic industries, improvement of living environments and upgrading of public services in the four paired counties, boosting rural revitalization.

Meanwhile, the Company invested RMB 500,000 in infrastructure improvement and industrial development in Shaping Village (Baima Town) and Shuangmiao Village (Maduguan Town) in Xuanhan County, Sichuan Province, deepening east-west cooperation. The funds helped solve the problem of vehicle meeting on narrow village roads, supported chili planting and provided Spring Festival condolences to disadvantaged households. Road hardening in Shuangmiao Village realized all-weather smooth traffic, cut emergency response time by 50% and reduced agricultural product transportation costs by 30%, benefiting 94 households with 318 people. The road was praised by villagers as the “Caitong Convenience Road” and “Caitong Common Prosperity Road”.

Empowering Villages and Farmers to Stimulate Endogenous Development Vitality

In response to the provincial campaign of “Thousand Enterprises Linking Thousand Villages to Eliminate Weak Villages”, the Company invested RMB 300,000 in Daqiaotou Township, Changshan County, earmarked for the construction of constant-temperature greenhouses for the “Common Prosperity Mushroom Garden”, supporting village collectives to invest in the “Changshan Tribute Noodles” industry and assisting low-income households. It invested RMB 250,000 in Leifeng Township, Tiantai County to build a tea culture research base and install a persimmon cake production line, promoting the integrated development of the tea and persimmon industries and increasing income for low-income households. An additional RMB 50,000 was used to comfort more than 80 disadvantaged households to guard against the risk of returning to poverty. Furthermore, the Company donated RMB 100,000 to Jietian Village, Kaihua County for living allowances for disadvantaged groups, accident insurance for the elderly, renovation of dilapidated houses and procurement of cultural and sports facilities, reflecting the care of targeted assistance. Through multiple channels including welfare procurement by the Company’s labor union, targeted procurement by the staff canteen and special agricultural product fairs, the Company purchased a total of RMB 1.1066 million worth of “Qianjiangyuan” branded agricultural products and other special agricultural by-products from Kaihua and other assisted areas in the year, effectively expanding sales channels and directly increasing farmers’ incomes.

Strengthening Intellectual Support and Cultivating Rural Financial Talents

The Company continued to carry out the “Financial Empowerment” Initiative. It invested RMB 265,000 to jointly organize the 8th Special Training Course on Financial Support for Rural Revitalization with Zhejiang University, providing systematic and practical training for leading cadres in assisted areas to enhance their ability to use financial tools for development. Meanwhile, the Company innovatively invested RMB 80,000 to pilot the construction of “Common Prosperity E-Stations” in assisted areas, extending financial literacy and risk prevention education to rural communities and helping improve villagers’ financial capabilities.



Case

Targeted Assistance to Yongxing Village, Caiyuan Township, Suichang County, Zhejiang Province

In 2025, Caitong Asset Management, a subsidiary of Caitong Securities, carried out targeted assistance and sustainable development practices in Yongxing Village, Caiyuan Township, Suichang County, Zhejiang Province. A total of RMB 700,000 was donated for the construction of core areas of the village, including RMB 500,000 for supporting facilities of the “One Mu Tea Garden” and village collective office buildings, and RMB 200,000 for hardening field roads, consolidating the foundation for rural industries and livelihoods. The “Common Prosperity Farm” tree planting and management project was launched, funded by voluntary staff donations, to guide employees to participate in rural ecological construction and support the village’s green development and industrial upgrading.



Social Contribution

Caitong Securities adheres to the philosophy of “Small Public Welfare, Big Vision” and fulfills its social responsibilities by actively participating in public welfare and charitable activities. Leveraging its strengths in “Investment + Investment Banking + Research + Public Welfare”, the Company contributes to public welfare fields including biodiversity conservation, and support for the underprivileged, the elderly and persons with disabilities, staying true to its original aspiration and giving back to society. In 2025, through financial poverty alleviation, industrial poverty alleviation, education poverty alleviation, public welfare poverty alleviation, as well as “Party Building + Finance” empowerment training courses, the Company benefited rural cadres, rural revitalization leaders, rural children, the elderly, the weak, the sick and the disabled, with the total number of beneficiaries exceeding 20,000.

2025 Highlights

Total investment in social welfare: RMB 13.03 million

Total volunteer participation: 626 person-times; total volunteer service hours: 4,528 hours

Ranked among the Top 20 Pioneers in the 2025 Hangzhou Listed Companies ESG Strategic Charity Impact Ranking

Recognized as a 2025 China Asset Management Industry Yinghua Typical Case — Asset Management Institution for

Social Welfare Practice

Practicing the New Development Philosophy and Promoting Green Common Prosperity

Case Supporting Ecological Civilization Construction and Protecting Lucid Waters and Lush Mountains

The Company fully practices the concept that “lucid waters and lush mountains are invaluable assets”. It donated RMB 1 million through the Zhejiang Shenkuo Popular Science Foundation to initiate the establishment of the Qianjiangyuan Biodiversity Conservation Fund. The fund is designed to support biodiversity conservation, science popularization and education, research transformation and green development in the Qianjiangyuan–Baishanzu National Park, and explore pathways to realize the value of ecological products. It represents an important innovative practice for the Company to serve ecological civilization construction through financial instruments.

Empowering Educational and Scientific Research Innovation to Consolidate the Foundation for Development

Caitong Securities has firmly honored its 10-year donation commitment to Westlake University. In 2025, it donated an additional RMB 10 million to fully support the development of a world-class research university and basic scientific research innovation in China. Meanwhile, Caitong Asset Management, a subsidiary of the Company, donated RMB 500,000 to the Zhejiang University Education Foundation to establish the Caitong Asset Management Education Development Fund, supporting the development of financial disciplines and the training of underprivileged students. It also donated RMB 300,000 to the Shanghai Hongkou District Education Foundation to support basic education.

Conducting Charitable and Public Welfare Activities to Convey the Warmth of a State-owned Enterprise

Case Assisting the Needy and Responding to Urgent Social Needs

Following a fire in Tai Po District, Hong Kong in November 2025, the Company acted swiftly. Together with Wing On Futures and its Hong Kong subsidiary, it donated HK\$1 million (approximately RMB 930,000) to the Tai Po Wang Fuk Court Relief Fund to support disaster relief and reconstruction for affected residents, demonstrating solidarity and mutual assistance between mainland enterprises and Hong Kong compatriots.

Supporting and Caring for Persons with Disabilities

The Company donated RMB 100,000 to the Zhejiang Provincial Welfare Foundation for Persons with Disabilities for public welfare activities supporting autism in Zhejiang Province, providing funding for rehabilitation education, training and treatment for people with autism, reflecting the care of a provincial state-owned enterprise.

Promoting Mountain-Sea Collaboration and Boosting Common Prosperity

In 2025, Caitong Capital, a subsidiary of Caitong Securities, donated RMB 200,000 to the Kaihua Charity Federation to support the construction of a common prosperity tea garden project. The project funds were managed in a standardized manner with a 100% disbursement rate, benefiting more than 500 local farmers and creating over 200 jobs. It effectively helped upgrade the tea industry, increase farmers' incomes and contributed to rural revitalization.

Promoting Goodness and Delivering Care to People's Livelihoods

Before the 2025 Spring Festival, the Company organized visits to paired areas including Changshan (Zhejiang) and Xuanhan (Sichuan), offering condolences to 55 disadvantaged households and distributing RMB 38,000 in consolation funds, delivering care and warmth and strengthening ties between the Party, government and the people. Responding to the call of the Zhejiang Provincial Party Committee and Provincial Government, the Company mobilized all employees to participate in the 2025 “Charity One-Day Donation” campaign. A total of 1,073 employees voluntarily donated RMB 229,100, all of which was used for charity programs such as poverty relief, elderly care and disability support in mountainous and island counties in Zhejiang, fostering a sound atmosphere of public participation in philanthropy.



Caitong Securities launches the “Used Clothes Renewal · Warm Hearts” donation campaign

Customers

Customer-Centric, Deeply Fulfilling Responsibilities to Safeguard Rights and Interests

Caitong Securities responds to the strategic goal of building a strong financial country, continuously improves the long-term mechanism for risk management, constantly enhances the quality and efficiency of financial services and professional practice, and earnestly fulfills its duty as a “gatekeeper” of the capital market.

In 2025, the Company focused on both customer service and risk prevention and control: it continued to optimize the customer service system, strengthened closed-loop management of complaints, and conducted regular customer satisfaction surveys. The Company strictly adhered to the bottom line of data security and customer privacy protection, and solidly advanced the prevention and defusing of major financial risks. Through sound operation, the Company supports the high-quality and sustainable development of the financial system.

2025 Highlights

R&D investment: RMB 50.6182 million; R&D employees: 145

Information security training sessions: 6; coverage rate: 100%

Complaint response rate: 100%

SUSTAINABLE DEVELOPMENT GOALS

This chapter aligns with the United Nations Sustainable Development Goals (SDGs).



Data and Information Security

Caitong Securities attaches great importance to data security management and strictly complies with the Cybersecurity Law of the People's Republic of China, the Data Security Law of the People's Republic of China, the Personal Information Protection Law of the People's Republic of China and other relevant laws and regulations. The Company focuses on strengthening and standardizing cybersecurity, data security management and personal information protection to ensure corporate data security, fulfill its obligations to protect customer privacy information, and safeguard the lawfulness and compliance of the use of customer privacy information.

During the reporting period, the Company did not experience any leakage incidents related to national security, nor any negative incidents related to information security or customer privacy.

Information Security Management Architecture of Caitong Securities



Board of Directors

Responsible for formulating the strategic direction and major policies of information security, reviewing information and data security management objectives, and being accountable for the effectiveness of information and data security management.



Leading Group for Cybersecurity and Information Security

Responsible for top-level design, overall layout, overall coordination, integrated advancement and supervision of cybersecurity and information security. It has two subordinate groups: the Information Security Management Group and the Customer Information Protection Working Group.



All departments, branches and subsidiaries

Everyone from senior management to frontline employees is required to comply with relevant information security regulations.

During the reporting period, the Company continuously strengthened the development of its management system and institutional framework, and conducted internal and external audits of information systems on an annual basis to fully safeguard information security and customer privacy.

Focus Area

Management System and Institutional Development

Our Actions and Outcomes

- The Company has established the Leading Group for Cybersecurity and Information Security and the Information Security Management Group, with clear division of responsibilities to coordinate top-level design, overall layout, overall coordination, integrated advancement and supervision of information security.
- The Company has formulated and implemented a series of policies including the Measures for Cybersecurity and Information Security Management, Measures for Data Governance, Measures for Data Security Management and Detailed Rules for Data Classification and Grading Management, to further standardize data security management and ensure unified, sustainable, controllable and secure data management.

Focus Area

Technologies and Measures

Our Actions and Outcomes

- The Company has adopted virtualization technology to build a cybersecurity protection and monitoring system composed of Web application firewalls, security situation awareness platforms, honeypot early warning systems and other tools. This has significantly enhanced cybersecurity protection capabilities while reducing physical server deployment and energy consumption.
- The Company actively promotes independent and controllable infrastructure construction by adopting domestic operating systems, chips, servers and other key products, reducing external technology dependence and continuously improving supply chain resilience and security assurance.
- The Company has completed the procurement and deployment of a Software Composition Analysis (SCA) system, further improving the open-source software security governance system and strengthening the capability to monitor and defend against malicious attacks.

Training and Education

- A total of 6 training sessions were held throughout the year, covering cybersecurity, industry network protection, AI intelligent applications and other fields.
- Training videos on cybersecurity awareness, knowledge and skills were launched on the online learning platform to popularize cybersecurity awareness among all employees and improve their basic cybersecurity protection capabilities.

Emergency Response and Drills

- Comprehensive coordination was carried out during the launch of the UF30 core trading system, and efforts were made to promote the establishment of sound communication, coordination and emergency prevention and control mechanisms for relevant business lines.

Information Security Training of the Company

Indicator	Unit	2023	2024	2025
Number of training sessions	times	4	6	6
Number of participants	persons	All employees	All employees	All employees
Training coverage	%	100%	100%	100%
Average information security training hours per employee	hours	3	3.6	4

Customer Privacy Protection

Caitong Securities attaches great importance to customer privacy protection and has established a comprehensive governance system to safeguard the security of customer information. The Company has set up a Customer Information Protection Working Group under the Leading Group for Cybersecurity and Information Security, which is responsible for coordinating and advancing customer information protection. Adhering to the principle of “ensuring security and promoting development”, the Company has built and improved the protection mechanism for customer information security. In accordance with the Securities Law of the People’s Republic of China, Cybersecurity Law of the People’s Republic of China, Personal Information Protection Law of the People’s Republic of China, Data Security Law of the People’s Republic of China, Measures for the Administration of Cybersecurity and Information Security in the Securities and Futures Industry, Measures for the Administration of Cybersecurity and Information Security of Caitong Securities Co., Ltd. and other relevant provisions, and based on the Company’s actual conditions, the Company has formulated the Measures for the Administration of Customer Information Protection of Caitong Securities Co., Ltd.. It clarifies that all employees must strictly implement privacy protection requirements such as data classification management and control, access authorization, encryption and de-identification in all links of processing customer personal information, including collection, transmission, storage, usage, deletion and destruction, so as to ensure the security of data assets. No customer privacy leakage incidents occurred within the Company during the reporting period.

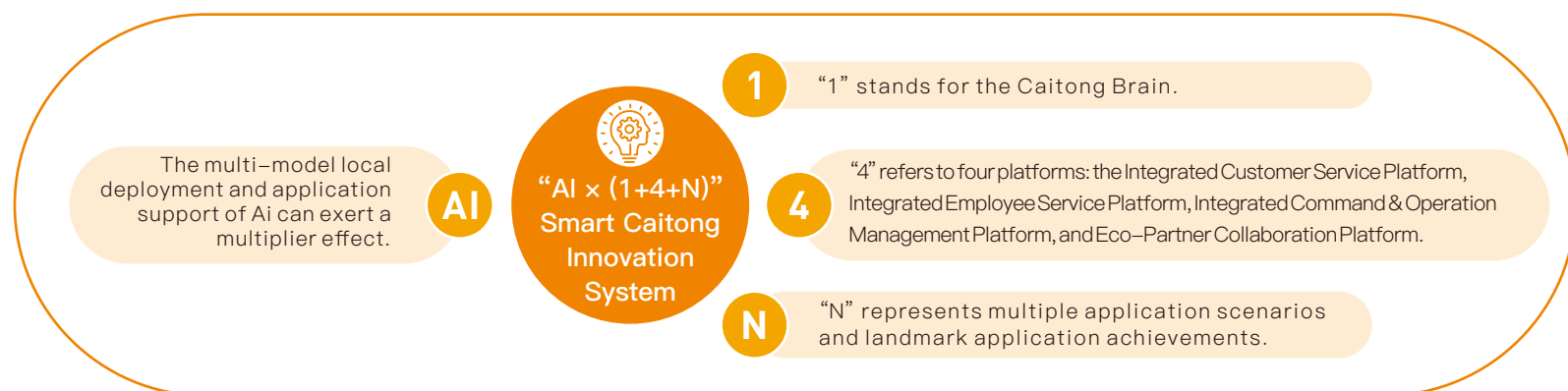
Focus Area	Our Management Measures
Customer Information Collection	<ul style="list-style-type: none"> The Company strictly follows the principle of minimum necessity in information collection and ensures the lawfulness of information use through the customer informed consent mechanism. In the process of information use, the Company adopts technical measures such as data desensitization and encryption to safeguard the security of customers’ sensitive information.
Storage and Use of Customer Information	<p>Paper Information Management</p> <ul style="list-style-type: none"> Paper documents containing customer information generated in business operations are managed by dedicated personnel, sorted, filed, stored and kept in a unified manner in a timely manner. Access is subject to strict approval procedures.
	<p>Electronic Information Management</p> <ul style="list-style-type: none"> Electronic customer information entered into the Company’s business systems is recorded, stored and managed by respective systems. Access and maintenance are only allowed to authorized personnel via permission control. The Company strictly implements the system approval procedure for access rights and conducts regular reviews of permission usage.
	<p>Confidentiality Requirements</p> <ul style="list-style-type: none"> The Company keeps customer information confidential and shall not disclose, sell, disseminate or use such information against customers’ will, except as required by laws, regulations or competent state authorities. The Company’s internal data protection and privacy policies ensure customers’ right to know and decide on the processing of their personal financial information.
	<p>Permission Settings</p> <ul style="list-style-type: none"> Customers may access and manage their personal information through official APP, business outlets and other channels, and may access, modify or delete personal data following provided instructions. Permissions are properly allocated based on the principle of clear division of responsibilities and minimum necessary access, with clarified procedures for querying and using customer information, and a sound system of hierarchical approval and strict control established.

Focus Area	Our Management Measures
Information Technology Security Protection	<p>System Construction</p> <ul style="list-style-type: none"> The Company improves its information technology systems with measures including network isolation, user authentication, data encryption, data backup, data destruction, virus prevention and intrusion detection to protect customer information.
	<p>Monitoring and Protection System</p> <ul style="list-style-type: none"> A sound customer information security monitoring and protection system is established with improved functional modules to ensure that system logs record query and download operations of customer information in a timely, accurate and comprehensive manner, enabling traceability of information leakage incidents.
	<p>Third-Party Management</p> <ul style="list-style-type: none"> Third-party service providers related to information technology are supervised and required to fulfill confidentiality obligations to ensure the security of financial and customer information. Their protection capabilities are evaluated regularly, and cooperation is terminated promptly if deficiencies are identified.
Personnel Management and Publicity & Education	<p>Prohibited Activities</p> <ul style="list-style-type: none"> The Company prohibits employees from collecting customer information irrelevant to business, collecting information by disguised coercion, obtaining information through improper means, collecting information beyond the scope or frequency, illegally querying, copying, storing, tampering with or disclosing information, or seeking improper benefits by using such information.
	<p>Confidentiality Agreement</p> <ul style="list-style-type: none"> All employees are required to sign a Confidentiality Agreement upon onboarding to clarify information security responsibilities. Dispatched, outsourced and intern personnel with access to customer information are also required to sign the Confidentiality Agreement.
	<p>Training and Education</p> <ul style="list-style-type: none"> The Company regularly organizes information security training and awareness campaigns to enhance employees’ information security and compliance awareness. It strengthens personal information security education for investors through investor lectures, customer follow-ups and other channels.
Inspection & Accountability Mechanism and Emergency Response	<p>Internal Mechanism</p> <ul style="list-style-type: none"> The Company has established a company-wide internal monitoring, inspection, accountability and correction mechanism to identify and address potential risks in a timely manner.
	<p>Reporting and Verification</p> <ul style="list-style-type: none"> Employees who discover suspected customer information leakage or violations of confidentiality policies shall promptly report to the department head, and an initial investigation shall be launched immediately. If information leakage is caused by the Company’s staff or business activities, an in-depth investigation shall be conducted and risks addressed promptly.
	<p>Risk Inspection</p> <ul style="list-style-type: none"> A customer information leakage risk inspection mechanism is established. Regular and ad-hoc self-inspections, compliance inspections, audit inspections and business inspections are conducted to detect violations and take effective risk mitigation measures.
	<p>Emergency Drill</p> <ul style="list-style-type: none"> The risk management department conducts at least one emergency drill annually to improve the capability to respond to information security incidents, with drill reports documented and filed for future reference.

Digital Innovation-Driven Development

Caitong Securities fully implements the strategic arrangements for building a Digital China and Digital Zhejiang. In 2025, the Company focused on constructing the “AI × (1+4+N)” Smart Caitong Innovation System. In line with the goals of enhancing management efficiency, improving operational effectiveness, and boosting service performance, the Company leveraged AI to advance the major reform of rebuilding the customer operation system centered on customers. This provides solid digital support for building a first-class investment bank, delivers digital empowerment for better serving the high-quality development of Zhejiang-based enterprises and entrepreneurs, and establishes a Caitong role model for the construction of Digital China and Digital Zhejiang.

The Company applies artificial intelligence technologies primarily to empower business services and enhance internal operation quality and efficiency, with all data collection, storage and processing under internal closed-loop management. Throughout the reporting period, the Company had no breaches of technological ethics and received no penalties from regulatory authorities concerning ethics-related incidents.

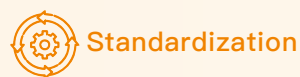


Principles for the Development of AI × (1+4+N)



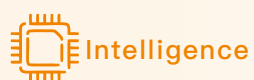
Intensive Development

Overall planning and integrated integration. Centered on information sharing and connectivity, the Company adopts unified top-level design and architecture at the group level, breaks down information silos, and fully integrates infrastructure, data and terminal resources.



Standardization

Unified standards and orderly advancement. The Company has established unified systems for technical construction, data resources, security assurance and management mechanisms to guide and standardize project development, and promote progress in a planned and hierarchical manner.



Intelligence

Data-driven and smart empowerment. The Company promotes data integration and governance, facilitates data openness and sharing, enhances data analysis and mining capabilities, and innovatively applies advanced technologies such as artificial intelligence and large models to build an “intelligent central hub” and “intelligent applications” that empower all service scenarios.



Case

AI Application Innovation Skills Competition

In July 2025, Caitong Securities launched the Group-wide AI Application Innovation Skills Competition. The award ceremony was held on the “Caitong Day” on October 24. The 10 winning solutions covered intelligent operation management, industrial chain research, asset allocation, investment research, risk management, customer service and investor education. Going forward, Caitong Securities will accelerate the implementation of AI applications and promote the intelligent upgrading of business scenarios.



Investor Education and Protection

Optimizing Customer Service and Complaint Handling

The Company maintains open communication channels and receives customer inquiries and suggestions through multiple platforms including online portals, telephone, fax, in-person visits and email. It adopts an “intelligent + manual” model to provide 24/7 uninterrupted service, with a particular focus on optimizing and enhancing the performance of intelligent service robots. Technological upgrades are implemented to ensure more efficient and smooth human-machine collaboration. Meanwhile, the Company has innovatively launched a “quality-training integration” training system to comprehensively improve the overall service capabilities of customer service personnel. A strict quality inspection mechanism is applied to identify errors in a timely manner and feed insights back into training. Throughout the year, 2,518 items of professional knowledge were accurately delivered, with a 100% learning coverage rate for on-the-job employees via the system. In 2025, the customer service team conducted 29 regular professional training sessions covering error analysis and newly added knowledge points, and held 1 competency-improvement knowledge competition. A closed-loop customer satisfaction management mechanism has been established to conduct satisfaction attribution analysis for each service interaction, and optimize the script library and knowledge graph for high-frequency issues, so as to comprehensively enhance the customer service experience.

To standardize complaint management, the Company has formulated the Investor Complaint Handling System of Caitong Securities Co., Ltd., which clarifies the division of responsibilities among all departments and branches in complaint handling, and fully regulates the principles and procedures of complaint resolution. Customer complaints are incorporated into the Company’s comprehensive supervision system and processed through the OA complaint workflow. The complaint handling process is guided by various business departments, with collaboration between the headquarters, branches and local offices. The whole progress is tracked to ensure fair and impartial handling, and investor complaints and suggestions are addressed in accordance with laws, properly and promptly, effectively protecting the legitimate rights and interests of investors.

In 2025, the Company accepted a total of 196 complaints. Upon receipt, the Company responded rapidly and handled them proactively, achieving a 100% complaint response rate and a 100% complaint closure rate for the whole year. Adhering to the purpose of safeguarding investors’ rights and promoting market harmony and stability, the Company actively adopted diversified dispute resolution mechanisms. 11 disputes were mediated through the China Securities Legal Service Center. By patiently listening to customer demands and developing feasible mediation plans, the Company strived to resolve disputes amicably. The customer satisfaction rate during the reporting period reached 92.15%.



Solve customer complaints and gain customer approval

A customer complained that after account cancellation, the original fund account was not actually closed but only de-registered. The customer failed to cancel the account through the fund company and requested assistance from the Company. Following the principle of “case-by-case handling for customer convenience”, the Company actively communicated and coordinated with the fund company, explained the customer’s special situation and urgent needs in detail, and submitted relevant supporting materials. After multiple rounds of negotiation, the Company worked with the fund company to open a special cancellation channel and successfully closed the fund account for the customer, earning full recognition from the customer.

Investor Education and Appropriateness Management Protection

The Company consistently upholds the philosophy of investor rights protection, and builds a solid defense line for safeguarding investor interests through professional services and a responsible attitude. During the reporting period, the Company strictly complied with regulatory requirements including the Guidelines for Investor Education of Securities Business Institutions and the Guidelines for Investor Education of Publicly Offered Securities Investment Funds, stayed close to investors and served investors, and continuously improved its investor education channel system.

The Company consistently upholds the philosophy of investor rights protection, and builds a solid defense line for safeguarding investor interests through professional services and a responsible attitude. During the reporting period, the Company strictly complied with regulatory requirements including the Guidelines for Investor Education of Securities Business Institutions and the Guidelines for Investor Education of Publicly Offered Securities Investment Funds, stayed close to investors and served investors, and continuously improved its investor education channel system.

To enhance investors’ financial literacy, risk prevention awareness and ability to protect rights in accordance with the law, the Company has built an official investor education website and the “Caitong Investor Education” WeChat official account online, and established physical investor education bases offline. Through diversified forms, the Company popularizes financial knowledge, strengthens risk awareness, and guides investors to establish a rational investment philosophy.

2025

In 2025, a total of 1,740 events were held, more than 2,200 original investor education products were developed, covering over 34 million investor visits.



Initiatively launched the “Hundreds of Film Tours Across Thousands of Miles – Shared Prosperity Investment Education Protecting Ten Thousand Families” series of activities

Caitong Securities held more than 200 common-prosperity investor education activities in rural areas to extend investor education resources to the grassroots. Through the model of “culture going to the countryside + inclusive finance”, the Company delivered financial knowledge and skills on preventing illegal securities activities and fraud in an interesting and scenario-based manner, making investor education more grounded and well-received by the public.



Employees

People-Oriented, United for a New Chapter

The Company always regards employees as its most valuable asset, fully protects the legitimate rights and interests of employees, builds diversified career development paths, and fosters a positive, dynamic and inclusive working atmosphere with a strong sense of belonging. By supporting employees in realizing personal value, the Company injects sustained impetus into its continuous innovation and steady development.

2025 Highlights

Number of female employees: 2,220, accounting for 47.65% of the total workforce

Number of participants in training: 4,457 person-times

Investment in staff training: 2,823,853.72 yuan

SUSTAINABLE DEVELOPMENT GOALS

This chapter aligns with the United Nations Sustainable Development Goals (SDGs).



Employment, Equality and Diversity

The Company strictly abides by the Labor Law of the People’s Republic of China, Labor Contract Law of the People’s Republic of China, Law of the People’s Republic of China on the Protection of Women’s Rights and Interests, Provisions on Prohibiting the Use of Child Labor and other relevant laws and regulations. It is committed to fostering an equal, respectful and high-quality working environment for all employees and ensuring fair career development opportunities for every employee. The Company has established and improved a standardized employment management system and an equal employment protection system, achieving 100% in both labor contract signing rate and social insurance coverage rate.

The Company revised and issued the Measures for the Administration of Employee Recruitment and Employment of Caitong Securities, covering the headquarters and all branches. Through process optimization and standardized management, the Company implements the requirement of the Party managing talents, strengthens unified control over the recruitment of subsidiaries, and adds a headquarters-level unified assessment and a written examination for campus recruitment in the recruitment process. Adhering to the recruitment philosophy of equality, openness, inclusiveness and diversity, the Company fully respects human rights, personality differences and personal privacy of employees. It strictly prohibits discriminatory restrictions on gender, race, ethnicity and other grounds in recruitment, and firmly eliminates child labor and forced labor. Through strict identity verification, regular supervision, inspection and evaluation, the Company strengthens the control over labor intensity and ensures the implementation of the human rights protection system.

During the reporting period, the Company had no employment-related lawsuits, nor any violations such as child labor or forced labor.

2025

Total number of employees of the Company in 2025: **4,659** New employees recruited: **400**
 Total Employees **4,659** Ethnic Minority Employees **83** Veterans **36** Female Managers **51**
 Overseas Employees (including Hong Kong, Macao and Taiwan) **43** Labor Contract Signing Rate: **100%**

Employee Development Empowerment

Talent Development

The Company attaches great importance to talent value and provides multi-level training for employees at different stages. It continuously improves the training system and innovates training approaches to offer diversified career growth paths for employees, supporting the Company’s sustainable and high-quality development.

Under the guidance of the Company’s strategy of strengthening the enterprise through talent development, the Company has steadily carried out talent inventory and vigorously enhanced talent reserve. It has continued to advance the “Talent Gathering 8090” Program and conducted in-depth competency and quality surveys. Through rigorous and detailed evaluation procedures, the Company dynamically establishes a dedicated file for each employee, accurately creates individual talent profiles and distinctive tags, and records comprehensive information into the personal database. With digital tools, the Company precisely manages talent resources, effectively revitalizes the existing talent pool, and further optimizes the human resource allocation structure to ensure proper person-job fit and full utilization of talents, laying a solid talent foundation for the Company’s long-term development.

Focus Area	Our Actions and Outcomes
Training of Young Backbones	<ul style="list-style-type: none"> Outstanding young backbones are selected through voluntary application, departmental recommendation, comprehensive evaluation and interviews. Relying on diversified training paths such as centralized training, mentoring and on-the-job practice, the Company systematically enhances employees’ nine core competencies. A fair and impartial assessment mechanism has been established to provide a platform for outstanding talents to stand out.
“Talent Gathering” Series Training	<ul style="list-style-type: none"> A “four-in-one” institutional foundation has been built covering the training organization system, training content system, training assignment standards and training implementation norms, fully improving the overall management mechanism for talent development. Aligned with business development needs, the Company continuously optimizes and updates training courses covering professional knowledge, management capabilities and comprehensive literacy to precisely meet employees’ full-cycle growth and development needs.
Development of Digital Training Platform	<ul style="list-style-type: none"> Leveraging digital empowerment, the Company promotes the R&D of specialized courses and coordinated deployment of teaching resources, improves the online course system, and builds a convenient and efficient learning platform for employees.

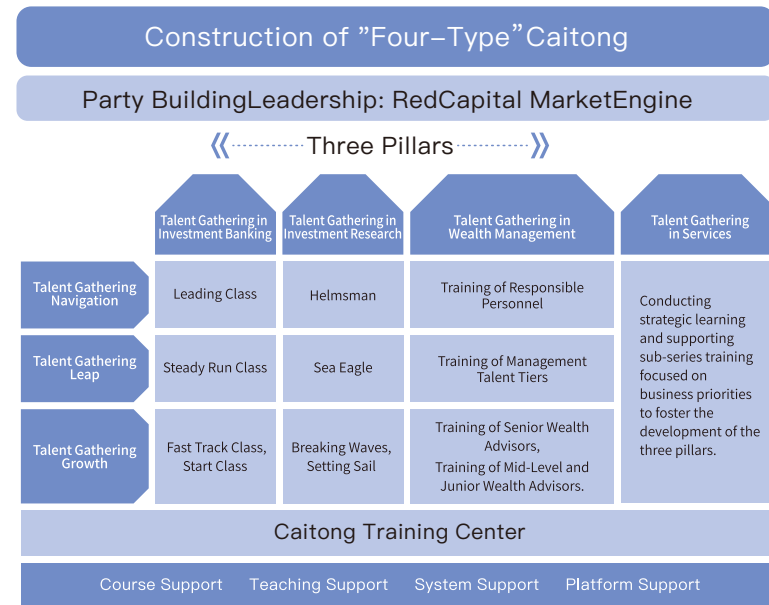
2025 Overall Employee Training Statistics

Total number of employees trained: **4,457** Employee training coverage: **100%**

Total employee training hours: **360,125.6** hours Average training hours per employee: **80.8** hours

Training situation	Number	Training situation	hours
Number of grassroots employees trained	4247	Average training hours for grassroots employees	77.96hours
Number of middle management employees trained	193	Average training hours for middle management employees	139.87hours
Number of senior management employees trained	17	Average training hours for senior management employees	127.52hours

The Company has continuously strengthened the standardization of cadre selection and appointment, strictly implemented selection procedures, and improved the whole-process mechanism for deliberation, review and decision-making in organization and personnel management. It upholds the overall leadership of the Party Committee over the cadre and talent workforce, perfected the group-wide organization and personnel management system, clarified cadre management authority and graded authorization standards for employees, built a strong team of personnel specialists, and fully implemented the HRBP system, so as to effectively enhance the efficiency of organization and personnel management and ensure fair, impartial and open cadre selection. Meanwhile, guided by strategic and business needs, the Company has established a tiered and categorized talent development system covering political and administrative education, talent echelon construction and business empowerment. It has achieved capability advancement for all employees by providing examination subsidies, professional training, academic degree support, and developing a modular course matrix in cooperation with professional institutions and top universities. The Company has adopted the innovative “1+N” training management model and strengthened talent development through diversified approaches such as thematic training, job rotation, secondment to higher authorities and attachment to grassroots units, supported by internal lecturers, training bases and digital platforms. With contract-based and market-oriented management, the Company has tightened the whole chain of cadre selection, training, management and appointment, improved the mechanism for promoting and demoting cadres, and established the employment orientation of “promoting the competent, transferring the average and removing the incompetent”, so as to encourage cadres to take responsibility and promote high-quality development of the organizational talent team. In 2025, 12 middle-level managers and 62 key position personnel were newly appointed.



2025

Employees aged 35 and below accounted for **41.83%** of the total workforce, approximately **2** percentage points higher than the industry average. The proportion of employees with a postgraduate degree or above rose from 27.1% at the end of 2020 to **35.1%**.

University-Enterprise Cooperation

Caitong Securities actively promotes university-enterprise cooperation and has established close partnerships with a number of universities. The Company has continuously deepened strategic cooperation with renowned universities inside and outside the province, strengthened collaboration with universities to establish internship bases, and explored a new talent development model featuring “integration of industry and education, joint construction by universities and enterprises, and collaborative development”.



Jointly with Zhejiang University, Caitong Securities held the 2025 Rural Revitalization Improvement Program and the 9th Financial Empowerment Training Program of Caitong Securities.



Employee Compensation and Benefits

Compensation System

In 2025, the Company systematically formulated and revised 12 core systems and 30 specific supporting systems, including the Measures for the Administration of Organization, Personnel and Human Resources, Measures for the Compensation Administration of Persons-in-Charge of Subsidiaries, Detailed Implementing Rules for the Performance Assessment and Compensation Administration of Senior Executives, Measures for the Administration of Total Wages, Measures for the Administration of Employee Job Rank and Compensation, Measures for the Administration of Deferred Performance Bonuses, Detailed Implementing Rules for Employee Performance Assessment, and Measures for the Administration of Welfare, Allowances and Subsidies. These efforts further improved the institutional system for organization and personnel management, effectively enhancing the institutionalization, scientification and standardization of organization and personnel work. The Company adheres to integrating the requirements of standardized construction into the entire process and all links of organization and personnel work. In key work such as employee recruitment and employment, cadre selection and appointment, employee professional qualification management, and personnel, compensation and performance management, the Company strictly abides by rules and regulations and implements work in accordance with laws, regulations and disciplines.

Focus Area	Our Actions and Outcomes
Employee Compensation Management System	<ul style="list-style-type: none"> We have established a sound and scientific employee compensation management system and improved a standardized and efficient incentive and restraint mechanism. We revised and implemented the Measures for the Administration of Employee Job Rank and Compensation to promote the standardized and institutionalized operation of compensation management. A dynamic salary adjustment mechanism has been introduced. Compensation is determined dynamically based on job rank changes, performance appraisal results, and job contributions, which fully motivates employees and effectively rewards high performers.
Competency-based MD Job Rank Management System	<ul style="list-style-type: none"> We have built a competency-oriented MD job rank management system to broaden career development paths for employees. Aligned with the talent development strategy and advanced industry practices, we have established an MD rank system covering all business lines, with competency, performance and seniority as core evaluation criteria.
Employee Performance Appraisal System	<ul style="list-style-type: none"> Adhering to a high-performance orientation, we have constructed a scientific and efficient employee performance appraisal system. We formulated and improved detailed rules for employee performance assessment, and continuously strengthened whole-process management and application of performance results.

Employee Benefits

The Company consistently puts employees at the center, builds a comprehensive and multi-tiered employee benefits and protection system, and continuously enhances employees' sense of gain, well-being and belonging. In terms of benefit provision, the Company has optimized the employee welfare and condolence system, and established an e-wallet information settlement system based on the Employee Treasure platform to

realize the standardized distribution of festival condolences in the form of points. It has cooperated with strategic partners to provide exclusive employee benefits and rights, including preferential communication services, banking and financial services, supplementary medical insurance, vacation and shopping privileges. The Company has newly launched cultural and tourism consumption coupons, and raised the standards of special condolences for marriage, childbirth, hospitalization and other events to meet the actual needs of employees. It has built its own staff canteens, including 2 canteens at the Hangzhou headquarters and 1 newly built canteen at the Shanghai headquarters, with an employee satisfaction rate of 98%.

For the protection system, the Company has improved the protection mechanism centered on statutory social insurance (five insurances and one housing fund) and paid annual leave in accordance with the law. It has promoted the participation in mutual medical assistance and care insurance for female employees, and provided full assistance in claims settlement. During the reporting period, a total of 29 person-times of various payments were processed, including 5 critical illness claims with a total payment amount of more than RMB 110,000, effectively safeguarding employees' health and daily life. Meanwhile, the Company attaches great importance to occupational health and safety, carries out regular safety training, fire control, typhoon and flood prevention drills, and hidden danger self-inspections. It has improved on-site medical emergency support for office buildings and equipped emergency facilities such as AEDs to create a safe working environment.

For employee democratic communication, the Company has unblocked communication channels by establishing a matrix of "offline petition office + online suggestion box". It conducts anonymous satisfaction surveys from time to time and implements improvement measures. In 2025, 4 employee congresses were held, deliberating on 11 policies and systems.

For performance management, the Company strictly implements relevant assessment rules to ensure openness, fairness and impartiality. Performance coaching is implemented throughout the whole process, with direct supervisors conducting coaching at least once per quarter. A performance feedback and appeal mechanism has been established, with appraisal interviews completed within 10 working days after assessment and unblocked appeal channels. Digital tools are adopted to realize the whole-process online and standardized performance management.

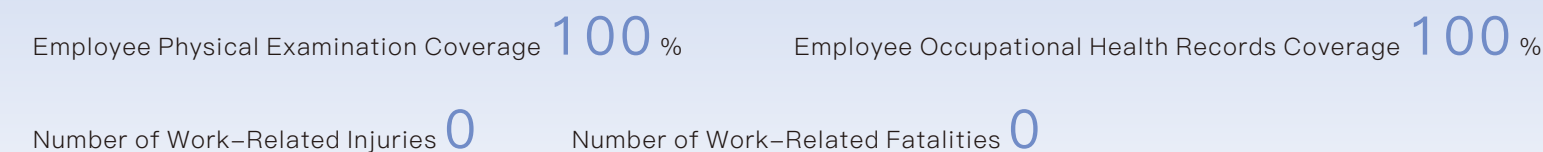
Employee Care


The Company has continuously deepened the cultural brand building of the "Three Practical Programs". Taking employee needs as the orientation, it extensively solicits opinions each year and implements targeted measures. Focusing on key areas such as workplace environment optimization and quality of life improvement, the Company effectively addresses employees' urgent difficulties and concerns, fosters a strong "family culture" atmosphere, and enhances employees' sense of belonging and well-being.

In terms of physical and mental health care, the Company has steadily improved its health service system and strengthened the development of employee service facilities. It guided branch unions to upgrade one "Mother's Room", providing a convenient rest and nursing space for female employees during lactation. The Company enriched canteen menus, built functional spaces including gyms and maternal and infant rooms, and set up an on-site clinic in cooperation with a Grade-A Tertiary hospital. It established a "1+X" physical examination model, adding special examinations for employees aged 45 and above, and introduced off-site physical examination service providers. Throughout the year, the Company held four health lectures on eye protection, first aid, and bone health, effectively raising employees' awareness of health protection. Meanwhile, the Company solidly promoted employee recuperation and rehabilitation programs. Based on extensive questionnaire surveys, it scientifically optimized travel routes and organized group trips to Xinjiang, Qinghai-Gansu, Guizhou, and Gannan. Branch unions and departments were encouraged to carry out collective recuperation in conjunction with team-building activities, further improving participation and providing all-round care for employees' physical and mental health.

The Company has improved its assistance and condolence system for employees in need. During the reporting period, financial assistance was provided to 30 employees, with a total amount of RMB 73,000. Regular condolences were offered to members for marriage, childbirth, illness, bereavement, and retirement, covering more than 500 person-times with a total expenditure of nearly RMB 300,000, effectively relieving employees' difficulties. In addition, the Company revised the management measures for interest groups, optimized activity organization processes, and actively established health-oriented interest groups. These initiatives enriched employees' spare-time cultural life, boosted participation and engagement, and further strengthened team cohesion.

2025



Case  Caitong Securities Held a Series of Activities for International Women's Day

On March 7, to celebrate the 115th International Women's Day and foster a corporate culture of "cherishing the family, caring for the family and developing the family", Caitong Securities held a series of themed activities entitled "Making Contributions in the New Era, Women Showing Their Splendor" in commemoration of International Women's Day.



Children's Day Event Held 


In June 2025, a Children's Day celebration themed "Childlike Innocence, Common Dreams, Love at Caitong" was organized.



Case  Caitong Securities Held the 5th 5-a-Side Football Match

In July 2025, Caitong Securities held the 5th 5-a-side Football Match under the theme of "Running for Dreams with Full Spirit".



The 8th Fun Sports Meeting of Caitong Securities 

On October 25, on the occasion of the 5th "Caitong Day" and "Caitong Culture Week", the 8th Fun Sports Meeting of Caitong Securities, themed "Uniting Hearts and Strength, Striving for Brilliance Together", was successfully held at the track and field ground of Yuquan Campus, Zhejiang University. A total of 25 teams from branch unions and subsidiary unions participated, gathering more than 700 athletes. The event was a dynamic sports gala, interpreting the "Caitong Family" home culture through laughter and endeavor.



Governance

Anchored on Stability to Fortify the Cornerstone of Development

Caitong Securities consistently upholds Party building as guidance, earnestly practices the financial culture with Chinese characteristics of “Five Musts and Five Must Nots”, and continuously improves its corporate governance structure and institutional system to enhance governance effectiveness. The Company strictly adheres to the bottom line of compliant operation, advances the development of compliance culture, deepens enterprise-wide risk management, and makes every effort to promote anti-corruption and integrity initiatives. This ensures the industry values of compliance, integrity, professionalism and prudence take root in the Company, laying a solid foundation for its stable operation and high-quality development.

2025 Highlights

- 1 female director, accounting for 10% of the Board
- 9 meetings of the Board of Directors
- 4 meetings of the General Meeting of Shareholders

SUSTAINABLE DEVELOPMENT GOALS

This chapter aligns with the United Nations Sustainable Development Goals (SDGs)



Upholding Party Building as Guidance

Caitong Securities always gives top priority to the Party's political development, fully implements the guiding principles of the 20th National Congress of the Communist Party of China and the 2nd, 3rd and 4th Plenary Sessions of the 20th Central Committee, and firmly follows the general requirements of prioritizing the political nature, public nature and functional orientation of financial work, so as to promote the integration and mutual reinforcement of Party building and business development.

The Company integrates the overall leadership of the Party into all aspects of corporate governance, adheres to the leadership system of "two-way entry and cross-appointment", and has issued documents for optimizing the corporate governance system to ensure that the Party Committee of the Company plays its leading role in "providing guidance, overseeing the overall situation and ensuring implementation" in terms of organization, system and mechanism. It has optimized decision-making systems such as the Detailed Rules for the Implementation of the Pre-procedure, further clarifying the scope, boundaries of power and responsibility, and decision-making procedures for deliberation and decision-making on the "Three Importance and One Greatness" (i.e., decisions on major matters, appointments and dismissals of key cadres, arrangements of important projects, and use of large-sum funds must be decided through collective discussion). Through convening meetings of the Party Committee, the Company conducts pre-review on major matters such as the deepening reform and upgrading initiative, effectively integrating the Party's leadership into all fields, aspects and links of corporate governance and deepened reform. The Company focuses on improving the quality and efficiency of primary-level deliberation and decision-making, guides Party organizations of subsidiaries and branches to dynamically optimize the decision-making mechanism for the "Three Importance and One Greatness", and promotes the institutionalization and standardization of primary-level deliberation and decision-making.

The Party Committee of the Company adheres to emphasizing standardization and strengthening foundations, promoting all-round progress of primary-level Party organizations. It ensures full coverage of the organizational system and Party work, and steadily advances the standardization and regularization of primary-level Party organizations. It builds a "talent pool" for Party affairs cadres, strengthens the staffing of primary-level Party affairs personnel, systematically standardizes the selection criteria, training, management and assessment of Party affairs cadres, and continuously improves their theoretical competence, professional quality and performance capabilities. The Company strictly controls the quality of recruiting new Party members, focusing on recruiting frontline employees and young backbones. It gives play to the "vane" of typical examples, organizes the practical activity themed "Keeping in Mind the Instructions, Shouldering the Mission, and Making New Achievements in Deepening Reform and Upgrading", and builds effective platforms such as Pioneer Post for Party Members and Party Member Commando Teams. By showing identity, demonstrating image and setting an example, it guides the majority of Party members to actively participate in comprehensively deepening reform. The Company was awarded the "Innovation and Practice Base for Primary-level Party Building" by the State-owned Assets Supervision and Administration Commission (SASAC) of Shanghai Municipality.



Caitong Securities Holds Warning Education Conference

On July 24, Caitong Securities held a warning education conference to earnestly study and understand General Secretary Xi Jinping's important expositions, instructions and directives on strengthening the Party's conduct development, thoroughly study and implement the spirit of the eight-point central regulation and its implementation rules, and learn from typical corruption cases in the financial and state-owned enterprise sectors. Taking cases as a warning, clarifying discipline through cases and promoting rectification through cases, the conference educated and guided the majority of Party members and cadres to further build a strong ideological line of defense against corruption and degeneration, and provided a strong guarantee with strict and practical work style for Caitong Securities to serve high-quality development and build a demonstration zone for common prosperity.



Lean Corporate Governance

Caitong Securities strictly complies with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, as well as the rules and requirements of the China Securities Regulatory Commission (CSRC) and the Shanghai Stock Exchange (SSE). Adhering to the governance principles of independence, mutual collaboration, clear rights and responsibilities, and effective checks and balances, the Company has established a modern corporate governance system featuring unified Party Committee leadership, strategic decision-making by the Board of Directors, oversight by the Audit Committee, and lawful operation by the management team.

Governance structure

The Company has established a corporate governance structure comprising the Shareholders' General Meeting, the Board of Directors and the Senior Management. Each tier performs its respective functions and responsibilities within its scope of authority, ensuring standardized operations and sound business development.

In 2025, the Company convened:

4 Shareholders' General Meetings, reviewing and approving 27 proposals;

9 Board of Directors meetings, reviewing and approving 76 proposals;

16 meetings of the Board's special committees, reviewing and approving 66 proposals.

Board Independence and Diversity

The Company recognizes that the diversity, independence and professionalism of Board members are critical to safeguarding shareholder interests and ensuring the Company's long-term sustainable development. The composition of the Board is evaluated across multiple dimensions, including professional experience, skills and knowledge, tenure, cultural and educational background, and gender representation. Current Board members come from diverse industries, with expertise spanning law, risk management, accounting and finance, enabling the Board to make scientific and well-informed decisions.

2025

The Board of Directors consists of 10 directors in total, including 4 independent directors, 1 employee director, and 1 female director.

The proportion of independent directors is 40%.

Information Disclosure

The Company strictly complies with the Securities Law of the People's Republic of China, the Measures for the Administration of Information Disclosure by Listed Companies and other relevant laws, regulations and provisions. It fully fulfills its information disclosure obligations in a timely manner through annual reports, interim reports and various other forms. In 2025, the Company's information disclosure practices were standardized and effective, achieving zero supplements and zero corrections. The Company once again received an A-class rating from the Shanghai Stock Exchange (SSE) for its information disclosure work, and was awarded the "Best Practice in Listed Company Secretary Offices" by the China Listed Companies Association for the third consecutive year.

Investor Relations Management

The Company, in accordance with the Guidelines for Investor Relations Management of Listed Companies, the Self-Regulatory Guidelines for Listed Companies on the Shanghai Stock Exchange No. 1-Standard Operation and other relevant laws, regulations and regulatory documents, continuously deepens information communication with investors and potential investors, aiming to maximize corporate value and shareholders' interests. In 2025, we took the initiative to "go global" and "welcome in", organizing or participating in 15 investor surveys and roadshows covering more than 80 institutions, and holding 3 performance briefings.

In 2025, the Company implemented a share repurchase program of RMB 300 million, promoted the downward revision of the convertible bond conversion price. A cash dividend of RMB 506 million is proposed for 2025 (including the interim dividend for 2025). The cumulative dividends over the past three fiscal years are expected to reach RMB 1.941 billion, effectively sharing the Company's development achievements with its shareholders.

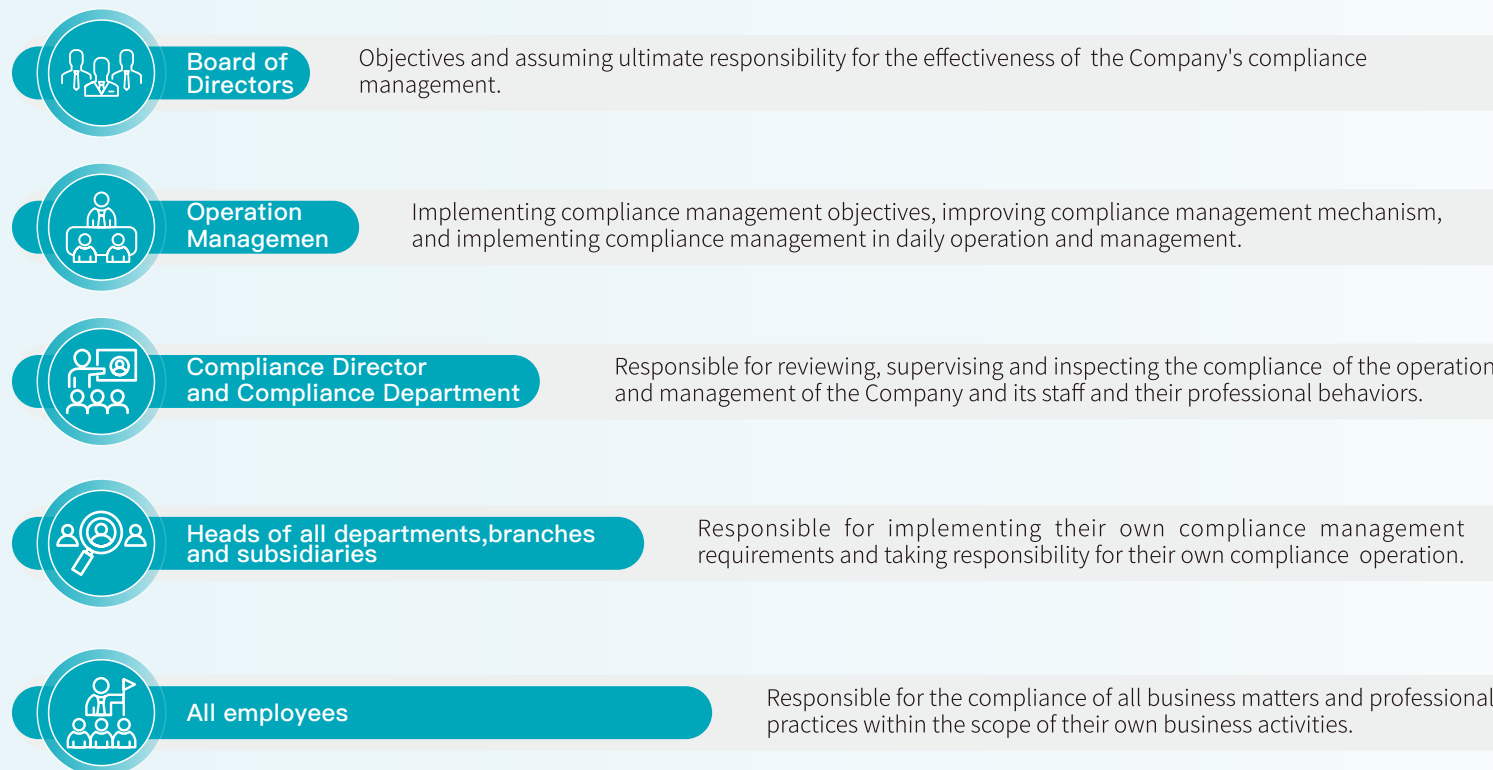
Adherence to Compliance Operation

Compliance System Management

The Company strictly complies with laws, regulations and self-regulatory rules including the Securities Law of the People's Republic of China, Regulations on the Supervision and Administration of Securities Companies, Measures for the Compliance Management of Securities Companies and Securities Investment Fund Management Companies, and the Guidelines for the Compliance Management of Securities Companies issued by the Securities Association of China (SAC). It has established and improved its internal compliance management system, with clear provisions on compliance management responsibilities, performance guarantees and operating mechanisms at all levels of the Company.

The Company attaches great importance to compliance management and has built a comprehensive compliance management system covering compliance systems, compliance procedures, compliance supervision and other aspects. In 2025, we continued to improve the compliance system and revised a series of rules, including the <Detailed Rules for the Compliance Inspection of Investment Banking Businesses (Revised 2025)>, <Detailed Rules for the Implementation of Compliance Accountability (Revised 2025)>, <Detailed Rules for the Administration of Insiders of Non-public Information in Investment Banking Businesses>, <Measures for Compliance Review (Revised 2025)>, and Measures for the Administration of Abnormal Behaviors in Programmed Trading. These rules regulate the compliance of the Company's business operations and employees' professional practices. The Company has also established a sound organizational structure for compliance management. During the reporting period, no major compliance risk events occurred at the Company.

Compliance management system of the Company



2025

In 2025, the Company achieved 100% coverage of compliance reviews for material matters in the course of its operations.

It has been continuously selected into the white list of securities companies.

Focus Area	Our Actions and Results
Compliance Management System	<ul style="list-style-type: none"> • We thoroughly understood regulatory guidelines and interpreted regulatory policies to identify risks at an early stage. • We completed compliance review and verification of core supporting systems for major reforms, conducted legal evaluation on data aggregation and provided opinions and recommendations. We revised the Management Measures for Rules and Regulations, the fundamental system of the Company, and led the annual review and assessment of rules and regulations. • We comprehensively reviewed the completeness, applicability and implementation of 589 effective rules and regulations established by the Company, formulated the 2025 Plan for the Formulation, Revision and Abolition of Corporate Rules and Regulations, and followed up on its implementation.
Strengthening Clean Practice Management	<ul style="list-style-type: none"> • We conducted innovative compliance monitoring and inspections to ensure full implementation of the compliance management mechanism. A total of 45 inspections were completed during the year, covering branches, investment banking projects, OTC derivatives business and integrity-specific inspections. • We strengthened awareness of bottom-line compliance, launched a series of promotional activities under the theme of “Learning from Cases to Promote Rectification”, and held a company-wide compliance conference on warning education to support clean practice risk prevention and control.
Technology Empowerment for Improved Control Effectiveness	<ul style="list-style-type: none"> • We launched the new-generation anti-money laundering monitoring system and fully implemented the centralized operation model, which enhanced the effectiveness of suspicious transaction reporting. • We innovatively carried out investment behavior monitoring for practitioners in investment, investment banking, research and other businesses, developed proprietary monitoring models, and handled 299 early warning alerts.

Anti-Unfair Competition

Caitong Securities has adopted a full range of measures to advance anti-unfair competition efforts and formulated relevant governance and business rules. Governance rules include the Measures for the Compliance Management of Practitioners’ Professional Conduct, Management System for the Suspension and Exemption of Information Disclosure, and Measures for the Internal Audit Management of Subsidiaries and Important Investee Companies, which clarify the relevant responsibilities of the management and persons-in-charge of all departments to ensure policy implementation. Business rules include the Measures for the Administration of Sponsorship Business Fees of Caitong Securities Co., Ltd., Detailed Rules for the Marketing Management of Securities Brokerage Business, Detailed Rules for the Quantitative Investment Business of the Proprietary Investment Headquarters, and Detailed Rules for Bond Issuance and Underwriting Business, which regulate fair competition among business departments and all parties and prohibit unfair competition, interest conveyance and other improper acts.

Meanwhile, the Company conducted company-wide publicity and training on fair competition and organized self-inspections across all departments. In 2025, it promoted the concept of fair competition through 13 issues of compliance bulletins, earnestly implemented management requirements, and maintained the normal competitive order of the industry.

Strengthening Risk Management

The Company strictly complies with laws, regulations and regulatory documents including the Specifications for Comprehensive Risk Management of Securities Companies, Measures for the Administration of Risk Control Indicators of Securities Companies, and Guidelines for Liquidity Risk Management of Securities Companies. It has established a complete institutional system covering the parent company and all subsidiaries, with clear provisions on the objectives, principles, organizational structure, division of responsibilities and basic procedures of risk management.

Strategy

The Company strictly complies with the laws and regulations governing risk management in the securities industry. Its core strategy is to build a full-hierarchy risk management system covering the parent company and all subsidiaries, with a three-tier regulatory framework: The basic system layer, headed by the Basic Risk Management Policy; The core system layer, covering market risk, credit risk and all major risk categories as well as specialized risk management work; The detailed implementation rule layer, supporting business risk control, stress testing and other operational processes.

In 2025, in accordance with the newly revised requirements of the Securities Association of China, the Company comprehensively revised all hierarchical policy documents, forming a matrix system that horizontally covers all risk types and vertically runs through all business lines, ensuring policies are precisely aligned with regulatory requirements and operational realities. Meanwhile, the Company takes digital-intelligent transformation as a key pillar of its risk management strategy, adopting a development path of “advancing digital-intelligent construction steadily on the basis of risk data governance” and building a system development model that combines external procurement and independent R&D strengths.

In 2025, the Company explored a new integrated model of “AI + professional risk management technology” and applied artificial intelligence to operational risk management. It upgraded the Risk Monitoring Center for subsidiaries to achieve full risk coverage of important equity-invested companies. Over the year, the Company completed development of 23 functions across 10 systems, including adaptation to the new net capital rules, using technology to empower continuous improvement in risk management efficiency.

Governance

Organizational Structure and Division of Responsibilities

The Company has established a sound and clearly delineated risk management organization system. Core responsibilities are clearly defined: the Board of Directors assumes ultimate responsibility, the management team assumes primary responsibility, and the Chief Risk Officer together with the Risk Management Department are responsible for implementation and execution. The compliance, finance, information technology and other departments manage specialized risks respectively. Heads of all business units bear direct responsibility, and all employees fulfill their due diligence obligations for risk control. In 2025, the structure was optimized: a Risk Management Leading Group headed by the General Manager was set up, and a professional market risk control team was strengthened. Through delegation and penetrating management, the Company enhanced oversight of risk control personnel at subsidiaries, and appointed a risk control officer to Caitong Hong Kong, realizing coordinated and integrated risk management across the Group.

Full-Process Management Mechanism

A full-cycle risk control procedure “featuring accurate identification, prudent assessment, dynamic monitoring, proper response and timely reporting” was established to achieve closed-loop risk management and control. The Company comprehensively collects internal and external information to identify risks and their interactive impacts, assesses risks through qualitative and quantitative methods to define control priorities, builds an indicator monitoring and early warning system centering on net capital and liquidity, selects and dynamically adjusts response strategies in line with risk appetite, and establishes smooth risk information communication channels at all levels.

ESG Risk Management

ESG risk control is integrated into the entire business chain including investment and trading, credit business and investment banking, with a dedicated control process in place. For high-risk industries such as agriculture and energy, the due diligence system is improved and access criteria are set. ESG monitoring indicators are compiled to conduct regular early warnings. ESG risk control is incorporated into the reporting and assessment system, and compliance accountability is imposed for losses caused by inadequate management. Pre-emptive ESG due diligence and risk assessment are implemented for credit-related businesses to ensure operations are conducted within acceptable risk limits.

Risk Control Culture Development

The Company promotes a prudent risk management culture and establishes a unified risk management language across the Group, embedding the principle of “respecting the market, abiding by the rules, and fearing risk” into daily operations. In 2025, the Company launched 20 risk control culture promotion activities via training, publications and online platforms, strengthened the tiered implementation of Group risk control policies, and aligned risk appetite between the parent company and subsidiaries. Risk management was integrated into the performance appraisal and accountability system to optimize incentives, raise risk awareness among all employees, and build a unified Group-wide risk management culture ecosystem.

Impacts, Risks and Opportunities

The Company’s operations are mainly exposed to the following risks: market risk, credit risk, liquidity risk, operational risk, information technology risk and reputation risk. The Company strictly adheres to the bottom line of preventing major risks. During the reporting period, no major risk events occurred at the Company.

Major Risk Categories	Mitigation Measures
Market Risk	An adaptive risk control system and platform are established, with a three-tier risk limit management structure covering the Board of Directors, senior management, and business departments. Risks are controlled through portfolio diversification, mark-to-market monitoring, risk hedging and other tools. Limits are quantitatively monitored daily and stress testing is conducted to support decision-making.
Credit Risk	For securities credit businesses, the Company implements credit granting, collateral eligibility and concentration control, with enhanced monitoring via daily mark-to-market. For bond investments, the internal rating system is used to assess issuer risk, set eligibility criteria and track credit status. For derivative transactions, counterparty credit assessment is performed, risk-mitigation measures such as netting are applied, and default settlement procedures are clearly defined.
Liquidity Risk	Management processes and systems are optimized, a three-tier liquidity reserve pool is established, liability structure is improved and financing channels are strengthened. Liquidity stress testing is performed for new investments and new businesses, contingency plans are formulated and regularly tested.

Major Risk Categories	Mitigation Measures
Operational Risk	The risk management governance structure and processes are clarified, process management and system development are strengthened, and risks are reduced through training and accountability. Management tools including key risk indicators (KRIs) and loss data collection are applied. A risk approval process for new businesses is established to fully assess risks in innovative business activities.
Information Technology Risk	The information security policy system is improved and cybersecurity accountability is implemented. Data security management is enhanced with standardized data classification, encryption and backup. Information systems are managed hierarchically with potential hazard checks; security control and multi-dimensional self-inspections for branches are strengthened.
Reputational Risk	Reputational risk is integrated into the comprehensive risk management system, with improved prevention and response mechanisms and strengthened ideological risk control. Public opinion monitoring and early warning in key areas are enhanced to improve timely response capacity. Targeted training is delivered at all levels to raise employees’ awareness of reputational risk control.

Leveraging risk management as a core enabler, the Company seizes three core development opportunities

- 1 The digital-intelligent risk control system enhances the precision of risk identification and response, defines safety boundaries for business innovation, and supports the orderly expansion of new businesses and new products;
- 2 The development of an ESG risk management framework aligns with the trend of green finance, helping the Company establish differentiated competitive advantages in green investment and sustainable finance;
- 3 A sound comprehensive risk control system strengthens the Company’s resilience to market volatility, enhances investor confidence and market recognition, and lays a foundation for the long-term stable development of the Group.

Indicators and Targets

Core Objective

Establish and improve a comprehensive, systematic and efficient risk management system, continuously enhance the professionalism of risk management, achieve a dynamic balance between business development and risk prevention and control, and ensure that overall risks are measurable, controllable and bearable, so as to safeguard the implementation and development of the Group's strategy.

Core Monitoring Indicators

Focusing on key links of risk management and control, the Company dynamically monitors core risk control indicators including risk coverage ratio, capital leverage ratio, liquidity coverage ratio and net stable funding ratio. In 2025, all the above indicators remained in compliance with regulatory standards, no regulatory red lines were breached, and no regulatory risk events occurred.

Limit Management System

Accordance with the risk appetite and tolerance approved by the Board of Directors, the Company has established a three-level risk limit management system comprising the Board of Directors — Management — Business Departments. The overall limits are decomposed level by level to various business lines, departments and key links, forming a multi-dimensional limit control network. In 2025, limit management operated normally at the Company and all subsidiaries; no material indicators at the corporate level were breached or violated in violation of regulations, and the rigid binding effect of limit control was effectively exerted.

Business Ethics

Anti-Money Laundering

The Company strictly fulfills the anti-money laundering (AML) obligations of financial institutions, actively implements the requirements of new AML regulations, continuously improves the AML mechanism and system, and further strengthens the defense line against money laundering risks.

First, keeping pace with amendments to AML laws, the Company has continuously improved its internal control management system.

In 2025, it formulated and issued the Measures for the Administration of Anti-Money Laundering Inspections, and revised and promulgated four systems including the Measures for the Administration of Anti-Money Laundering Information Confidentiality and Sharing, Detailed Rules for the Implementation of Anti-Money Laundering Assessments, Measures for the Administration of Large-Value and Suspicious Transaction Reports, and Guidelines for Self-Assessment of Money Laundering Risks, further refining management requirements and clarifying operational standards. The headquarters organized a total of 20 AML training sessions throughout the year, with 6,095 participants. It jointly held a knowledge competition on the Anti-Money Laundering Law of the People's Republic of China with the Labor Union, attracting more than 3,400 participants, continuously strengthening AML culture and training. AML publicity activities covered more than 170,000 person-times in the year, and over 9,000 publicity leaflets were distributed, further raising public awareness of money laundering risk prevention and earnestly fulfilling social responsibilities in anti-money laundering.

Second, the Company comprehensively optimized AML system models to boost work quality and efficiency

A new-generation AML monitoring system was fully launched, further improving customer-centric management measures, refining the working mechanism for ongoing customer due diligence, strengthening cross-system and cross-module linkage, and building a closed-loop management of "one starting point, one chain". A new batch of 22 suspicious transaction monitoring models was put online, including 9 independently developed models. The customer money laundering risk rating model was reconstructed to realize five-level classification of customer assessment, enhancing refined management of customers at different risk levels. With the full implementation of the centralized operation model for anti-money laundering based on the new system, both the quantity and quality of suspicious transaction reports were improved. A total of 18 suspicious transaction reports were submitted throughout the year, up 125% year-on-year, including 7 key suspicious transaction reports, up 600% year-on-year. All report clues were 100% transferred to public security organs, taxation authorities, or accepted for investigation by the China Securities Regulatory Commission and its local agencies. The work quality was commended in circulars by the Head Office and Zhejiang Branch of the People's Bank of China.

Third, the Company carried out regular AML inspections and investigations to strengthen risk prevention and control in key areas

It conducted 7 special risk investigations throughout the year targeting specific high-risk businesses and customers such as defaulted bond transactions, NEEQ stock trading, non-transaction transfers, and block trading. The Compliance Department completed on-site AML inspections of 1 headquarters business department, 2 branches and their subordinate business departments, and 1 business department under the jurisdiction of Hangzhou, and conducted off-site spot checks on the process handling of the AML monitoring system for 11 branches and their subordinate business departments as well as 3 business departments under the jurisdiction of Hangzhou, covering 42% of all branches.

The Company actively promoted the transformation of AML achievements and theoretical research on money laundering risks. It submitted 4 research papers and essays to local branches of the People's Bank of China throughout the year, proactively demonstrating its practical achievements and explorations in customer due diligence, business risk identification, and the third line of defense to regulatory authorities. Meanwhile, the article Caitong Securities Co., Ltd. Establishes a Monitoring and Early Warning System for Customer Due Diligence was published in the Hubei Provincial Anti-Money Laundering Work Bulletin.

Focus Area	Our Actions and Results
Combating Illegal and Criminal Activities	<ul style="list-style-type: none"> In 2025, the Company monitored and submitted 18 suspicious transaction reports to the China Anti-Money Laundering Monitoring and Analysis Center and the Hangzhou Central Sub-branch of the People's Bank of China, involving insider trading, market manipulation, interest conveyance, corruption and bribery, telecom fraud money laundering, illegal business operations and other activities. The Company also detected for the first time suspected crimes of mafia-style organizations, as well as new criminal methods such as "pig-butcherer scams" on the NEEQ and tax evasion through the securities market. The quality of the reports was commended in official circulars by the Head Office and Zhejiang Branch of the People's Bank of China.
Ongoing Customer Due Diligence	<ul style="list-style-type: none"> Relying on the new-generation anti-money laundering monitoring system, the Company established a monitoring and early warning mechanism for ongoing customer due diligence. It developed in-house rules covering four dimensions: abnormal behavior, abnormal identity, abnormal information and changes in risk status, focusing on more than 40 common risk scenarios to conduct regular ongoing monitoring and dynamic early warning for customers. A total of 10,956 customers underwent ongoing due diligence through this mechanism in the year.
Anti-Money Laundering Operation Model	<ul style="list-style-type: none"> The Company pioneered the centralized operation model for anti-money laundering in the securities industry. Key and difficult AML tasks including suspicious transaction analysis, random inspection of non-suspicious cases, high-risk customer rating and enhanced due diligence were centralized from branches to the headquarters for processing. For example, in 2025, the Compliance Department centrally analyzed 27.25% of total warning cases and 49.67% of total customers across the company, and directly submitted over 60% of suspicious transaction reports. Headquarters centralized and specialized processing effectively reduced the workload of branches, ensured the quality of suspicious activity analysis and reporting, and lowered the risk of underreporting suspicious transactions.

Business Ethics and Anti-Corruption

The Company strictly abides by the <Provisions on the Clean Practice of Securities and Futures Business Institutions and Their Employees> and other regulatory requirements. It has revised and issued a series of internal rules and regulations, including the <Measures for the Administration of Clean Practice of Caitong Securities Co., Ltd.> <Measures for the Compliance Management of Employees Professional Conduct> <Measures for the Administration of Sponsorship Business Charges> and <Detailed Rules for Corporate Bond Issuance and Underwriting Business>. From the dimensions of institutional development, leadership mechanism, responsibility division, internal control measures, information systems, and ethical culture development, the Company clarifies the management responsibilities and primary accountability at all levels, establishes a full-coverage supervision and governance structure, and builds a full-process risk prevention and control mechanism against unfair competition with pre-event prevention, in-process control, and post-event accountability.

The Company has established and improved a long-term mechanism for the administration of clean practice. The Board of Directors sets the objectives for clean practice administration and is accountable for the effectiveness thereof. The principal person-in-charge of the Company serves as the primary responsible person for implementing clean practice administration, while the heads of all departments and subsidiaries bear corresponding management responsibilities within their respective mandates. It is clearly stipulated that the Board of Directors is accountable for the effectiveness of clean practice administration; the management team is responsible for implementing the objectives of clean practice administration and ensuring compliant and clean operations, with the principal person-in-charge acting as the primary responsible person. The Company conducts regular internal inspections and urges rectification of identified problems. It has also organized multiple online anti-corruption warning training programs to strengthen employees' awareness of integrity and clean practice.



Caitong Securities Conducts Clean Practice Training



During the reporting period

No corruption-related lawsuits were filed against the Company or its active employees in the Company and its branches. Neither the Company nor its employees received administrative regulatory sanctions or higher-level external penalties for violations of clean practice requirements.

Focus Areas	Our Actions and Results
Integrity Culture Development	<ul style="list-style-type: none"> • We implemented the “Advocating Diligence and Integrity, Safeguarding Development” Project to high standards and built the “Integrity & Harmony, Caitong Spirit” integrity culture brand, which was recognized as a Demonstration Case of Financial Culture with Chinese Characteristics by the Securities Association of China (SAC). • Business ethics, anti-corruption and integrity culture were incorporated into the promotion system. A special integrity education column was launched on the online learning platform, offering a total of 11 dedicated online integrity courses. The training was attended 12,347 times with a total learning duration of 4,193.36 hours. Integrity promotion activities were held 19 times, achieving full employee coverage of integrity practice education.
“Comprehensive Oversight” System Development	<ul style="list-style-type: none"> • We deepened the development of a comprehensive oversight system featuring full horizontal coverage and full vertical implementation, strengthened penetrating and full-coverage oversight over the parent company and subsidiaries, and pushed oversight forward and downward to the front lines.
Anti-Corruption for Suppliers	<ul style="list-style-type: none"> • Article 21 (10) of the Company’s Procurement Implementation Rules contains a clear integrity clause: Party B is strictly prohibited from providing improper benefits to Party A’s personnel in any form, including private favors, bribes or improper commercial banquets. Meanwhile, if Party B encounters solicitation of benefits or harassment by Party A’s personnel during contract performance, it may report to Party A’s discipline inspection department.

Petition and Reporting

The Company publicizes the discipline inspection mailbox and petition work email through official channels including its official website to accept reports on violations of disciplines and regulations, and encourages reports with real names.

In strict accordance with the Regulations on Supervision and Administration of Securities Companies, the Work Rules for Discipline Inspection and Supervision Organs on Handling of Accusations and Reports and other provisions, the Company earnestly fulfills its obligations of confidentiality and protection for informants. It is strictly prohibited for any staff member to disclose relevant information to the reported persons or subjects under investigation, and retaliation against informants and dissenters is strictly forbidden.

If the legitimate rights and interests of an informant are threatened or infringed upon due to the accusation, the informant shall have the right to file an application for protection in accordance with the law.

Intellectual Property Protection

The Company strictly abides by the <Trademark Law of the People’s Republic of China> <Patent Law of the People’s Republic of China>, <Copyright Law of the People’s Republic of China> and other laws and regulations, and fully respects and protects its own and others intellectual property rights in accordance with the law. Meanwhile, the Company extends its financial capabilities to the intellectual property sector, innovates financial products, effectively invigorates the intangible assets of small and medium-sized enterprises, and deeply engages in intellectual property securitization. It provides comprehensive financial services covering “Investment + Investment Banking + Wealth Management”, promotes the in-depth integration of technology, industry and finance, vigorously supports innovation-driven development by fostering new quality productive forces, and enhances the momentum of economic development.



Caitong Securities Supports the Launch of China’s First “5050 Talents” Special Intellectual Property ABS Project

On December 18, the first special intellectual property ABS in China dedicated to “5050 Talents” — Caitong—Hangzhou High-tech Zone (Binjiang) Phase I Intellectual Property Asset-backed Special Plan (Technology Innovation), underwritten by Caitong Securities, was successfully listed on the Shanghai Stock Exchange.



Looking Ahead

The year 2025 marks a critical year for Caitong Securities as it fully advances the major reform of rebuilding its customer operation system under the “customer-centric” philosophy. It is also a pivotal year for wrapping up the “14th Five-Year Plan” and laying the groundwork for the “15th Five-Year Plan”. Standing at a new historical starting point, Caitong Securities will closely follow the overall national development strategies, strictly comply with the *Guidelines for Sustainable Development Reports of Listed Companies*, take promoting high-quality development as the theme, deepen supply-side structural reform as the main task, rely on reform and innovation as the fundamental driving force, and aim to meet people’s growing needs for a better life. The Company will integrate ESG principles deeply into its corporate development strategy and the entire process of operation and management, strive to achieve all-round improvement in the three dimensions of Environment, Social and Governance (ESG), foster win-win outcomes between sustainable corporate development and social value creation, and contribute more financial strength to social progress.

Deepen Green Finance, Empower Low-Carbon Transition, and Strengthen Environmental Responsibility. Building on the sound practices of issuing green ABS and green bonds in 2025, the Company will further increase resource allocation and support for green industries. Anchored to the national “dual carbon” goals, it will give full play to the pivotal role of the capital market, enhance the supply of green financial products and service innovation, and prioritize support for clean energy, environmental governance and other sectors through diversified financial instruments such as green bond issuance, green investment and green ABS. This will provide targeted and efficient financing for green projects and facilitate industrial green upgrading and the full green transition of economic and social development.



Meanwhile, the Company will continue to practice the concept of green development, leverage the achievements of digital-intelligent transformation, optimize office processes, promote paperless office across the board, and advance energy conservation and consumption reduction to continuously lower resource use and mitigate adverse environmental impacts, fulfilling its environmental responsibility with concrete actions.

Focus on Social Value, Optimize Service Supply, and Demonstrate the Responsibility of a State-Owned Financial Institution Centered on its core positioning of being “Being a Securities Company of Zhejiang Entrepreneurs and Enterprises”, the Company will continue to deepen the customer-centric major reform, refine the cornerstone client manager system and supporting rules, break down departmental silos, and realize “one customer internally, one Caitong externally” to provide clients with full-lifecycle comprehensive financial services. It will proactively respond to the national rural revitalization strategy, expand cooperation in rural areas, and empower rural economic development through industrial assistance, consumption support, financial backing and other targeted measures. At the same time, the Company will strengthen investor education via diverse activities to help investors fully understand market risks, grasp investment opportunities and effectively protect their legitimate rights and interests. It will vigorously implement the “34520” talent echelon development project, improve the employee career development system, advance industry-talent integration, and empower employees through mechanisms such as two-way secondment, safeguard employees’ legitimate rights and interests, support their growth, and foster internal impetus for high-quality development.

Consolidate Governance Foundation, Strengthen Compliance and Risk Control, and Steer Steady and Long-Term Development. The Company will always uphold the overall leadership of the Party, advance full and strict governance over the Party with higher standards and more concrete measures, integrate Party leadership into all aspects of corporate governance, continue to improve the governance structure, optimize the division of responsibilities between the Board of Directors and the management, and refine a highly efficient governance mechanism with clear powers and responsibilities. Going forward, it will further strengthen internal control and risk management, build a multi-dimensional risk assessment and early warning model based on the “AI × (1+4+N)” Digital-Intelligent Caitong Innovation System, and establish a full-coverage, multi-tiered risk prevention and control system to ensure sound operation. Meanwhile, it will continue to enhance compliance management, improve compliance systems and procedures, strengthen pre-review, in-process control and post-event review of major operational decisions, and strictly adhere to the bottom line of compliant operation. In addition, in strict accordance with regulatory requirements, the Company will improve the timeliness, accuracy and completeness of information disclosure, voluntarily accept market and social oversight, continuously enhance transparency and credibility, and lead the continuous upgrading of ESG practices through high-quality corporate governance.

The journey ahead is long and the momentum is strong; we shall embark on a new mission with great resolve. Looking ahead, Caitong Securities will adhere to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, fully implement the spirit of the 20th National Congress of the Communist Party of China and its plenary sessions, and lead high-quality development with high-quality Party building. Based on the new development stage, we will continue to improve the ESG governance system, act in line with the functional positioning of a provincial state-owned securities firm, further embed ESG concepts, promote coordinated improvement in environmental, social and governance dimensions, and build a value ecosystem where corporate growth and social progress thrive together. We will contribute more to serving the real economy and advancing Chinese-style modernization.

Appendix

Key Performance Indicators (KPIs)

Economic Performance

Indicator	Unit	2023	2024	2025
Total Assets	RMB 100 million	1,337.54	1,445.55	1,614.12
Equity Attributable to Owners of the Parent Company	RMB 100 million	346.27	364.27	378.45
Operating Income	RMB 100 million	65.17	62.86	69.22
Net Profit	RMB 100 million	22.52	23.40	26.32
Earnings Per Share (EPS)	RMB	0.48	0.50	0.57
Economic Contract Performance Rate	%	100	100	100

Note: Data in this table are derived from the Company's consolidated financial statements prepared in accordance with the Chinese Accounting Standards for Business Enterprises, or calculated based on the aforesaid financial statements.

Environmental Performance

Indicator	Unit	2023	2024	2025
Total GHG emissions	tCO ₂ e	4,077.15	4,283.06	4,877.91
Scope 1 GHG emissions	tCO ₂ e	121.07	127.77	132.87
Scope 2 GHG emissions	tCO ₂ e	3,956.08	4,155.29	4,745.04
GHG emissions per capita	tCO ₂ e/person	0.90	0.89	1.02
Total gasoline consumption	L	21,165.00	21,173.00	17,473
Total gasoline consumption per capita	L/person	14.10	13.80	12.05
Total gasoline consumption per unit area	L/m ²	0.69	0.69	0.49
Natural gas consumption	m ³	34,254	40,874.00	46,491
Natural gas consumption per capita	m ³ /person	22.80	26.68	10.00
Natural gas consumption per unit area	m ³ /m ²	1.10	1.30	1.32
Total electricity consumption (equipment rooms)	kWh	4,795,940	5,277,819	6,735,654
Total electricity consumption (office areas)	kWh	2,234,573	2,209,181	2,207,128
Electricity consumption per capita	kWh/person	1,489	1,442	1,403
Electricity consumption per unit area	kWh/m ²	72.80	71.90	68.7
Renewable energy	kWh	61,894	64,304	66,560

Annual water consumption	ton	9,348	10,479	10,840
Water consumption per capita	ton/person	6.20	6.80	6.95
Waste paper quantity	piece	2,330,000	1,917,500	1,787,500
Toner cartridges	piece	876	704	422
Powder cartridges	piece	431	346	529
Waste recycling volume	ton	0.5	1.5	1

Employee Employment

Indicator	Unit	2023	2024	2025
Total number of employees	person	5,026	4,798	4,659
By gender	Male	2,652	2,544	2,439
	Female	2,374	2,254	2,220
By employment type	Full-time employees	/	4,798	4,278
	Part-time employees	/	410	381
By age	Under 30	1,039	906	829
	30–50	3,766	3,589	3,517
	Over 50	221	303	313
By region	Domestic	4,963	4,739	4,616
	Overseas (including Hong Kong, Macao, Taiwan and abroad)	63	59	43
	Local employees	5,026	4,798	4,659
By education level	Doctorate	31	32	32
	Master's degree	1,638	1,679	1,627
	Bachelor's degree	3,115	2,883	2,800
	Junior college and below	242	204	200

Total new hires	person	868	504	400
By gender	Male	463	265	221
	Female	405	239	179
By age	Under 30	444	260	213
	30–50	423	243	184
	Over 50	1	1	3
By region	Domestic	860	442	388
	Overseas (including Hong Kong, Macao, Taiwan and abroad)	8	14	12
Employee turnover rate	%	12.86	15.18	10.68
Number of management staff	person	190	195	188
Number of male managers	person	/	142	137
Number of female managers	person	/	53	51
Number of ethnic minority employees	person	91	85	83
Number of veterans	person	26	31	36

Data Scope:Parent company of Caitong Securities

Basis for Calculation:Employee turnover rate by category = Number of employees leaving in the year / Number of employees in the category at the end of the year

Employee Rights and Interests

Indicator	Unit	2023	2024	2025
Labor contract signing rate	%	100	100	100
Social insurance coverage rate	%	100	100	100
Percentage of employees joining the labor union	%	100	100	100
Average annual paid leave days per employee	day	/	8.6	9.2
Employee physical examination coverage rate	%	100	100	100
Occupational health file coverage rate	%	100	100	100
Number of work-related injuries	case	0	0	0
Number of work-related fatalities	person	0	0	0

Data Scope:Parent company of Caitong Securities

Basis for Calculation:Paid annual leave is calculated in accordance with the Regulations on Paid Annual Leave for Employees issued by the state.

Employee Training

Indicator	Unit	2023	2024	2025
Number of employees participating in training	persons	4,232	4,212	4,457
Employee training coverage rate	%	94.17	100	99.56
By gender– Male	%	94.33	99.51	99.5
By gender– Female	%	93.99	99.60	99.63
By employee type– General staff	persons	4,061	4,027	4,247
By employee type– Middle management	persons	157	168	193
By employee type– Senior management	persons	14	17	17
Average annual training hours per employee	hours	79.62	127.65	80.8
By gender– Male	hours	79.63	120.91	80.35
By gender– Female	hours	79.61	135.23	80.93
By employee type– General staff	hours	84.03	123.96	77.96
By employee type– Middle management	hours	102.04	221.00	139.87
By employee type– Senior management	hours	37.43	72.96	127.52

Data Scope:Headquarters and subsidiaries of Caitong Securities

Social Public Welfare

Indicator	Unit	2023	2024	2025
Charitable Donation Amount	RMB 10,000	1,688.30	1,915.28	2,044.05

Data Scope:Headquarters and subsidiaries of Caitong Securities

Information Security

Indicator	Unit	2023	2024	2025
Number of training sessions	times	4	6	6
Number of participants	persons	All employees	All employees	All employees
Training coverage rate	%	100	100	100
Average information security training hours per employee	hours	3	3.6	4

Data Scope:Headquarters and subsidiaries of Caitong Securities

Anti-Corruption Training

Indicator	Unit	2023	2024	2025
Number of training sessions	times	11	12	8
Training coverage rate	%	100	100	100

Data Scope: Headquarters and subsidiaries of Caitong Securities

Indicator Index

Shanghai Stock Exchange Guidelines for Sustainable Development Reports of Listed Companies Index

Disclosure Requirements	Corresponding Sections in This Report
Climate Change Response	Addressing Climate Change
Pollutant Emissions	Neither the Company, its subsidiaries nor its significant equity-invested companies have been included in the list of enterprises subject to mandatory environmental information disclosure. This item is not applicable.
Waste Management	Practicing Green Concepts
Ecosystem and Biodiversity Conservation	Biodiversity Conservation
Environmental Compliance Management	Practicing Green Concepts
Energy Utilization	Practicing Green Concepts
Water Resources Utilization	Practicing Green Concepts
Circular Economy	Practicing Green Concepts
Rural Revitalization	Supporting Rural Revitalization
Social Contribution	Engaging in Social Contribution
Innovation-Driven Development	Digital Innovation-Driven Development
Tech Ethics	Digital Innovation-Driven Development
Supply Chain Security	Green Supply Chain
Equal Treatment of Small and Medium-Sized Enterprises (SMEs)	At the end of the reporting period, the balance of the Company's accounts payable (including notes payable) did not exceed RMB 30 billion, accounting for less than 50% of total assets. No overdue unpaid amounts to SMEs were publicly announced via the National Enterprise Credit Information Publicity System. There is no risk in terms of equal treatment of SMEs, and this topic is not applicable.
Safety and Quality of Products and Services	Investor Education and Protection
Data Security and Customer Privacy Protection	Data and Information Security, Customer Privacy Protection
Employees	Employment, Equality and Diversity; Empowering Employee Development; Employee Compensation and Benefits
Due Diligence	Dual Materiality Topics Identification and Analysis
Stakeholder Communication	Dual Materiality Topics Identification and Analysis; Stakeholder Engagement
Anti-Commercial Bribery and Anti-Corruption	Business Ethics
Anti-Unfair Competition	Adhering to Compliance Operations

GRI Standards Index

GRI Standard	Disclosure	Report Location
GRI 2: General Disclosures 2021	2-1 Organizational details	About Caitong Securities
	2-2 Entities included in the organization's sustainability report	About Caitong Securities
	2-3 Reporting period, reporting frequency, and contact person	About Caitong Securities Feedback Form
	2-4 Restatements	No restatements in the reporting year
	2-5 External assurance	No external assurance in the reporting year
	2-6 Activities, value chain, and other business relationships	About Caitong Securities Material Topics Identification and Analysis
	2-7 Employees	Employment, Equality and Diversity
	2-8 Workers other than employees	Employment, Equality and Diversity Stakeholder Engagement
	2-9 Governance structure and composition	Sustainability Governance Structure
	2-10 Nomination and selection of the highest governance body	Lean Corporate Governance
	2-11 Chair of the highest governance body	Lean Corporate Governance
	2-12 Oversight role of the highest governance body in managing impacts	Lean Corporate Governance
	2-13 Delegation of responsibility for managing impacts	Lean Corporate Governance
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Governance Structure Lean Corporate Governance
	2-15 Conflicts of interest	Stakeholder Engagement
	2-16 Communication of material concerns	Stakeholder Engagement
	2-17 Collective knowledge of the highest governance body	Sustainability Governance Structure Lean Corporate Governance Stakeholder Engagement
	2-18 Performance evaluation of the highest governance body	2025 Annual Report
	2-19 Remuneration policies	2025 Annual Report Employee Compensation and Benefits
	2-20 Processes for determining remuneration	2025 Annual Report
	2-21 Ratio of annual total remuneration	2025 Annual Report
	2-22 Statement on sustainability strategy	Statement from the Board
	2-23 Policy commitments	Statement from the Board
	2-24 Embedding policy commitments	Green Supply Chain
	2-25 Processes to remediate negative impacts	Enhanced Risk Management
	2-26 Mechanisms for seeking advice and raising concerns	Empowering Employee Development Enhanced Risk Management
	2-27 Compliance with laws and regulations	In 2025, we did not incur material fines or non-monetary sanctions for violations of laws or regulations

GRI Standard	Disclosure	Report Location
GRI 2: General Disclosures 2021	2-28 Membership in associations	/
	2-29 Stakeholder engagement approach	Stakeholder Engagement
	2-30 Collective bargaining agreements	Employee Compensation and Benefits Employment, Equality and Diversity
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Dual Materiality Topics Identification and Analysis
	3-2 List of material topics	Dual Materiality Topics Identification and Analysis
	3-3 Management of material topics	Dual Materiality Topics Identification and Analysis
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	2025 Annual Report
	201-2 Financial implications and other risks and opportunities due to climate change	Addressing Climate Change
	201-3 Defined benefit plan obligations and other retirement plans	Employee Compensation and Benefits
GRI 202: Market Performance 2016	202-1 Ratio of standard entry level wage by gender compared to local minimum wage	Employee Compensation and Benefits
	202-2 Proportion of senior management hired from the local community	Not applicable
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and supportive services	Serving the Real Economy
	203-2 Significant indirect economic impacts	Not applicable
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Green Supply Chain
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for corruption risks	Key Performance Indicators
	205-2 Communication and training on anti-corruption policies and procedures	Adhering to Compliance Operations Key Performance Indicators
	205-3 Confirmed incidents of corruption and actions taken	Adhering to Compliance Operations
GRI 206: Anti-Competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Adhering to Compliance Operations
GRI 207: Tax 2019	207-1 Tax policy	2025 Annual Report Enhanced Corporate Governance
	207-2 Tax governance, control, and risk management	
	207-3 Stakeholder engagement and management of tax concerns	
	207-4 Country-by-country reporting	
GRI 301: Materials 2016	301-1 Weight or volume of materials used	The Company's operations do not involve consumption of packaging materials
	301-2 Recycled input materials used	The Company's operations do not involve consumption of packaging materials
	301-3 Reclaimed products and their packaging materials	The Company's operations do not involve consumption of packaging materials

GRI Standard	Disclosure	Report Location
GRI 302: Energy 2016	303-1 Interactions with water as a shared resource	Practicing Green Concepts
	303-2 Management of impacts related to drainage	Practicing Green Concepts
	303-3 Water withdrawal	Practicing Green Concepts
	303-4 Water discharge	Practicing Green Concepts
	303-5 Water consumption	Practicing Green Concepts
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Practicing Green Concepts
	303-2 Management of impacts related to drainage	Practicing Green Concepts
	303-3 Water withdrawal	Practicing Green Concepts
	303-4 Water discharge	Practicing Green Concepts
	303-5 Water consumption	Practicing Green Concepts
GRI 304: Biodiversity	304-1 Operations owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity importance outside protected areas	Biodiversity Conservation
	304-2 Significant impacts of activities, products, and services on biodiversity	Biodiversity Conservation
	304-3 Habitats protected or restored	Biodiversity Conservation
	304-4 Species on the IUCN Red List and national conservation lists located in habitats affected by operations	Not applicable. No species listed on the IUCN Red List or national conservation lists found in habitats affected by the Company's operations
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	ESG Key Performance Indicators
	305-2 Energy indirect (Scope 2) GHG emissions	ESG Key Performance Indicators
	305-3 Other indirect (Scope 3) GHG emissions	ESG Key Performance Indicators
	305-4 GHG emission intensity	ESG Key Performance Indicators
	305-5 GHG emissions reductions	ESG Key Performance Indicators
	305-6 Ozone-depleting substances (ODS) emissions	Not applicable. No ODS emissions during the reporting period
	305-7 NOx, SOx, and other significant air emissions	Not applicable
GRI 306: Waste 2020	306-1 Waste generated and significant waste-related impacts	Practicing Green Concepts
	306-2 Management of significant waste-related impacts	Practicing Green Concepts
	306-3 Waste generated	Practicing Green Concepts Key Performance Indicators
	306-4 Waste diverted from disposal	Practicing Green Concepts
	306-5 Waste disposed	Practicing Green Concepts

GRI Standard	Disclosure	Report Location
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers screened using environmental evaluation criteria	Green Supply Chain
	308-2 Negative environmental impacts in the supply chain and actions taken	Green Supply Chain
GRI 401: Employment 2016	401-1 New employee hire rates and employee turnover rates	Equal and Compliant EmploymentEmpowering Talent Development
	401-2 Benefits provided to full-time employees (excluding temporary or part-time employees)	Employment, Equality and Diversity
	401-3 Parental leave	Employee Compensation and Benefits
GRI 402: Labor/Management Relations 2016	402-1 Minimum notification period for operational changes	Employment, Equality and Diversity
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety (OHS) management system	Employee Compensation and Benefits
	403-2 Hazard identification, risk assessment, and incident investigation	Employee Compensation and Benefits
	403-3 Occupational health services	Employee Compensation and Benefits
	403-4 Worker participation, consultation, and communication on OHS	Employee Compensation and Benefits
	403-5 Worker OHS training	Employee Compensation and Benefits
	403-6 Promotion of worker health	Employee Compensation and Benefits
	403-7 Prevention and mitigation of OHS impacts directly linked to business relationships	Employee Compensation and Benefits
	403-8 Workers covered by OHS management systems	Employee Compensation and Benefits
	403-9 Work-related injuries	Employee Compensation and Benefits
	403-10 Work-related health issues	Employee Compensation and Benefits
GRI 404: Training and Education 2016	404-1 Average hours of training per employee per year	Empowering Employee Development
	404-2 Skills advancement and transition support programs	Employment, Equality and DiversityEmpowering Employee Development
	404-3 Percentage of employees receiving regular performance and career development reviews	Empowering Employee Development
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Employment, Equality and DiversityLean Corporate Management
GRI 406: Anti-Discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Employment, Equality and Diversity

GRI Standard	Disclosure	Report Location
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Freedom of association and collective bargaining rights	Employee Compensation and Benefits
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	No material risk of child labor identified in the Company's operations
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	No material risk of forced or compulsory labor identified in the Company's operations
GRI 410: Security Practices	410-1 Security personnel trained on human rights policies or procedures	Employment, Equality and Diversity
GRI 411: Indigenous Rights 2016	411-1 Incidents involving violations of indigenous rights	Not applicable
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Implementing Responsible InvestmentServing the Real Economy
	413-2 Operations with actual or potential significant negative impacts on local communities	No operations with actual or potential significant negative impacts on local communities identified in the Company's operations
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers screened using social evaluation criteria	Green Supply Chain
	414-2 Negative social impacts in the supply chain and actions taken	Green Supply Chain
GRI 415: Public Policy 2016	415-1 Political contributions	Not applicable
GRI 416: Customer Health and Safety 2016	416-1 Assessment of health and safety impacts of product and service categories	Not applicable
	416-2 Incidents of non-compliance with health and safety impacts of products and services	Not applicable
GRI 417: Marketing and Labeling 2016	417-1 Requirements for information and labeling of services	Not applicable
	417-2 Incidents of non-compliance with information and labeling of products and services	Not applicable
	417-3 Incidents of non-compliance with marketing	No marketing-related non-compliance incidents occurred during the reporting period
GRI 418: Customer Privacy 2016	418-1 Verified complaints concerning customer privacy breaches and loss of customer data	No verified complaints concerning customer privacy breaches or loss of customer data during the reporting period

Feedback Form

Dear Reader,

Thank you for taking the time to read this report. To improve our report preparation and enhance Caitong Securities' performance in fulfilling its social responsibilities, we sincerely welcome your comments and suggestions.

Which stakeholder group do you belong to?

- Government and regulatory authorities Clients Employees Suppliers
 Research institutions and universities Others

Evaluation of the Report

1.What is your overall evaluation of this report?

- Excellent Good Fair Poor Very poor

2.Do you think the information, data and indicators disclosed in this report are clear, accurate and complete?

- Highly appropriate Fairly appropriate Fair Poor Very poor

3.How do you rate the layout design and presentation of this report?

- Excellent Good Fair Poor | Very poor

4.In which aspects do you think this report can be improved?

- Report theme Layout and design Content logic Language expression

5.Do you have any other suggestions for our future social responsibility initiatives and report preparation?
