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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your Shares in Postal Savings Bank of China Co., Ltd., you should at once hand this circular and the form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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中国邮政储蓄银行
POSTAL SAVINGS BANK OF CHINA

POSTAL SAVINGS BANK OF CHINA CO., LTD.
中國郵政儲蓄銀行股份有限公司

(A joint stock limited liability company incorporated in the People's Republic of China)
(Stock Code: 1658)

2024 WORK REPORT OF THE BOARD OF DIRECTORS
2024 WORK REPORT OF THE BOARD OF SUPERVISORS
FINAL FINANCIAL ACCOUNTS FOR 2024
PROFIT DISTRIBUTION PLAN FOR 2024
BUDGET PLAN OF FIXED ASSET INVESTMENT FOR 2025
ISSUANCE AMOUNT OF CAPITAL INSTRUMENTS
ELECTION OF MR. PU YONGHAO AS INDEPENDENT
NON-EXECUTIVE DIRECTOR OF THE BANK
ENGAGEMENT OF ACCOUNTING FIRMS FOR 2025
AND
NOTICE OF THE 2024 ANNUAL GENERAL MEETING

Postal Savings Bank of China Co., Ltd. will convene the AGM at 10:00 a.m. on Thursday, April 17, 2025 on-site at Block A, Jinjia Plaza, No. 6 Financial Street, Xicheng District, Beijing. The letter from the Board of Directors is set out on pages 3 to 11 of this circular. The notice of the AGM is set out on pages 12 to 14 of this circular.

Whether or not you are able to attend the AGM, you are advised to read the notice of the AGM. If you intend to appoint a proxy to attend the AGM, you are required to complete and return the proxy form in accordance with the instructions printed thereon. The proxy form should be returned to Computershare Hong Kong Investor Services Limited (17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong) for H Shareholders, in any event served by hand or by post not less than 24 hours before the time designated for holding the AGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or any adjournment thereof if you so wish.

* *Postal Savings Bank of China Co., Ltd. is not an authorized institution within the meaning of the Banking Ordinance (Chapter 155 of the Laws of Hong Kong), not subject to the supervision of the Hong Kong Monetary Authority, and not authorized to carry on banking and/or deposit-taking business in Hong Kong.*

March 27, 2025

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DEFINITIONS

In this circular, unless the context otherwise requires, the following terms and expressions have the following meanings:

“A Share(s)”	Ordinary Share(s) in the share capital of the Bank with a nominal value of RMB1.00 each, which is (are) subscribed for and traded in RMB and listed on the Shanghai Stock Exchange
“AGM”	the 2024 annual general meeting to be convened by the Bank at 10:00 a.m. on Thursday, April 17, 2025 on-site at Block A, Jinjia Plaza, No. 6 Financial Street, Xicheng District, Beijing
“Articles of Association”	the Articles of Association of Postal Savings Bank of China Co., Ltd., as amended, supplemented or otherwise modified from time to time
“Bank/PSBC/Postal Savings Bank of China”	Postal Savings Bank of China Co., Ltd., a joint stock limited liability company incorporated in the PRC in accordance with PRC laws, including its predecessors, branches and sub-branches, directly-operated outlets and agency outlets (to the extent of agency outlets’ operations, risk management and licenses in relation to agency banking businesses they conduct) and subsidiaries (where the context so requires)
“Board” or “Board of Directors”	the board of Directors of the Bank
“Board of Supervisors”	the board of Supervisors of the Bank
“China Post Group”	China Post Group Co., Ltd., the controlling Shareholder of the Bank
“CSRC”	China Securities Regulatory Commission
“Director(s)”	the director(s) of the Bank
“H Share(s)”	Ordinary Share(s) in the share capital of the Bank with a nominal value of RMB1.00 each, which is (are) subscribed for and traded in Hong Kong dollars and listed on the Hong Kong Stock Exchange
“H Shareholder(s)”	holder(s) of H Shares

DEFINITIONS

“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Non-executive Director(s)” or “Independent Director(s)”	the independent non-executive director(s) of the Bank
“Latest Practicable Date”	March 27, 2025, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Ministry of Finance” or “MOF”	Ministry of Finance of the PRC
“Non-executive Director(s)”	the non-executive Director(s) of the Bank
“Sannong”	agriculture, rural areas and rural residents
“Share(s)” or “Ordinary Share(s)”	the A Share(s) and H Share(s) of the Bank
“Shareholder(s)”	holder(s) of Shares of the Bank
“SSE”	Shanghai Stock Exchange
“Supervisor(s)”	the supervisor(s) of the Bank

LETTER FROM THE BOARD OF DIRECTORS



中国邮政储蓄银行
POSTAL SAVINGS BANK OF CHINA

POSTAL SAVINGS BANK OF CHINA CO., LTD.
中國郵政儲蓄銀行股份有限公司

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

(Stock Code: 1658)

Board of Directors:

Chairman of the Board and

Non-executive Director:

Mr. Zheng Guoyu

Registered Office:

No. 3 Financial Street,

Xicheng District,

Beijing, PRC

Executive Directors:

Mr. Liu Jianjun

Ms. Yao Hong

Principal Place of Business in Hong Kong:

40th Floor,

Dah Sing Financial Centre,

No. 248 Queen's Road East,

Wan Chai,

Hong Kong

Non-executive Directors:

Mr. Han Wenbo

Mr. Chen Donghao

Mr. Liu Xin'an

Mr. Zhang Xuanbo

Mr. Hu Yuting

Mr. Ding Xiangming

Mr. Yu Mingxiong

Independent Non-executive Directors:

Mr. Wen Tiejun

Mr. Chung Shui Ming Timpson

Ms. Pan Yingli

Mr. Tang Zhihong

Mr. Hong Xiaoyuan

To the Shareholders:

Dear Sir or Madam,

I. INTRODUCTION

On behalf of the Board of Directors, I would like to invite you to attend the AGM to be convened at 10:00 a.m. on Thursday, April 17, 2025 on-site at Block A, Jinjia Plaza, No. 6 Financial Street, Xicheng District, Beijing.

The purpose of this circular is to provide you with the notice of the AGM and all reasonably necessary information to enable you to make an informed decision on whether to vote for or against the proposed resolutions at the AGM.

LETTER FROM THE BOARD OF DIRECTORS

II. MATTERS TO BE CONSIDERED AT THE AGM

Resolutions which will be proposed at the AGM for consideration and approval include: (1) 2024 Work Report of the Board of Directors; (2) 2024 Work Report of the Board of Supervisors; (3) Final Financial Accounts for 2024; (4) Profit Distribution Plan for 2024; (5) Budget Plan of Fixed Asset Investment for 2025; (6) Issuance Amount of Capital Instruments; (7) Election of Mr. Pu Yonghao as Independent Non-executive Director of the Bank; and (8) Engagement of Accounting Firms for 2025. Among them, items (1) to (5) and items (7) to (8) are ordinary resolutions, and item (6) is a special resolution.

Pursuant to the relevant regulatory requirements, the Articles of Association and the Plan on Authorization of the Shareholders' General Meeting to the Board of Directors of Postal Savings Bank of China Co., Ltd., 2024 Work Report of Independent Directors of Postal Savings Bank of China, Report on the Implementation of the Plan on Authorization of the Shareholders' General Meeting to the Board of Directors of Postal Savings Bank of China Co., Ltd. in 2024 and Report on the 2024 Special Report on Related Party Transactions of Postal Savings Bank of China are matters to be reported to the AGM and do not require Shareholders' approval.

1. 2024 Work Report of the Board of Directors

The 2024 Work Report of the Board of Directors was considered and approved by the Board of Directors on March 27, 2025 and is hereby proposed to the AGM for consideration and approval. For details of the Work Report of the Board of Directors, please refer to Appendix I.

2. 2024 Work Report of the Board of Supervisors

The 2024 Work Report of the Board of Supervisors was considered and approved by the Board of Supervisors on March 27, 2025 and is hereby proposed to the AGM for consideration and approval. For details of the Work Report of the Board of Supervisors, please refer to Appendix II.

3. Final Financial Accounts for 2024

The Final Financial Accounts for 2024 was considered and approved by the Board of Directors on March 27, 2025 and is hereby proposed to the AGM for consideration and approval. For details of the Final Financial Accounts for 2024, please refer to the annual results announcement published by the Bank on March 27, 2025.

4. Profit Distribution Plan for 2024

Pursuant to relevant laws, regulatory requirements and the audited annual financial statements as of December 31, 2024, the Profit Distribution Plan for 2024 has been formulated by the Bank as follows:

LETTER FROM THE BOARD OF DIRECTORS

- (I) RMB8.530 billion will be appropriated as the statutory surplus reserve pursuant to the Company Law of the People's Republic of China.
- (II) RMB17.852 billion will be appropriated as the general risk reserve pursuant to relevant regulations, including the Administrative Measures for Provisioning of Financial Enterprises issued by the Ministry of Finance.
- (III) Based on the total share capital on the record date for the implementation of equity distribution, final cash dividends for 2024 will be distributed to all the ordinary Shareholders whose names appeared on the share register on the record date. On the basis of 99,161,076,038 Ordinary Shares of the total share capital of the Bank, RMB11.294 billion (tax included) of cash dividends will be distributed at RMB1.139 (tax included) per ten Ordinary Shares, plus the interim cash dividends distributed in 2024 at RMB1.477 (tax included) per ten Ordinary Shares, with the total cash dividends for 2024 amounting to RMB25.941 billion (tax included) shall be distributed at RMB2.616 (tax included) per ten Ordinary Shares, accounting for 30% of the net profit attributable to equity holders of the Bank under the consolidated statements for 2024. The record date for the A Shares and H Shares in respect of the 2024 final cash dividends is April 29, 2025, and the dividend distribution dates for A Shares and H Shares are April 30, 2025 and May 22, 2025 respectively. Cash dividends on Ordinary Shares are denominated and declared in RMB and paid in RMB or its equivalent in Hong Kong dollars with the RMB to Hong Kong dollar exchange rate being the central parity rate published by The People's Bank of China on the date of the 2024 AGM of the Bank.
- (IV) No capital reserve will be converted to increase the share capital of the Bank in this profit distribution.

The Profit Distribution Plan for 2024 was considered and approved by the Board of Directors on March 27, 2025 and is hereby proposed to the AGM for consideration and approval.

5. Budget Plan of Fixed Asset Investment for 2025

To align with the development strategies of the Bank, the goal of the Bank's fixed asset investment in 2025 is to accelerate the strategic optimization and upgrading of the Bank, continuously enhance its endogenous capabilities, improve its core competitiveness, and strive to achieve quality-oriented development in the era of low interest rates. It is proposed to arrange a fixed asset investment budget of RMB11.778 billion to ensure investment in technology and productive inputs, strength the digital intelligence foundation, and enhance core competitiveness. It reduces non-proprietary technology investment as well as non-productive and uncertain inputs to enhance endogenous capabilities. It focuses on inputs for supporting capacity building and promoting high-quality development of the Bank. In order to realize coordinated management of the fixed asset investment budget for 2025, it is proposed

LETTER FROM THE BOARD OF DIRECTORS

that the Shareholders' General Meeting authorizes the Board of Directors and the Board of Directors authorizes the President of the Bank to appropriately allocate and manage the budget within the total budget, so as to ensure the implementation of the total investment budget.

The Budget Plan of Fixed Asset Investment for 2025 was considered and approved by the Board of Directors on March 27, 2025 and is hereby proposed to the AGM for consideration and approval.

6. Issuance Amount of Capital Instruments

In order to further enhance capital strength, maintain an adequate and robust capital level, ensure a balanced and stable capital structure, and strengthen its risk resilience and sustainable development capabilities, the Bank intends to implement its multi-tiered capital supplementation through the issuance of write-down undated capital bonds and write-down eligible tier 2 capital instruments, as described below.

(I) Highlights of the issuance plan of write-down undated capital bonds

Subject to the approval of the relevant regulatory authorities, the write-down undated capital bonds will be issued in accordance with the following terms and conditions:

(1) Issue size

Not exceeding RMB90 billion (inclusive) or its equivalent in foreign currency.

(2) Type of instruments

Write-down undated capital bonds, which meet the relevant requirements as stipulated in the Rules on Capital Management of Commercial Banks, may be applied to replenish capital of commercial banks.

(3) Target markets

Domestic and overseas markets.

(4) Tenor

Duration of the bonds is consistent with the duration of the Bank's ongoing operation.

(5) Means of loss absorption

Upon the occurrence of triggering events as specified in the issuance document, the loss shall be absorbed through a write-down mechanism.

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(6) *Interest rate*

To be determined with reference to market interest rates.

(7) *Use of proceeds*

To replenish additional tier 1 capital of the Bank.

(8) *Term of validity of the resolution*

It shall be valid from the date of approval by the Shareholders' General Meeting until 24 months after approval by the National Financial Regulatory Administration.

(II) *Highlights of the issuance plan of write-down eligible tier 2 capital instruments*

Subject to the approval of the relevant regulatory authorities, the write-down eligible tier 2 capital instruments will be issued in accordance with the following terms and conditions:

(1) *Issue size*

Not exceeding RMB100 billion (inclusive) or its equivalent in foreign currency.

(2) *Type of instruments*

Write-down eligible tier 2 capital instruments, which meet the relevant requirements as stipulated in the Rules on Capital Management of Commercial Banks, may be applied to replenish capital of commercial banks.

(3) *Target markets*

Domestic and overseas markets.

(4) *Tenor*

Not less than 5 years.

(5) *Means of loss absorption*

Upon the occurrence of triggering events as specified in the issuance document, the loss shall be absorbed through a write-down mechanism.

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(6) *Interest rate*

To be determined with reference to market interest rates.

(7) *Use of proceeds*

To replenish tier 2 capital of the Bank.

(8) *Term of validity of the resolution*

It shall be valid from the date of approval by the Shareholders' General Meeting until 24 months after approval by the National Financial Regulatory Administration.

(III) Relevant authorization

(1) To ensure the successful issuance of write-down undated capital bonds and write-down eligible tier 2 capital instruments, it is hereby proposed to the Shareholders' General Meeting to authorize the Board, and agree that the Board may delegate authority to the Chairman, the President, or other persons authorized by the Chairman or the President, to jointly or individually and at their sole discretion, handle matters related to the issuance of write-down undated capital bonds and write-down eligible tier 2 capital instruments within the validity period of the authorization for the issuance of write-down undated capital bonds and write-down eligible tier 2 capital instruments, in accordance with the regulations and approval requirements promulgated by the relevant regulatory authorities, and under the framework and principles considered and approved at the Shareholders' General Meeting. The content and scope of the authorization include but not limited to:

1. determining the specific terms of the issuance of write-down undated capital bonds and write-down eligible tier 2 capital instruments, including but not limited to the timing, method, type, tranche, size, currency, interest rate, market and target subscribers of such issuance, etc.;
2. handling all matters relating to the issuance of write-down undated capital bonds and write-down eligible tier 2 capital instruments, including but not limited to amending, signing and executing all agreements, contracts and documents relating to such issuance, engaging intermediaries, and handling approval procedures with relevant regulatory authorities, etc.;

LETTER FROM THE BOARD OF DIRECTORS

3. such authorization is valid from the date of approval of the issuance of write-down undated capital bonds and write-down eligible tier 2 capital instruments by the Shareholders' General Meeting until 24 months after the approval by the National Financial Regulatory Administration.
- (2) It is hereby proposed to the Shareholders' General Meeting to authorize the Board, and agree that the Board shall delegate authority to the Chairman, the President, or other persons authorized by the Chairman or the President, to jointly or individually and at their sole discretion, handle all matters related to interest payment, redemption and write-down within the duration of the write-down undated capital bonds and write-down eligible tier 2 capital instruments in accordance with the regulations and approval requirements promulgated by the relevant regulatory authorities.

Issuance Amount of Capital Instruments was considered and approved by the Board of Directors on March 27, 2025, and is hereby proposed to the AGM for consideration and approval.

7. Election of Mr. Pu Yonghao as Independent Non-executive Director of the Bank

Reference is made to the announcement of the Bank dated March 27, 2025 in relation to, among others, the proposed nomination of Director of the Bank. The proposal on the nomination of Mr. Pu Yonghao as the candidate for Independent Non-executive Director of the Bank was considered and approved by the Board. The term of office of Mr. Pu Yonghao as Director will be three years commencing from the date of approval of his qualification by the National Financial Regulatory Administration. The remuneration of Mr. Pu Yonghao shall be implemented in accordance with the relevant resolution of the 2019 Annual General Meeting of the Bank on the Proposal on the Remuneration Adjustment Plan of Independent Non-executive Directors of Postal Savings Bank of China. For details of the remuneration, please refer to the annual report published by the Bank in due course.

The profile of Mr. Pu Yonghao is set out as follows:

Pu Yonghao, male, born in 1957, obtained a master's degree in Economics from Xiamen University and a master's degree in Science (Demography) from the London School of Economics and Political Science. Mr. Pu previously served as Senior Economist and Vice President of Bank of China International (UK) Limited, Senior Consultant of Asian Development Bank, Managing Director and APAC Chief Investment Officer, Chief Investment Strategist and Head of APAC Wealth Management Research Department of UBS, the founder and Chief Investment Officer of Fountainhead Partners Company Limited, Managing Director of Braemar Wealth Consulting Limited, Independent Non-executive Director of Huafa Property Services Group Company Limited, etc. He currently serves as Independent Non-executive Director of Interra Acquisition Corporation, Independent Non-executive Director of Guotai Junan Securities Co., Ltd., Senior Advisor of Fountainhead Partners Company Limited and Vice Chairman of the Chinese Financial Association of Hong Kong.

LETTER FROM THE BOARD OF DIRECTORS

As at the Latest Practicable Date, Mr. Pu Yonghao has confirmed, save as disclosed in this circular, Mr. Pu Yonghao has not held any directorship in other public companies the securities of which are listed on any securities market in the Chinese mainland, Hong Kong or overseas in the past three years. He does not have any relationship with any directors, supervisors, senior management members, substantial Shareholders or controlling Shareholders of the Bank. He does not hold any other positions in the Bank or any of its subsidiaries, nor does he hold any interest in the Shares of the Bank or its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance of Hong Kong. Mr. Pu Yonghao has further confirmed that (i) he meets all the independence criteria set out in Rule 3.13(1) to (8) of the Hong Kong Listing Rules; (ii) he does not have any past or present financial or other interest in the business of the Bank or its subsidiaries, nor does he have any connection with any core connected person (as defined in the Hong Kong Listing Rules) of the Bank; and (iii) there are no other factors that may affect his independence at the time of his nomination. The Board is also of the opinion that Mr. Pu Yonghao has complies with the independence guidelines set out in Rule 3.13 of the Hong Kong Listing Rules and is independent in accordance with the terms of the guidelines.

Save as disclosed above, there is no other information in relation to the appointment of Mr. Pu Yonghao that shall be disclosed pursuant to the requirements set out in Rule 13.51(2)(h) to (v) of the Hong Kong Listing Rules, nor are there any other matters that need to be brought to the attention of the Shareholders.

Pursuant to Rule B.3.4 of Appendix C1 to the Hong Kong Listing Rules, the Nomination and Remuneration Committee and the Board of the Bank have discussed the matters regarding the nomination of Mr. Pu Yonghao as a candidate for Independent Non-executive Director of the Bank. Mr. Pu Yonghao has extensive working experience in the industry and broad vision, and is capable of providing prospective and constructive advice for the development of the Bank. He, as Independent Non-executive Director of the Bank, is also able to promote the diversity of the structure of the Board in various aspects, including culture, knowledge, educational background, experience and skills.

The proposal on the nomination of Mr. Pu Yonghao as Independent Non-executive Director of the Bank was considered and approved by the Board on March 27, 2025, and is hereby proposed to the AGM for consideration and approval of the election of Mr. Pu Yonghao as Independent Non-executive Director of the Bank.

8. Engagement of Accounting Firms for 2025

The Bank proposes to engage KPMG Huazhen LLP and KPMG as the Bank's accounting firms for 2025, which will respectively be responsible for providing annual auditing of 2025 and related services for the financial statements of the Bank prepared in accordance with the China Accounting Standards for Business Enterprises and International Financial Reporting Standards, for a term until the conclusion of the next annual general meeting of the Bank. The audit fee is RMB27.18 million, including RMB1,684.9 thousand for internal control audit.

LETTER FROM THE BOARD OF DIRECTORS

The proposal on the engagement of accounting firms for 2025 was considered and approved by the Board of Directors on March 27, 2025, and is hereby proposed to the AGM for consideration and approval.

III. THE AGM

Enclosed is the form of proxy for the AGM.

If you intend to appoint a proxy to attend the AGM, you are requested to complete and return the proxy form in accordance with the instructions printed thereon. H Shareholders shall return the proxy form to Computershare Hong Kong Investor Services Limited located at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong by hand or by post as soon as possible and in any event not less than 24 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or any adjournment thereof if you so desire.

In order to determine the name list of H Shareholders who are entitled to attend the AGM, the Bank's H Share register of members will be suspended from Monday, April 14, 2025 to Thursday, April 17, 2025 (both days inclusive). To attend the AGM, H Shareholders shall, before 4:30 p.m. on Friday, April 11, 2025, submit the share certificates and share transfer documents to the Bank's H Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.

IV. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Hong Kong Listing Rules, any vote of Shareholders at a Shareholders' general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. As such, all resolutions proposed at the AGM will be voted by poll.

V. RECOMMENDATIONS

The Board considers that all resolutions proposed at the AGM are in the interests of the Bank and its Shareholders as a whole. As such, the Board recommends you to vote in favour of all resolutions to be proposed at the AGM.

Yours faithfully,
By order of the Board of Directors
Postal Savings Bank of China Co., Ltd.
Du Chunye
Joint Company Secretary

March 27, 2025

NOTICE OF THE 2024 ANNUAL GENERAL MEETING



中国邮政储蓄银行
POSTAL SAVINGS BANK OF CHINA

POSTAL SAVINGS BANK OF CHINA CO., LTD.
中國郵政儲蓄銀行股份有限公司

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

(Stock Code: 1658)

NOTICE OF THE 2024 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2024 annual general meeting (the “**AGM**”) of Postal Savings Bank of China Co., Ltd. (the “**Bank**”) will be held on-site at Block A, Jinjia Plaza, No. 6 Financial Street, Xicheng District, Beijing at 10:00 a.m. on Thursday, April 17, 2025 to deal with the following matters:

RESOLUTIONS

1. To consider and approve the 2024 Work Report of the Board of Directors;
2. To consider and approve the 2024 Work Report of the Board of Supervisors;
3. To consider and approve the Final Financial Accounts for 2024;
4. To consider and approve the Profit Distribution Plan for 2024;
5. To consider and approve the Budget Plan of Fixed Asset Investment for 2025;
6. To consider and approve the Issuance Amount of Capital Instruments;
7. To consider and approve the Election of Mr. Pu Yonghao as Independent Non-executive Director of the Bank; and
8. To consider and approve the Engagement of Accounting Firms for 2025.

Among the above resolutions, items 1 to 5 and items 7 to 8 are ordinary resolutions, and item 6 is special resolution.

NOTICE OF THE 2024 ANNUAL GENERAL MEETING

MATTERS TO BE REPORTED

9. 2024 Work Report of Independent Directors of Postal Savings Bank of China;
10. Report on the Implementation of the Plan on Authorization of the Shareholders' General Meeting to the Board of Directors of Postal Savings Bank of China Co., Ltd. in 2024; and
11. Report on the 2024 Special Report on Related Party Transactions of Postal Savings Bank of China.

By order of the Board of Directors
Postal Savings Bank of China Co., Ltd.
Du Chunye
Joint Company Secretary

Beijing, the PRC
March 27, 2025

As at the date of this notice, the Board of Directors of the Bank comprises Mr. Zheng Guoyu as Chairman of the Board and Non-executive Director; Mr. Liu Jianjun and Ms. Yao Hong as Executive Directors; Mr. Han Wenbo, Mr. Chen Donghao, Mr. Liu Xin'an, Mr. Zhang Xuanbo, Mr. Hu Yuting, Mr. Ding Xiangming and Mr. Yu Mingxiong as Non-executive Directors; Mr. Wen Tiejun, Mr. Chung Shui Ming Timpson, Ms. Pan Yingli, Mr. Tang Zhihong and Mr. Hong Xiaoyuan as Independent Non-executive Directors.

* *Postal Savings Bank of China Co., Ltd. is not an authorized institution within the meaning of the Banking Ordinance (Chapter 155 of the Laws of Hong Kong), not subject to the supervision of the Hong Kong Monetary Authority, and not authorized to carry on banking and/or deposit-taking business in Hong Kong.*

NOTICE OF THE 2024 ANNUAL GENERAL MEETING

Notes:

1. According to the Hong Kong Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. As such, all resolutions proposed at the AGM will be voted by poll. After the AGM, relevant voting results will be published on the website of the Bank as well as the disclosure website of Hong Kong Exchanges and Clearing Limited.
2. A Shareholder entitled to attend and vote at the AGM announced to be convened herein is entitled to appoint one or more proxies to attend and, in the event of a poll, vote in his/her stead. A proxy need not be a Shareholder of the Bank.
3. The proxy form together with notarized authorization letters of signatories or other authorization documents (if any) shall be invalid unless they are filled out and returned to the Bank's H Share Registrar, Computershare Hong Kong Investor Services Limited not less than 24 hours before the time designated for holding the AGM or any adjournment thereof. The address of Computershare Hong Kong Investor Services Limited is 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or any adjournment thereof if you so wish.
4. To determine the name list of H Shareholders entitled to attend the AGM, the Bank will suspend registration of transfer of H Shares from Monday, April 14, 2025 to Thursday, April 17, 2025 (both days inclusive). To attend the AGM, H Shareholders shall, before 4:30 p.m. on Friday, April 11, 2025, submit the share certificates and share transfer documents to the Bank's H Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.
5. For joint holders, only the one whose name stands first in the Register shall be entitled to attend the AGM and vote in respect thereof.
6. Shareholders or their proxies shall present their identity documents when attending the AGM:
 - (1) Legal representatives of legal entity Shareholders who attend the meeting shall provide their valid personal identification, valid proof of their capacity as legal representatives and proof of identity as a Shareholder; where the legal representatives delegate others to attend the meeting, proxies of the Shareholder shall provide, in addition to the documents above, their valid personal identification and written form of proxy provided by the legal representatives (including those signed by an authorized person) according to laws. Where the other persons are authorized to attend the meeting by the legal entity Shareholders, they shall provide their valid personal identification, resolution of the authorization by the board of directors or other decision-making institution of legal entity Shareholders and proof of identity as a Shareholder.
 - (2) Natural person Shareholders who attend the meeting in person shall provide their valid personal identification and proof of identity as a Shareholder; where others are delegated to attend the meeting, proxies of Shareholders shall provide their valid personal identification, letters of attorney from the Shareholders and proof of the identity of their principal as Shareholders.
7. If the AGM considers and approves the Profit Distribution Plan for 2024, the Bank is expected to distribute 2024 final cash dividends to A Shareholders and H Shareholders on Wednesday, April 30, 2025 and Thursday, May 22, 2025, respectively. To determine the name list of H Shareholders entitled to receive 2024 final cash dividends, the Bank will suspend registration of transfer of H Shares from Friday, April 25, 2025 to Tuesday, April 29, 2025 (both days inclusive). Shareholders whose names appear on the register of members of H Shares of the Bank after closing of trading on Tuesday, April 29, 2025 are entitled to receive 2024 final cash dividends. Unregistered H Shareholders of the Bank who wish to qualify for the entitlement to the final cash dividends proposed to be distributed for 2024 are required to submit the share certificates and share transfer documents to the Bank's H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong before 4:30 p.m. on Thursday, April 24, 2025.
8. Shareholders or their proxies attending the meeting shall be responsible for their own travelling and accommodation expenses.
9. The address of the Bank's Registered Office is No. 3 Financial Street, Xicheng District, Beijing, the PRC.

Tel.: 86-10-68858158
Fax: 86-10-68858165

2024 WORK REPORT OF THE BOARD OF DIRECTORS

In 2024, guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the Board of Directors of the Bank steadfastly implemented the major decisions and plans of the CPC Central Committee and the State Council. Under the guidance of and receiving attention from the regulatory authorities, with the support of the Shareholders and the oversight of the Board of Supervisors, it fully played its strategic leadership role, and upheld the principles of long-termism and sustainable development. Through capacity building, innovation-driven leadership, and refined management, the Board of Directors consolidated the foundation for development, and strengthened the operational resilience. It focused on developing five differentiated growth poles to continuously improve the high-quality development capabilities across the Bank.

The Bank continued to maintain high growth, with the constant enhancement of its value creation capabilities. The Bank achieved net profit of RMB86.716 billion for the year, representing a year-on-year increase of 0.34%, with the net interest margin of 1.87%, maintaining a relatively high level in the industry. The Bank's total assets reached RMB17.08 trillion, representing an increase of 8.64% compared to the prior year-end, with the non-performing loan ratio of 0.9% and allowance to NPLs ratio of 286.15%. It successfully accomplished all the tasks and goals set at the beginning of the year. In 2024, the Bank ranked 12th for two consecutive years in The Banker's 2024 Top 1000 World Banks list (in terms of tier 1 capital at the end of 2023). It continued to maintain the best credit rating among domestic commercial banks from the three major international rating agencies – Fitch Ratings, Moody's Investors Service and S&P. As its MSCI's ESG rating was upgraded to AA, the Bank ascended to the top tier of the industry. The Bank continued to receive the recognition as the "Best Practice Case for Boards of Directors" by the China Association for Public Companies. It received the highest A rating in the Shanghai Stock Exchange's information disclosure evaluations for four consecutive years. Since its H-share listing, the Bank's valuation has consistently ranked among the highest of major state-owned banks.

I. ADHERING TO THE STRATEGIC GUIDANCE AND ACTIVELY DEVELOPING A MODERN CORPORATE GOVERNANCE SYSTEM WITH CHINESE CHARACTERISTICS

Adhering to the centralized and unified leadership of the CPC Central Committee over financial work is crucial for the fundamental direction of high-quality financial development, which serves as the fundamental guarantee for ensuring effective financial work, and is also the essential feature of corporate governance in large state-owned banks with Chinese characteristics. In 2024, the Bank resolutely implemented the decisions and arrangements by the CPC Central Committee on further comprehensively deepening reform and advancing Chinese modernization. Proactively engaging in and supporting reform initiatives, the Bank fulfilled its political, economic, and social responsibilities as a major state-owned bank on all aspects. It delivered a solid achievement in "five priorities" of technology finance, green finance, inclusive finance, pension finance and digital finance. The Bank continued to strengthen support for key areas and weak links in social development such as rural revitalization, inclusive finance for micro and small-sized enterprises, technological innovation, manufacturing, green and low-carbon initiatives, and people's livelihood consumption, so as to make its contribution to building a financial powerhouse.

(i) Promoting the integration of the Party leadership and corporate governance to constantly enhance the efficiency and effectiveness of corporate governance

The Bank has consistently upheld and strengthened the overall Party leadership in the planning of major strategies, formulation of significant policies, arrangement of major tasks, and advancement of major work. The Bank continued to impel the organic integration of the Party leadership and corporate governance in terms of systems, mechanisms, and procedures, etc. It gained a deeper understanding of the core essence of “setting the direction, overseeing the bigger picture, and ensuring implementation” by the Party Committee. It has been actively exploring the practical experience of corporate governance with Chinese characteristics by integrating the Party leadership into the entire process of corporate governance from multiple dimensions featuring system integration, mechanism integration and decision-making integration.

Firstly, the Bank coordinated and standardized the decision-making system to ensure system integration. The Bank’s Articles of Association clearly define the statutory status of the Party Committee in corporate governance and the overall requirements for Party building work. Guided by the principle of “no neglect of duty or overstepping authority”, the Bank strictly implemented the “Three Majors and One Substantial” decision-making system (decisions on major matters, appointment/removal of key cadres, major investment projects, and use of substantial funds) and the Party Committee’s working rules. It promoted the consistent alignment between the Articles of Association and the decision-making bodies and decision-making procedures in the relevant systems, ensuring the Party Committee’s role as the leadership and political core in modern corporate governance at a systematic level.

Secondly, the Bank implemented the strategy of “two-way entry and cross-appointment” to push forward mechanism integration. With the adherence to “two-way entry and cross-appointment”, the members of the Party Committee serving on the Board of Directors actively communicate the Party organization’s directives to the Board of Directors and relay the opinions and suggestions of other Directors to the Party Committee. The Bank has established and improved the regular communication and information sharing mechanism between the Party Committee and the Board of Directors, the Board of Supervisors and the senior management. It convened regular management meetings and briefings between Directors, Supervisors and senior management, strategy seminars and independent director symposiums, etc. so as to have full exchanges with Directors and Supervisors on matters of strategic development, major operation and management, and corporate governance, thereby comprehensively consolidating the integration of Party leadership into corporate governance through mechanism arrangements. The Board of Directors was briefed on the Party Committee’s in-depth study and implementation of guiding principles from the 20th CPC National Congress and the second and third plenary sessions of the 20th CPC Central Committee, as well as the Central Economic Work Conference and the Central Financial Work Conference. The briefing also covered the study and deployment of the PSBC’s efforts to diligently implement the decisions and arrangements made by the CPC Central Committee and the State Council, while the Directors were encouraged to actively contribute suggestions and insights.

Thirdly, the Bank promoted the alignment of governance procedures to intensify strategic decision-making integration. The Party Committee's mechanism of prior study for significant issues is strictly enforced; major operational and management issues are discussed through prior study by the Party Committee before the Board of Directors makes decisions according to their responsibilities. In the Bank's corporate governance practice, the Party Committee supports the Board of Directors in making independent decisions in accordance with the law, ensuring that the Board of Directors plays its role in "setting strategies, making decisions, preventing risks". Meanwhile, through the participation of Party Committee members who serve as directors, the Party Committee's perspectives are integrated into the strategic decision-making process of the Board of Directors on major issues. This ensures both the correct direction and the achievement of effective outcomes. In 2024, the Board of Directors reviewed 116 proposals, of which 52 were priorly studied by the Party Committee. In addition, in the process of studying major operation and management matters such as the adjustment to deposit agency fee pricing for agency deposit taking business transacted between the PSBC and China Postal Group, and the interim profit distribution, the Party Committee fully respected the opinions of Directors to ensure that they worked in the same direction and at the same pace.

(ii) Adhering to the strategic guidance and yielding concrete results in developing the "five priorities"

Focusing on the strategic goals and objectives of the 14th Five-Year Plan, the Bank intensified its efforts in technology finance, green finance, inclusive finance, pension finance and digital finance, with the intention of building a healthy and balanced development model, constantly creating new momentum and new strengths. By allocating high-quality financial resources to major strategic areas and weak links, the Bank provided high-quality services for economic development, striving to deliver the answer sheet of PSBC for developing the "five priorities" of financial services.

Firstly, the Bank enhanced the quality and efficiency of technology finance. Anchoring the development goal as a leading force in technology finance, the Bank developed a comprehensive service strategy based on "specialized, targeted, unique, and new" measures. It made every effort to provide multi-layer and full-cycle financial services for sci-tech enterprises. With a focus on small and medium-sized sci-tech enterprises, the Bank strengthened financial support for the transformation and upgrading of traditional industries, strategic emerging industries, future industries and other fields of sci-tech innovation. The Bank deepened the construction of the technology finance service organizational system, and expanded the coverage of specialized service organizations in key regions, providing professional and comprehensive technology finance services to sci-tech enterprises with "zero distance's access". The Bank built a refined service and risk control mechanism. It fully utilized big data technology to create profiles for sci-tech enterprises, innovatively established a "technology flow" assessment system for sci-tech enterprises, and accurately assessed their technological value and future growth potential, thus effectively solving the problems of entry of and credit extension to sci-tech enterprises. The Bank continuously enriched the "U Prosper" technology finance service system, and developed exclusive product solutions with a broad customer coverage, full-cycle service, multi-platform interaction, and big data-driven capabilities based on its flagship products such as "Sci-Tech Loan" and "Sci-Tech E Loan". The Bank strengthened its collaboration with the Ministry of Industry and

Information Technology, the Ministry of Science and Technology, the All-China Federation of Industry and Commerce, the Shenzhen Stock Exchange and venture capital institutions to explore and promote the “loan + external direct investment” model by leveraging external resources, developing diversified relay-type financial services. As at the end of 2024, the Bank served over 90,000 sci-tech enterprises, representing a year-on-year increase of more than 30%; and the financing balance exceeded RMB500 billion, representing a year-on-year increase of more than 40%.

Secondly, the Bank took green finance to a new level. The Bank increased credit resource input in key green finance areas such as green manufacturing, green transportation, green construction, energy conservation and environmental protection, and precisely empowered enterprises for sustainable development. The Bank also explored ways to support the low-carbon transformation of traditional industries such as chemicals, paper, and non-ferrous metals. Through transformation loans, sustainability-linked loans, and other featured financial products, the Bank met the differentiated financial needs of enterprises in their green, high-end, and intelligent development. Additionally, the Bank proactively innovated service models. It issued the first “ESG loan + insurance” business, the ESG sustainability-linked loan for ASEAN enterprises in Guangxi, and photovoltaic loans for rural collective economic organizations, creating green finance benchmark cases. In terms of policies and systems, product innovation, risk management, technology empowerment and green operation, the Bank vigorously developed sustainable finance, green finance and climate financing, with an aim of building a first-class green inclusive bank, climate-friendly bank and eco-friendly bank. As at the end of 2024, the Bank’s balance of green loans amounted to RMB781.732 billion, representing an increase of 22.55%. The Bank assisted 10,928 enterprises with carbon accounting, representing an increase of 168%. The Bank was continuously rated as an “Advanced Organization in Green Bank Evaluation” by China Banking Association, and awarded the “Best Case for Sustainable Development of Public Companies” for three consecutive years, the “Global Green Finance Award of the Year” by the International Finance Forum (IFF), and was selected as the “2024 Typical Case for ESG Practice in the Banking Industry”.

Thirdly, the Bank took a pride in heightened characteristics of inclusive finance. The Bank actively realized its goal of positioning itself as a comprehensive inclusive financial service provider. Based on the daily production and operation scenarios of small and medium-sized enterprises and their financial needs, the Bank continuously improved its long-term mechanism guarantees, and innovated product supply, providing customers with comprehensive financing, payment and settlement, wealth management and other all-around services. The Bank accelerated the digital transformation of microfinance, reinforced the construction of a multi-dimensional service system of online, remote and offline, and continuously delved into the full-process intelligent risk control system covering digital customer profiles, model rules, risk control strategies and automatic early warning, thus improving the intelligent risk control. As at the end of 2024, the proportion of the Bank’s balance of inclusive loans for MSEs in various loans remained at the top of the major state-owned banks. For the third consecutive year, the Bank was awarded the highest grade “Grade 1” in the regulatory evaluation of financial services for MSEs. It was honored with the “2024 Gamma Award for Inclusive Financial Services Bank of the Year” and Global Finance’s “Stars of China – Best SME Services Bank”.

Fourthly, the Bank continued to deepen pension finance. The Bank fully implemented the work arrangement on pension finance made by the Central Financial Work Conference. It built a multi-dimensional pension finance system featuring “three horizontals and three verticals” to tap into the development of pension finance, pension service finance and pension industry finance, advancing the high-quality development of pension finance. Relying on the endowment of the Bank’s elderly care service resources, the Bank focused on the entire industrial chain to build elderly care financial service scenarios and silver economic and financial ecology. The Bank optimized the service system for personal pension products, introducing some special services such as pension simulation calculator. It created a digital and intelligent pension finance service ecosystem, with a view to becoming a caring bank for the elderly that accompanies customers and a key service bank for the comprehensive promotion of national pension finance. As at the end of 2024, the Bank had served over 280 million middle-aged and elderly customers, with the number of financial social security cards in circulation exceeding 120 million.

Fifthly, the Bank enhanced the empowerment of digital finance. By adopting “top-level planning + practical implementation” approach, the Bank enhanced the quality and efficiency of digital transformation. From an enterprise-level perspective, the Bank comprehensively planned the Promotion Plan for Digital Transformation of Postal Savings Bank of China, setting the direction for the high-quality development of digital PSBC. At the same time, the Bank focused on the “six dimensions” of infrastructure construction, operation management, service operation, product business, ecological scenarios, and risk prevention and control. It selected over 20 bank-level tasks for key breakthroughs, covering areas such as business innovation, technology application, data governance, risk prevention and control. This effort is to further enhance the linkage and coordination among sectors and expand the scope of the transformation. The Bank launched its independent and controllable large model, “Youzhi”, and established a secure and reliable service system that integrates computing power, algorithms, data, and scenarios. This model enables intelligent financial services to reach hundreds of millions of customers across vast urban and rural areas, empowering the Bank to fully open a new chapter in digital finance. The Bank actively explored innovations in business models and made breakthroughs in proactive credit extension and rural revitalization business models driven by pan-domain data assets. By providing financial services to over 673 million personal customers, the Bank promoted the high-quality development of inclusive finance. This innovative practice was awarded the First Prize of the Financial Technology Development Award by the People’s Bank of China. The “PSBC Facilitates Corporate Operation” platform, a one-stop digital management platform for enterprises, served a total of over 70,000 customers. The number of customers registered with “Together We Thrive” interbank business platform was nearly 2,500, and the cumulative transaction volume surpassed RMB5 trillion. In the evaluation conducted by China Financial Certification Authority, the Bank ranked first in the comprehensive evaluation of corporate mobile banking. Additionally, it achieved the first for user experience evaluation score of personal mobile banking for two consecutive years.

(iii) Upholding the founding mission to serve the real economy, with a dedication to fulfilling its role as a major state-owned bank

Sticking to its commitment to returning to its financial roots, the Bank has always regarded finance serving the real economy as its fundamental purpose. The Bank actively implemented national strategies, and continued to focus on the new demands and expectations for the development of the real economy, so as to adjust the allocation of resources, optimize the supply of financial services, and enhance service quality and efficiency, actively fulfilling its social responsibilities.

Firstly, the Bank promoted regional coordinated development. The Bank actively guided funds to strategic regions, key industries, and major projects, supported national development strategies for key areas, and contributed to the coordinated development of the Beijing-Tianjin-Hebei Region, the construction of Xiongan New Area, the integration of the Yangtze River Delta, the ecological protection of the Yellow River Basin, the Guangdong-Hong Kong-Macao Greater Bay Area, and the Hainan Free Trade Port. As at the end of 2024, corporate loans granted by the Bank in key regions increased by approximately 18% compared to the prior year-end.

Secondly, the Bank deepened financial services for the manufacturing industry. In response to the development of the modern industrial system, the Bank focused on key areas such as industrial structural transformation and upgrading, technological innovation and development of industries, and the stability and security of the industrial chain and supply chain. It continued to optimize and improve the financial service system, fully developed comprehensive service capabilities, accelerated the cultivation of new quality productive forces, and deeply advanced the high-end, intelligent, and green development of the manufacturing industry. As at the end of 2024, the Bank's mid-and-long term loans to the manufacturing industry increased by approximately 15% compared to the prior year-end.

Thirdly, the Bank fully supported rural revitalization. The Bank focused on key areas such as national food security, industrial development in rural areas, and rural development, and increased the credit supply to key rural revitalization projects. As at the end of 2024, the credit supply to key rural revitalization projects increased by approximately 24% compared to the prior year-end. The Bank continued to increase financial support for the entire industrial chain, such as the construction of high-standard farmland, saline-alkali land transformation, and grain circulation, storage, and processing. It also innovated the "agriculture + industry + cultural tourism" model integrating both agriculture and industries, and actively supported green financial investments in counties and rural areas. With a focus on the principle that only when agriculture is strong can the country be strong, firmly guarding against risks, and improving people's livelihoods, the Bank supported the industrial development in rural areas, and modern rural development. As at the end of 2024, the Bank's loans for rural infrastructure construction grew by approximately 31% compared to the prior year-end.

II. BETTER COORDINATING DEVELOPMENT AND SECURITY, AND LAYING A SOLID FOUNDATION FOR HIGH-QUALITY DEVELOPMENT

In 2024, the Bank integrated risk awareness and security concepts into all areas and processes of the Bank's operation and development, prudently assessing the risk situation. The Bank heightened its efforts of building more proactive risk management capabilities, increasing risk constraints and disposal in key areas and enhancing the foresight of risk prevention and control. It continuously optimized internal control and internal audit management mechanisms, and regulated related party transaction management, so as to better coordinate development and security, serving as a ballast in maintaining financial stability.

(i) Actively preventing and mitigating risks in key areas and strengthening comprehensive risk management

Always upholding the bottom-line mentality and a prudent and sound risk appetite, the Bank continuously optimized the risk management and control system featuring “all aspects, whole process, full time and comprehensive area”. **Firstly**, the Bank expedited the development of advanced capital management methodology, improved the risk management system, and formulated or revised risk management policies, including the Comprehensive Risk Management Measures, the Internal Control Evaluation Measures, the Operational Risk Management Measures, the Criminal Case Risk Prevention and Control Measures, the Country Risk Management Measures, and the Management Policy for the Validation of the Internal Rating System for Credit Risk, further promoting the construction of comprehensive risk management capabilities. **Secondly**, the Bank steadily and orderly pushed forward risk prevention and control in key areas such as real estate, urban investment platforms, and small and medium-sized financial institutions. It optimized and adjusted credit policies in a timely manner, and conducted asset quality monitoring, strengthening forward-looking management of credit risks. **Thirdly**, the Bank advanced the development and application of its intelligent risk control system. By actively leveraging advanced financial technologies such as big data and artificial intelligence, the Bank proactively identified and managed risk points, strengthened asset quality control, and vigorously promoted the collection and resolution of non-performing loans, thereby maintaining basic stability of asset quality.

(ii) Strengthening capital planning and refined management to consolidate the foundation for business development

The Bank unwaveringly established the concepts of capital constraints and value creation. Benchmarking against the requirements of the new rules on capital management, it continuously optimized the capital management system. It strengthened refined capital management, actively promoted capital replenishment, ensuring a sustained and stable capital adequacy level to support the healthy development of various businesses. **Firstly**, the Bank fully implemented the requirements of the new rules on capital management and improved the refined capital management. The Bank firmly established the concept of capital constraints, continuously improved mechanisms for capital measurement,

allocation, limit, appraisal, and endogenous replenishment, and enhanced the intensive management of capital. It deepened the capital allocation mechanism with RAROC as the core indicator and promoted the optimization of business structure. **Secondly**, the Bank strengthened capital conservation and impelled transformation and development towards lightness. The Bank promoted the transfer of high capital-consuming assets, revitalized its existing assets and reduced the occupation of capital. The Bank enhanced the refined capital measurement, focusing on strengthening risk exposure classification, optimizing business processes, improving data quality, and deepening the application of advanced methodology, to fully consolidate the effects of implementing the new rules on capital management. **Thirdly**, the Bank took various measures to strengthen its capital base by expanding external capital sources. In 2024, the Bank successfully issued RMB30 billion perpetual bonds. As at the end of 2024, the Bank's capital indicators stayed within a reasonable range, and the capital adequacy ratios and the leverage ratio continued to meet all regulatory requirements including additional requirements for domestic systemically important banks and maintained at a sound and reasonable level.

(iii) Improving the internal control and compliance system, strengthening the management of related party transactions, and continuously enhancing the quality and effectiveness of audit supervision

The Bank has been committed to strengthening its long-term internal control and compliance mechanism, and continued to build up excellent internal control and compliance management capabilities, solidifying the foundation for compliant operation and management. **Firstly**, the Bank regularly reviewed work reports on internal control and compliance management, rectification of issues reported by regulators, internal control evaluation, anti-money laundering, and case self-assessment. It conducted a thorough and detailed implementation of compliance management, internal control, anti-money laundering, case prevention and control, and rectification of issues reported by regulators. **Secondly**, the Bank continued to enhance the quality and effectiveness of its agency financial services. It deepened the collaboration mechanism between China Post Group and PSBC, successfully completing the year-long campaign to rectify the security of agency institutions. The Bank solidly pushed forward the rectification of key regulatory issues affecting agency institutions and regularly received special reports on the management of agency financial services. These efforts aim to build a solid foundation for the sustainable development of the operation model consisting of both directly-operated outlets and agency outlets. **Thirdly**, the Bank attached great importance to internal and external audits to form a collaborative supervisory force. Focusing on audit supervision in key areas such as national strategy implementation, high-quality financial development, implementation of regulatory opinions, and refined management across the Bank, the Bank put forward audit opinions from various perspectives, including organizational processes, systematic mechanisms, system operation, and operational quality and efficiency. It ensured the rectification of identified problems, and deepened the application of audit findings. It also initiated the replacement and selection of accounting firms in a timely manner, facilitating a smooth transition between the previous and next accounting firms to ensure the quality of financial information, giving

full play to the role of external audit supervision. **Fourthly**, in strict compliance with the new domestic and overseas regulatory requirements, the Bank dynamically reviewed and updated the standards for related parties and related party transactions, as well as statistical reporting rules, etc. to ensure the effective identification of related party transactions. The Bank strengthened source data governance, and continuously improved the data quality of related party transactions, strictly controlling the risks associated with related party transactions. In 2024, the Board of Directors reviewed and approved the transferring part of the beneficial interest of the trusts and beneficial interest of the asset management plan to China Post Capital Management Co., Ltd., and other matters. It implemented corporate governance decisions in a prudent and standardized manner and made truthful and accurate information disclosure. It regularly submitted special reports to the shareholders' general meeting on the overall situation of related party transactions, ensuring that these transactions operated in a standardized manner and were subject to market supervision.

III. PROMOTING THE CAPACITY BUILDING OF THE BOARD OF DIRECTORS AND CONTINUOUSLY ENHANCING THE EFFECTIVENESS OF CORPORATE GOVERNANCE

In 2024, the Board of Directors adhered to its strategic positioning, constantly strengthening its own capacity building and optimizing the operational mechanism of the Board of Directors across the entire process. The Board of Directors fully leveraged the professional roles of its special committees, promoting in-depth communication and interaction among various governance entities. It actively explored the best practices in the establishment of the Board of Directors, thereby continuously enhancing the governance capabilities and governance standards.

(i) Steadily advancing the re-election and appointment of Directors and actively cultivating a professional and diverse Board of Directors

In strict compliance with all applicable laws, regulations and regulatory requirements, the Bank diligently managed the terms of office of Directors and plans for the re-election of Directors, ensuring a stable and orderly transition of members of the Board of Directors. The Bank regularly evaluated the structure, composition, and implementation of diversity policies of the Board of Directors and its special committees, taking comprehensive consideration factors such as gender, educational background, professional resume, skills and knowledge of the Directors. It also continuously optimized and adjusted the composition of the special committees of the Board of Directors to provide professional support for scientific and efficient decision-making by the Board of Directors. In 2024, the Board of Directors nominated six Non-executive Directors with extensive experience in financial supervision, audit supervision, and management in state-owned enterprises based on the Directors' term of office and operational needs. It also re-elected two Executive Directors and one Non-executive Director who are deeply familiar with the Bank's operating conditions. As at the end of 2024, the Bank's Board of Directors had a total of 14 Directors, including 2 female

Directors and 5 Independent Non-executive Directors, with the number of Independent Directors accounting for more than one-third of the total members of the Board of Directors. In terms of expertise, gender, age and region, the composition of the Board of Directors is scientific, professional and diverse, which can effectively support the scientific decision-making by the Board of Directors.

(ii) Optimizing the operating mechanism of the Board of Directors and enhancing the effectiveness of corporate governance

The Bank continued to refine the operating mechanism for the entire process of the Board meeting planning and agenda management, pre-meeting communication, deliberation and decision-making, and supervision and implementation. It also continuously reinforced the depth of communication and exchange between the Board of Directors, the Board of Supervisors, the senior management and other governance entities, working together to maximize the collaborative effect of corporate governance.

Firstly, pre-meeting communication mechanisms of the Board of Directors were strengthened. Directors were invited to actively engage in the critical stages of proposal development, thoroughly exchanging information and views with the management regarding the proposal's background, the necessity for its submission to the Board meeting, the comprehensiveness of its content, the adequacy of its substantiation, the procedural compliance, etc. The Bank rigorously oversaw meeting procedures and proposal quality, effectively enhanced the quality and efficiency of the deliberations, and promoted the standardized and efficient operation of the Board of Directors.

Secondly, decision-making and professional support roles of the Board of Directors and special committees were fully leveraged. Throughout the year, the Board of Directors reviewed and approved development planning issues such as the assessment of implementation of the 14th Five-Year Plan Outline for 2023, the mid-term assessment report of the 14th Five-Year IT Plan, and the Action Plan for Strengthening Core Functions and Building a First-Class Bank, revised corporate governance systems such as the Working Rules for Independent Directors of Postal Savings Bank of China, as well as regular reports, and major operational management matters such as the transferring part of the beneficial interest of the trusts and beneficial interest of the asset management plan to China Post Capital, and the replacement of accounting firms. The special committees of the Board of Directors, focusing on the areas of strategic planning, personnel and compensation, risk management, internal and external auditing, related party transaction management, fulfillment of social responsibilities and consumer rights protection, fully utilized their expertise to provide a large number of constructive opinions and suggestions to the Board of Directors. They also rendered professional support and decision-making advice to the Board of Directors, providing strong support for the sustained and stable development of all businesses of the Bank. The Board of Directors held 11 meetings throughout the year, reviewing 116 proposals and listening to 32 reports, with more than two-thirds of all Directors attended the meetings in person. The special committees of the Board of Directors convened 46 meetings, reviewed 123 proposals, and listened to 31 reports.

Thirdly, the Bank placed high value on supervising the implementation of the resolutions of the Board of Directors and the opinions of Directors. Through in-depth grassroots investigations and research, regular review of the special reports on the implementation of the resolutions of the Board of Directors, the record of the implementation of Directors' deliberation opinions, and listening to relevant special reports, the Bank urged the senior management to strictly implement the resolutions of the Board of Directors and the Directors' deliberation opinions, thereby achieving a closed-loop management of the entire process of the Board of Directors.

(iii) Continuously enhancing the ability of directors' performance and promoting scientific decision-making by the Board of Directors

In 2024, the Bank's Directors diligently performed their duties, focused on the concerns and priorities of performance, earnestly participated in various meetings inside and outside the Bank, proactively listened to the special reports of various functional departments, carefully read various operational management information submitted by the senior management, deeply conducted research, actively participated in various training sessions, and engaged in deep and effective communication with other members of the Board of Directors, Supervisors, and senior management to be familiar with the regulatory developments and the dynamic conditions of the Bank's business development through multiple channels and from a wide range of angles, so as to perform their duties independently, professionally and in compliance with regulations, and effectively safeguard the rights and interests of the Bank, Shareholders and other stakeholders. According to the "Proposal on Authorization for Purchase of Liability Insurance for Directors, Supervisors and Senior Management of A Shares and H Shares" approved by the Bank's 2021 annual general meeting, the Bank has purchased the annual liability insurance for Directors, Supervisors and senior management, and the insured amounts, coverage and insurance premium rates were strictly implemented in accordance with the authorization of the general meeting.

Firstly, the Bank made full use of on-site and off-site research methods to go deep into the frontline to investigate the implementation of grassroots strategies and the actual condition of operational management and consolidate the basis for decision-making of the Board of Directors. In 2024, the Directors conducted 92 person-times of special investigations on topics such as comprehensive risk management, rectification and implementation of findings circulated by regulatory authorities, security and protection of business branches, development of pension finance, intelligent transformation of outlets, integrated promotion of compliance management by China Post Group and the Bank, budget management, capital management and the application of financial data in risk identification of financial institutions. During the investigations, they strove to be "deep, practical, detailed and accurate", and formed a number of high-quality research reports such as "Advancing Priority of 'Pension Finance' to Provide Financial Support for Healthy Development of Pension System – Exploration and Practice Based on Postal Finance", "Several Suggestions on Security and Protection of Financial Outlets", and "Implementing Long-termism and Maintaining Steady Development – Research Report

on Credit Risk Management”, which provided advice for the long-term reform and development of the Bank and were transformed into specific measures for the Bank’s innovation and transformation and optimization of financial services.

Secondly, in compliance with the regulatory rules and relevant regulatory requirements in its listing places, the Bank paid high attention to the continuing professional development and capacity building of Directors and actively carried out Director training sessions. The Bank organized Directors to actively participate in 108 person-times of quality training sessions organized by the Ministry of Finance, Shanghai Stock Exchange, China Association for Public Companies, other intermediary organizations, and the Bank itself. Training content closely followed domestic and international economic, financial and industry cutting-edge trends, and covered a wide range of topics including macroeconomics and policy, interpretation of the new company law, ESG and sustainable development, market value management, anti-money laundering and anti-terrorism financing, and state-owned financial capital management.

Thirdly, the Bank gave full play to the role of independent Directors and continuously improved the performance efficiency of independent Directors. The Bank strictly implemented the Administrative Measures for Independent Directors of Listed Companies, the Corporate Governance Guidelines for Banking and Insurance Institutions and other regulatory requirements, and leveraged the role of independent Directors in corporate governance. The Bank took the lead in establishing a special meeting mechanism for independent Directors, held four special meetings of independent Directors throughout the year, and reviewed seven proposals including major connected transactions. The Bank regularly held closed-door meetings between independent Directors and the chairman to exchange and discuss multiple aspects such as enhancing corporate governance, strengthening internal risk control, improving operational management and promoting business transformation and development. All independent Directors conscientiously attended various meetings such as Shareholders’ meetings, Board meetings, and meetings of special committees of the Board of Directors, always adhered to high standards of professional ethics, performed their duties independently, prudently and professionally, and expressed objective and fair independent opinions on matters that may have conflicts of interest such as major connected transactions, profit distribution and personnel remuneration, in order to effectively safeguard the legitimate rights and interests of minority Shareholders and other stakeholders, and proactively fulfill social responsibilities.

Fourthly, the Bank placed great importance on in-depth and effective communication within the Board of Directors, between the Board of Directors and the Board of Supervisors and among senior management, and continuously deepened the corporate governance culture of free speech, collective wisdom and positive interaction. The Bank held strategic seminars for Directors, Supervisors and senior management regularly and repeatedly, organized concentrated research by Directors and Supervisors, and enhanced effective communication between Directors, Supervisors and senior management. Through document exchange, discussion and joint investigation and research, the Bank broke down information barriers, built consensus, pooled wisdom and gathered innovation and development forces.

IV. EFFECTIVELY CARRYING OUT INFORMATION DISCLOSURE AND INVESTOR RELATIONS MANAGEMENT, AND CONTINUOUSLY IMPROVING THE QUALITY AND EFFICIENCY OF CAPITAL MARKET COMMUNICATION

The Bank proactively built a distinctive information disclosure management system, strengthened active management of investor relations and market value management, continued to improve the equity management mechanism, deepened the long-term communication mechanism with Shareholders, and effectively built a bridge for Shareholders, especially minority Shareholders, to participate in corporate governance.

(i) Continuously improving the transparency and effectiveness of information disclosure

The Bank gave prominence to the characteristics of information disclosure and continuously improved the transparency of information disclosure. The Board of Directors of the Bank strictly abided by the regulatory requirements in its listing places, actively fulfilled its information disclosure obligations, and strove to build a unique and sustainable information disclosure management system. Based on the perspective of investors, the Bank constantly expanded the breadth and depth of its voluntary disclosure content to strengthen the quality and effectiveness of information disclosure and safeguard investors' rights to know. The Bank actively promoted the innovation and informatization of routine work, advanced the iterative upgrade of the information disclosure management system, and improved the quality and efficiency of information disclosure management. In 2024, the Bank took the initiative to issue voluntary announcements such as the "Quality Improvement, Efficiency Enhancement and Return Focus" plan, and its periodic reports won several international awards.

(ii) Strengthening capital market communication and advancing effective market value management

The Bank strengthened the proactive management of investor relations (IR), promoted the Bank's investment value in depth by holding regular performance release conferences, conducting performance roadshows, organizing capital market open days, etc., and enhanced investors' recognition of the Bank's long-term development logic and long-term value; the Bank communicated with the market through multiple channels such as daily investor meetings, IR phone calls, IR emails, and the "SSE e-interaction" platform, maintained smooth communication with investors, especially minority investors, and was recognized by the capital market. The Bank was awarded a number of honors such as the "Best Practice for Results Presentation in Annual Reports" and "Best Practice in Investor Relations Management" from the China Association of Public Companies.

(iii) Continuously deepening equity management to genuinely protect the rights of Shareholders

The Bank strengthened the look-through approach in the management of shareholdings, established and improved the equity management system, standardized Shareholder behaviors and regularly carried out annual assessments of the substantial Shareholder and major Shareholders. The Bank attached importance to reasonable investment returns for investors, increased the frequency of cash dividends on the basis of a stable dividend ratio, and efficiently promoted dividend distribution according to the resolutions of the Shareholders' meeting, enabling investors to enjoy dividend benefits earlier, with an aim of enhancing investors' sense of gain and effectively protecting the rights and interests of Shareholders.

2025 is the last year for implementing the 14th Five-Year Plan. The Board of Directors of the Bank will continue to strengthen the leadership of Party building, practice the political and people-oriented nature of financial work, focus on serving national strategies, the real economy and social livelihood, center on risk prevention, compliance and development, and make a successful conclusion of the 14th Five-Year Plan and forward-looking planning for the 15th Five-Year Plan. The Bank will foster new opportunities and open up new situations in further comprehensively deepening reforms, and solidly promote high-quality development and high-level security in recognizing, responding to and seeking changes, and strive to write a new chapter in the high-quality and quality-oriented development of PSBC!

2024 WORK REPORT OF THE BOARD OF SUPERVISORS

In 2024, the Board of Supervisors of the Bank steadfastly adhered to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era. We earnestly studied and implemented the guiding principles from the 20th CPC National Congress and the second and third plenary sessions of the 20th CPC Central Committee, and carried out plans of the Central Economic Work Conference and the Central Financial Work Conference. We maintained the Party's absolute leadership on supervision, thoroughly implemented the decisions and plans of the CPC Central Committee and the State Council, strictly followed regulatory requirements, focused on refined management around the Bank's priorities, earnestly performed its core supervisory functions in terms of duty performance, risk management, financial management, and internal control, among other aspects, gave full play to the supervisory and balancing role of governance, and earnestly safeguarded the legitimate rights and interests of the Bank and its Shareholders, employees, creditors, and other stakeholders, hence providing strong support for the Bank's high-quality development.

The Bank continued to maintain high growth, with the constant enhancement of its value creation capabilities. The Bank achieved net profit of RMB86.716 billion for the year, representing a year-on-year increase of 0.34%, with the net interest margin of 1.87%, maintaining a relatively high level in the industry. The Bank's total assets reached RMB17.08 trillion, representing an increase of 8.64% compared to the prior year-end, with the non-performing loan ratio of 0.9% and allowance to NPLs ratio of 286.15%. It successfully accomplished all the tasks and goals set at the beginning of the year. In 2024, the Bank ranked 12th for two consecutive years in The Banker's 2024 Top 1000 World Banks list (in terms of tier 1 capital at the end of 2023). It continued to maintain the best credit rating among domestic commercial banks from the three major international rating agencies – Fitch Ratings, Moody's Investors Service and S&P. As its MSCI's ESG rating was upgraded to AA, the Bank ascended to the top tier of the industry. It received the highest A rating in the Shanghai Stock Exchange's information disclosure evaluations for four consecutive years. Since its H-share listing, the Bank's valuation has consistently ranked among the highest of major state-owned banks.

I. PERFORMANCE OF THE DUTIES OF SUPERVISION**(i) Focusing on implementing major strategies for optimizing and strengthening the management of primary responsibilities and core businesses**

The Board of Supervisors continuously strengthened strategic supervision and effectively promoted the implementation of major decisions of the central government and various strategic measures of the Group and the Bank, helping the Bank to focus on its primary responsibilities and core businesses and fulfill its responsibilities as a major bank. It focused on the central government's decisions and plans, reviewed reports on the Bank's progress in advancing the 14th Five-Year Plan Outline, as well as in developing technology finance, green finance, inclusive finance, pension finance, and digital finance. It also supervised the implementation of these major strategies. Focusing on the guiding principles of the Central Financial Work Conference, it conducted special supervision on

managing risks from credit-type small business loans. It made progress in developing inclusive finance and improved the quality and efficiency of financial services for the real economy. Guided by the rural revitalization strategy, the Board of Supervisors conducted special supervision on managing risks related to industrial loans. It promoted the high-quality development of Sannong finance under the new conditions and contributed to rural revitalization on all fronts. In line with the carbon emissions peaking and carbon neutrality strategy, the Board of Supervisors closely monitored the development of green finance as well as ESG and climate risk management, advanced green banking and achieved significant progress in green finance.

(ii) Focusing on key regulatory concerns and deepening modernization of governance capabilities

The Board of Supervisors effectively played the role of supervision and balance by continuously benchmarking against regulatory requirements, to promote the integration of regulatory requirements into daily operation and solid implementation, constantly improve the corporate governance mechanism and improve the quality and efficiency of corporate governance. It promoted the implementation of regulatory requirements in detail. Taking the opportunity of self-inspection of regulatory inspections, evaluation and rating, and regulatory notifications, on the one hand, it timely checked for omissions and shortcomings, learned from past experience, and strengthened its own standardized operation, and on the other hand, it actively promoted the relevant governance entities to continuously improve their performance in key areas, and constantly improved the institutionalization, process and standardization of the overall governance operation of the Bank Group. It clarified the work priorities around regulatory concerns, effectively improved the supervision position, established the work priorities of the Board of Supervisors in accordance with regulatory concerns, scientifically formulated annual plans, focused on strengthening the supervision and reminder of key areas of regulatory concerns such as quality and efficiency of corporate governance, consolidated management of subsidiaries, consumer rights protection, and regulatory penalties, and continuously improved the quality and efficiency of corporate governance operations. It strengthened the supervision and evaluation of the implementation of regulatory opinions, and continuously paid attention to the rectification and implementation of regulatory inspections and notification opinions and the implementation of key regulatory indicators. In the process of performance evaluation, the implementation and rectification of regulatory opinions were adopted as an important basis for evaluation of the performance of relevant governance entities, so as to promote the consolidation of the ultimate responsibility for corporate governance.

(iii) Focusing on key risk areas to prevent and resolve material risks

The Board of Supervisors continuously strengthened risk supervision, constantly promoted the improvement of the quality and efficiency of the comprehensive risk management system, earnestly prevented and resolved risks in key areas, and effectively coordinated development and safety. It strengthened oversight of risk control

mechanisms, listened to reports on comprehensive risk management, capital management, and the implementation of the expected credit loss method, and provided targeted supervisory opinions after tracking the implementation of risk policies and risk limits across the Bank. The Board of Supervisors enhanced the supervision of risks related to high-risk products. It conducted special supervision of personal housing loans and personal business loans, and helped improve product risk management and control capabilities to support stable business operations. As to the tightened oversight of risks in key areas, it carried out special supervision of risks associated with local government debts and loans to local government financing vehicles (LGFVs) to ensure that no systemic risks arise. The Board of Supervisors strengthened oversight of the comprehensive risk management system, monitored the implementation and application of new regulatory rules such as capital management, financial asset risk classification and working capital loans, and closely tracked the Bank's compliance with capital adequacy ratios, various risk limits and other key indicators to help enhance overall risk management capabilities. It intensified supervision over market risks, paid close attention to the maturity structure of the Bank's foreign currency assets and liabilities as well as the profit/loss of foreign exchange swap transactions, and promoted strengthened analysis and better estimate of market risks related to exchange rates and interest rates, with an aim of improving market risk prevention in a forward-looking and effective manner. The Board of Supervisors also strengthened its research on non-credit business risks, paid attention to the qualifications of small and medium-sized bank customers, analyzed the risk situation of small and medium-sized banks, and raised the level of risk prevention and control on all fronts. It reinforced supervision of consolidated risk management, paid attention to the operations and risk management of majority-owned subsidiaries, and helped enhance the Bank Group's overall risk prevention capabilities.

(iv) Focusing on refined financial management to help the Bank reduce costs and improve efficiency

The Board of Supervisors continuously strengthened financial supervision, constantly promoted the improvement of the Bank's refined management level, enhanced the efficiency of financial management, and helped the "Keeping Belts Tightened Initiative" to go deeper and more practical. It kept strengthening its deliberation on major financial matters, including periodic reports, final financial accounts, profit distribution, and the engagement of accounting firms. It also listened to reports on key areas such as fixed asset investments, connected transactions, pricing of the deposit agency fee, land use rights, and house leasing, and paid attention to the implementation results of major financial decisions. Focusing on key financial areas, the Board of Supervisors analyzed institutional and business line development, intermediary business income, economic value added, and receivables, and provided targeted supervisory opinions based on these analyses. The Board of Supervisors conducted special supervision of performance evaluation management of branches and sub-branches, paid attention to the compliance, rationality, and effectiveness of evaluation indicators, and promoted the full utilization of performance evaluation as a tool to guide operations. The Board of Supervisors paid close attention to outlet governance and insurance claims management, and intensified efforts

to address issues identified through financial supervision, enhancing the effectiveness of its oversight. The Board of Supervisors also evaluated external audits on a regular basis. It communicated with external auditors about audit findings to create a coordinated approach to supervision.

(v) Emphasizing the effectiveness of internal control and compliance and promoting the construction of a secure firewall for internal control and compliance

The Board of Supervisors continuously strengthened internal control supervision, constantly promoted the consolidation of the management foundation of key areas and weak aspects of internal control and compliance, and helped deepen the construction of the internal control and compliance system. It continued to monitor the development of the internal control governance structure and reviewed proposals related to internal control evaluation, case prevention, anti-money laundering (AML), consumer protection, agency financial management, information technology (IT), and auditing. It urged the three lines of defense to fulfill their responsibilities effectively and promoted the development of the internal control system. The Board of Supervisors followed up on key areas of internal control and compliance. It analyzed issues in case prevention, money laundering risks, customer complaints, guarantee management, and IT, and provided targeted supervisory recommendations. The Board of Supervisors carried out special supervision on effectiveness management of information system. It paid attention to the comprehensive configuration of system development, demand management, functional design and application support to promote IT application across the Bank.

(vi) Focusing on improving governance capabilities and keeping enhancing the supervision on and evaluation of duty performance

The Board of Supervisors continuously strengthened supervision and evaluation, constantly promoted the Board of Directors and senior management to optimize and improve their performance in key areas, deepened the benign interaction among governance entities, and effectively improved the overall governance capabilities and level of the Bank Group. It organized and carried out the annual performance evaluation. It systematically reviewed the evaluation basis, enriched key priorities, improved the evaluation process and steps, and improved the online evaluation experience. The Board of Supervisors strengthened the analysis and application of evaluation results and reported the results and improvement suggestions to the Board of Directors on-site. It prepared an analysis report on the evaluation results and conducted special supervision to ensure efficient and standardized duty performance by governance entities. The Board of Supervisors maintained its supervision of consolidated management, conducted special supervision over PSBC Consumer Finance Co., Ltd., focused on strategy execution, risk control, capital management and parent-subsidiary coordination, and put forward supervision suggestions to improve governance across the Bank Group. It also strengthened daily supervision of duty performance. It closely monitored the processes and behavior of the Board of Directors, senior management, and their members in their

daily performance of duties. It paid special attention to duty performance of governance entities in key areas such as shareholder governance, risk prevention, and consumer protection. These efforts ensured that the main responsibilities were fulfilled properly.

(vii) Providing refined and detailed service support to improve the quality and efficiency of operation of the Board of Supervisors

The Board of Supervisors continuously strengthened its own construction, constantly improved the institutionalization and standardization of its operation, consolidated the professional foundation of the Supervisors and the office to perform their duties, and exercised and improved their supervisory capabilities. It rationally coordinated the arrangement of topics, and strengthened the review and research of topics on key areas such as mid-term profit distribution, internal transfer of industrial funds, external audit management recommendations, and information technology risk management reports. It well managed the terms of office of Supervisors. According to the expiration of the terms of office of Supervisors and the requirements of the personnel structure of the Board of Supervisors, it worked with relevant departments to make steady and orderly arrangements for the resignation of Supervisors who have reached the statutory retirement age. It strengthened the service support for Supervisors, organized Supervisors to participate in thematic training on the newly revised “Law on Guarding State Secrets” and “Company Law” organized by China Association for Public Companies, and assisted Supervisors in enhancing their professional competence in performing duties. It timely summarized the dynamics of the performance of Supervisors, and regularly compiled the “Work Dynamics of the Board of Supervisors”. It also deepened the construction of the supervision team, organized office staff to participate in internal audit projects on-site in an orderly manner, and continuously strengthened the competence training and capacity building of the supervisory team. These steps further enhanced the synergy of work and the quality and efficiency of supervision.

(viii) Deepening supervision and rectification to give play to the effectiveness of supervision

The Board of Supervisors ensured that all supervisory recommendations and suggestions were implemented in detail and in place by continuously strengthening rectification tracking, to effectively improve the quality and effectiveness of governance supervision. Rectification evaluation was conducted on a regular basis. For the issues found and opinions voiced by the Board of Supervisors during 2019-2023, it examined the implementation of rectification measures, evaluated the effectiveness of supervision and rectification and further improved the rectification supervision mechanism. The Board of Supervisors incorporated the rectification results of important supervisory findings and key supervision reports in the scope of special supervision of implementation, specified responsible units, timeframes for rectification, and improvement plans, and regularly updated the progress of rectification. These efforts effectively promoted the implementation of supervisory recommendations. The Board of Supervisors improved the reporting mechanism for the execution of resolutions and the implementation of

supervisory opinions. It introduced a new report on the implementation of Supervisors' deliberations and work requirements, and regularly tracked progress from the responsible departments, so as to deepen the implementation of supervisory recommendations.

II. OPERATION OF THE BOARD OF SUPERVISORS

(i) Procedure-based operation

In 2024, the Board of Supervisors strictly followed relevant laws, regulations, regulatory requirements, and the provisions of the Articles of Association, earnestly executed the resolutions of the Shareholders' General Meetings, and organized and convened meetings of the Board of Supervisors and its special committees in a standardized manner. The annual work plan was successfully completed. The Board of Supervisors organized and held a total of 11 meetings throughout the year, at which it reviewed 106 proposals and supervision items; 18 special committee meetings were held to review 47 topics; meeting resolution announcements were issued in strict accordance with the listing rules of the SSE and the Hong Kong Stock Exchange, and information disclosure obligations were fulfilled in accordance with the laws and regulations. All supervisory comments and suggestions have received high attention and positive responses from the Board of Directors and senior management.

(ii) Duty performance by Supervisors

In 2024, all Supervisors strictly observed relevant laws, regulations, regulatory requirements, and the Articles of Association, loyally and diligently performed their duties and attended more than two-thirds of on-site meetings of the Board of Supervisors in person. In the process of performing their duties, the Supervisors made decisions in accordance with laws and regulations, fully studied and reviewed all proposals, carried out in-depth supervision and inspection research, effectively gave play to their professional expertise, and gave independent, professional, and objective opinions and suggestions, playing a positive role in promoting the Bank to improve corporate governance and enhance the level of operational management. Throughout the year, the Supervisors participated in 23 multi-level and multi-dimensional training and exchanges on regulatory policies, corporate governance, industry hot spots and supervisory work practices, and conducted 23 supervisory research. Their time of duty performance for the Bank complied with regulatory requirements.

Supervisors who were members of the Party Committee strictly implemented the decisions of Party organizations, timely conveyed the Party organizations' instructions to the Board of Supervisors, and effectively fed back other Supervisors' opinions and suggestions to the Party Committee. The Board of Supervisors actively drove the integration of Party leadership and corporate governance to ensure that the core role of leadership of the Party organizations was played.

The Chairman of the Board of Supervisors led the Board of Supervisors and all Supervisors to uphold the absolute leadership of the Party over supervision, resolutely implement the decisions and plans of the CPC Central Committee, based on the overall situation of the Bank's reform and development, and effectively performed supervisory duties. The Chairman actively promoted the efficient work of the Board of Supervisors and successfully completed the annual supervision work plan and task objectives. The supervisory opinions were highly valued and actively responded to by the Board of Directors and senior management, effectively promoting the continuous improvement of corporate governance capabilities and governance level.

Supervisors who chaired special committees timely organized special committee meetings, and strove to promote the standardized and efficient operation of the special committees; they gave full play to the advantages of professional background, represented the special committees to express the review opinions at the meetings of the Board of Supervisors, and provided professional suggestions and references for the scientific decision-making of the Board of Supervisors. All members earnestly participated in the review in the meetings, and proposed the special committees to pay attention to the operation and management of key areas, and jointly promoted the standardized and efficient performance of the special committees to play a practical role.

Shareholder Representative Supervisors adhered to the long-term interests of the Bank, actively safeguarded the overall interests of the Bank and the lawful rights and interests of all Shareholders, treated all Shareholders fairly, and actively assisted the Bank in communicating well with Shareholder companies. They participated in the annual assessment seminars of equity directors sent by the Ministry of Finance, and strengthened the management and supervision of state-owned financial capital.

In the process of decision-making and supervision, external Supervisors were not influenced by major Shareholders, senior management and other entities and individuals with interests in the Bank. External Supervisors adhered to an independent perspective, upheld fairness principles, took the initiative to understand the Bank's operational management and strategy execution, fully studied and reviewed various proposals, actively participated in various supervisory activities organized by the Board of Supervisors and offered professional, rigorous, and independent opinions and suggestions on the Bank's fundraising fund use, connected transactions, internal control, information disclosure, and other situations, focusing on safeguarding the lawful rights and interests of minority Shareholders and other stakeholders.

Employee Supervisors actively participated in the employee representative assembly, regularly reported to the employee representative assembly, and listened to employees' voices and actively offered suggestions on the issues involving employees' vital interests, such as the remuneration for management personnel and the business expenditure management system, the annual budget and implementation report, and the plan for mutual assistance activities for major diseases. They listened to employees' opinions and suggestions on regulations and systems involving employees' vital interests or significant matters, reflected them truthfully, accurately and comprehensively at the meetings of the Board of Supervisors, and effectively safeguarded employees' lawful rights and interests.

Attendance of Supervisors at Meetings in 2024

Supervisors	Board of Supervisors			Nomination Committee	Duty Performance Supervision Committee	Finance and Internal Control Risk Supervision Committee
	Number of attendances in person/ Number of meetings that should be attended	Number of on-site meetings attended	Number of attendances by proxy	Number of attendances in person/ Number of meetings that should be attended	Number of attendances in person/ Number of meetings that should be attended	Number of attendances in person/ Number of meetings that should be attended
Shareholder Representative Supervisor						
Chen Yuejun	11/11	10	0	-	-	-
External Supervisors						
Bai Jianjun	11/11	10	0	2/2	-	10/10
Chen Shimin	9/11	8	2	-	6/6	-
Employee Supervisors						
Li Yue	11/11	10	0	2/2	6/6	10/10
Gu Nannan	11/11	10	0	2/2	6/6	10/10
Resigned Supervisor						
Zhao Yongxiang	1/1	1	0	-	-	-

Notes:

- (1) “Attendance in person” includes on-site attendances and attendances by way of electronic communications, such as telephone and video conferencing.
- (2) Mr. Zhao Yongxiang resigned from his positions as a Shareholder Representative Supervisor and a member of the Duty Performance Supervision Committee of the Board of Supervisors of the Bank on March 8, 2024.
- (3) In the year 2024, there were no instances of Supervisors being absent from the meetings of the Board of Supervisors, Supervisors failing to attend two consecutive meetings in person, or Supervisors failing to personally attend more than two-thirds of the on-site meetings of the Board of Supervisors.

III. EVALUATION OPINIONS ON THE DUTY PERFORMANCE FOR 2024**(i) Evaluation opinions on the duty performance of the Board of Directors and its members**

During the evaluation period, the Bank’s Board of Directors adhered to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, and thoroughly studied the guiding principles from the 20th CPC National Congress and the second and third plenary sessions of the 20th CPC Central Committee, the Central Economic Work Conference and the Central Financial Work Conference. Guided by these principles, the Board of Directors resolutely implemented the decisions and plans of the CPC Central Committee and the State Council, earnestly executed regulatory requirements, strictly followed laws and regulations and the Articles of Association, and

executed the resolutions of the Shareholders' General Meeting. In particular, the Board of Directors fully leveraged its strategic leadership role, actively promoted the development of "major capabilities in six aspects" and refined management, making significant progress in improving corporate governance, supporting the real economy, advancing business transformation, and strengthening risk management. These efforts enabled the Bank to fully fulfill its political, economic, and social responsibilities as a major state-owned financial institution. Under the centralized and unified leadership of the CPC over financial work, the Board of Directors actively advanced a modern corporate governance system with Chinese characteristics, and strictly implemented the prior study mechanism for major issues by the Party Committee. In addition, the Board of Directors upheld the mission of serving the real economy by continuously enhancing support for key national strategies, priority sectors, and underdeveloped areas, including rural revitalization, inclusive small and micro enterprises, technological innovation, green transition, and advanced manufacturing. This has yielded initial positive results in financial services for "five priorities". The Board of Directors formulated a number of major management policies for the advanced capital measurement approaches to guide the senior management in steadily implementing various construction tasks of the advanced capital measurement approaches, so as to fully stimulate the role of the advanced capital measurement approaches in business decision-making and risk management processes. The proposal for optimizing and updating the expected credit loss (ECL) model was approved, leading to continuous improvements in the precision of ECL measurement. The Board of Directors has also strengthened its proactive and comprehensive risk management capabilities by continuously enhancing oversight of credit risk, operational risk, liquidity risk, on-and off-balance sheet risks, reputational risk, and public opinion management. The Board of Directors guided and supervised the senior management to conduct stress testing in a standardized manner, further reinforcing the Bank's risk defense mechanisms. The Board of Directors continued to optimize its internal control and internal audit management mechanisms, and regularly reviewed reports on case self-assessment, employee behavior evaluation, and anti-money laundering. The Board of Directors also improved consolidated management mechanisms, standardized the management of connected transactions, and reinforced compliance and internal control foundations. Consumer rights protection was incorporated into corporate governance, corporate culture development, and business strategies, ensuring that the Bank effectively fulfills its primary responsibility in this area. Efforts to enhance data governance and quality were strengthened to empower high-quality business development. The capital allocation mechanism, centered on risk-adjusted return on capital (RAROC), was deepened, and the transition to a capital-light business model progressed in an orderly manner. The Board of Directors established a distinctive information disclosure management system, improved its equity management mechanism, and effectively built a governance bridge for Shareholders, particularly minority Shareholders, to participate in corporate governance. The Board of Directors also reinforced a culture of integrity in financial operations, fostering a strong foundation of ethical governance. The Board of Directors further optimized its pre-meeting communication, decision-making, and implementation oversight mechanisms, fully leveraging the expertise of its specialized committees to support efficient, and scientific decision-making.

The Board of Supervisors believes that during the evaluation period, all Directors involved in this evaluation strictly complied with laws, regulations, supervisory requirements, and the Articles of Association, performed their obligations faithfully and diligently, adhered to high standards of ethics and professionalism, performed their duties independently and objectively, and guarded the bottom line of honest practice. No improper performance of duties or serious dereliction of duty such as illegal exercise of power, seeking improper benefits by taking advantage of positions, or damaging the legitimate interests of the Bank, was found. The Board of Supervisors evaluated nine Directors who participated in the performance evaluation and four Directors under the tenure evaluation as “competent”.

It is recommended that, with respect to subsequent duty performance, the Board of Directors and its members continue to play a strategic leadership role and steadfastly implement the CPC Central Committee’s decisions, remain committed to high standards of corporate governance, deepen reforms to modern financial enterprise systems, effectively balance development and security to maintain financial stability, and earnestly fulfill social responsibilities while advancing sustainable development.

(ii) Evaluation opinions on the duty performance of the senior management and its members

During the evaluation period, the Bank’s senior management adhered to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, and thoroughly studied the guiding principles from the 20th CPC National Congress and the second and third plenary sessions of the 20th CPC Central Committee, the Central Economic Work Conference and the Central Financial Work Conference. Guided by these principles, the senior management resolutely implemented the decisions and plans of the CPC Central Committee, earnestly executed regulatory requirements, diligently executed resolutions of the Shareholders’ General Meeting and the Board of Directors, and proactively accepted supervision from the Board of Supervisors. With an unwavering commitment to enhancing capabilities, fostering innovation, and strengthening management, the senior management empowered stable growth in business performance and continued to enhance its resilience. Upholding a prudent and steady risk appetite, the senior management continuously refined the comprehensive, full-process, all-time, and all-domain risk management system, covering credit risk, operational risk, liquidity risk, reputational risk, and off-balance sheet risks. The senior management strengthened risk controls and resolution mechanisms in key areas, continuously optimized stress testing methodologies, steadily advanced intelligent risk management, and reinforced the implementation of the ECL model, maintaining an overall stable risk profile. The senior management made steady progress in applying advanced approaches in compliance with regulatory standards, further enhancing the role of internal ratings in guiding and constraining business operations. Capital management has been refined to effectively support the sustainable and healthy development of all business lines. Firmly committed to financial services that benefit the people, the senior management further improved the end-to-end consumer protection system, covering preemptive prevention, in-process

control, and post-event supervision. The senior management has also deepened their efforts in financial technology empowerment and data governance construction, continuously unlocking the value of data elements to enhance service experience and efficiency. The senior management continued to regulate the management of employee behavior, further consolidating the foundation of compliance operation. In addition, the senior management advanced the anti-money laundering initiatives, achieving steady improvements in identifying and managing money laundering risks. Consolidated management has been further optimized, and the capabilities of subsidiaries have been continuously strengthened. The senior management complied with the high standard of professional ethics, actively created a clean financial culture atmosphere, and reported operation and management information to the Board of Directors and Board of Supervisors in a timely, accurate and complete manner. Each special committee of the senior management operated in a procedure based manner, and assisted senior management in breaking down and communicating strategic objectives; and the frequency of meetings and the operation all met regulatory requirements and the requirements of working rules.

The Board of Supervisors believes that during the evaluation period, all senior management members of the Bank conscientiously abided by laws and regulations and the Articles of Association, strictly complied with the authorization of the Board of Directors, conscientiously implemented the resolutions of the Board of Directors, worked diligently, fulfilled their duties faithfully, and adhered to the high standard of professional ethics and the bottom line of integrity. No improper performance of duties or serious dereliction of duty, such as illegal exercise of power, seeking improper benefits by taking advantage of positions, or damaging the legitimate interests of the Bank, was found. The Board of Supervisors evaluated the six senior management members who participated in the performance evaluation for 2024 as “competent”.

It is recommended that, with respect to subsequent duty performance, the senior management members should continue to strengthen the effectiveness of strategic execution and fulfill their responsibilities as a major state-owned bank. They should further refine precision management to enhance internal growth momentum, effectively improve risk prevention and control capabilities to serve as a stabilizing force for financial stability, and actively respond to stakeholder concerns by improving performance in key areas.

(iii) Self-evaluation by the Board of Supervisors and evaluation opinions on the duty performance of the Supervisors

During the evaluation period, the Board of Supervisors of the Bank steadfastly adhered to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, thoroughly studied and implemented the guiding principles from the 20th CPC National Congress and the second and third plenary sessions of the 20th CPC Central Committee, and carried out plans of the Central Economic Work Conference and the Central Financial Work Conference. The Board of Supervisors strictly followed

regulatory requirements, conducted deliberations and decision-making in accordance with laws and regulations, and focused on the Bank's core operations. The Board of Supervisors earnestly performed its core supervisory functions in terms of duty performance, risk management, financial management, and internal control, among other aspects, gave full play to the supervisory and balancing role of governance, and earnestly safeguarded the legitimate rights and interests of the Bank and its Shareholders, employees, creditors, and other stakeholders, hence providing strong support for the Bank's stable operations and high-quality development.

The Board of Supervisors believes that during the evaluation period, all evaluated Supervisors strictly followed relevant laws, regulations, regulatory requirements, and the Articles of Association, performed their faithful and diligent obligations, practiced high standards of professional ethical norms, and exercised supervisory powers in an independent, objective, professional and compliant manner. No improper performance of duties or serious dereliction of duty, such as illegal exercise of power, seeking improper benefits by taking advantage of positions, or damaging the legitimate interests of the Bank, was found. The Board of Supervisors evaluated five Supervisors who participated in the performance evaluation for 2024 as "competent".

It is recommended that, with respect to subsequent duty performance, the Board of Supervisors and its members should focus on the effectiveness of major strategic execution and uphold their responsibilities as a major state-owned bank. They should prioritize key aspects of risk prevention and control, ensuring a balanced approach to development and security; enhance precision management to improve the quality and effectiveness of financial and internal control oversight; and strengthen their supervisory and evaluation functions to reinforce accountability in fulfilling their duties.

IV. INDEPENDENT OPINIONS ISSUED BY THE BOARD OF SUPERVISORS

(i) Operation according to laws

During the reporting period, the Board of Directors and the senior management of the Bank continued to operate in compliance with applicable laws and regulations and improved internal control policies, with the decision-making procedures in compliance with laws, regulations, and the Articles of Association. Members of the Board of Directors and the senior management members performed their duties conscientiously. No violation of laws and regulations or any act that harmed the interests of the Bank was found in their performance of duties.

(ii) Annual report

The preparation and review procedures of the annual report of the Bank were in compliance with laws, regulations and regulatory provisions; and contents of the report reflected the actual conditions of the Bank truly, accurately, and completely.

(iii) Use of raised funds

During the reporting period, the use of raised funds was in line with the purposes as disclosed in the prospectuses.

(iv) Acquisition and sale of assets

During the reporting period, there was no insider dealing or any other act that impaired the Shareholders' interests or resulted in losses of the Bank's assets in the process of the Bank's acquisition or sale of assets.

(v) Connected transactions

During the reporting period, the Bank's connected transactions were conducted based on commercial principles. No act that impaired the interests of the Bank was found. The review, voting, disclosure, and implementation of connected transactions complied with applicable laws and regulations and the Articles of Association.

(vi) Implementation of resolutions passed at the Shareholders' General Meeting

During the reporting period, the Board of Supervisors had no objection to the reports or proposals presented by the Board of Directors to the Shareholders' General Meeting for consideration. The Board of Directors earnestly implemented the resolutions approved at the Shareholders' General Meeting.

(vii) Internal control

During the reporting period, the Board of Supervisors reviewed the Bank's annual internal control assessment report and had no objection to the report.

(viii) Implementation of information disclosure management rules

During the reporting period, the Bank performed its duty of information disclosure in strict compliance with the regulatory requirements, implemented the information disclosure management rules earnestly, and disclosed information in a timely and fair manner. Information disclosed during the reporting period was true, accurate, and complete.

(ix) Corporate social responsibilities

During the reporting period, the Bank earnestly performed its social responsibilities. The Board of Supervisors reviewed the Bank's Sustainability Report for the year and had no objection to the report.

(x) Performance evaluation of Directors, Supervisors, and senior management members

All the Directors, Supervisors, and senior management members who participated in the performance assessment were evaluated as “competent”.

Save as disclosed above, the Board of Supervisors had no objection to other supervision issues during the reporting period.

In 2025, the Board of Supervisors of Postal Savings Bank of China will continue to be guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era. The Board of Supervisors will resolutely implement the decisions and directives of the CPC Central Committee and the State Council, thoroughly study and implement the guiding principles from the 20th CPC National Congress and the second and third plenary sessions of the 20th CPC Central Committee, and act on the plans of the Central Economic Work Conference and the Central Financial Work Conference. The Board of Supervisors will uphold the Party leadership, maintain strategic guidance, adopt a problem-oriented approach, and adhere to a risk-based focus. The Board of Supervisors will strictly comply with regulatory requirements, concentrate on the Bank’s core operations, and effectively fulfill its supervisory responsibilities in governance, risk management, finance, and internal control. By actively safeguarding the legitimate rights and interests of the Bank and its Shareholders, employees, creditors, and other stakeholders, the Board of Supervisors will provide strong support for the Bank’s high-quality development.

**APPENDIX III REPORT ON THE IMPLEMENTATION OF THE PLAN ON AUTHORIZATION
OF THE SHAREHOLDERS' GENERAL MEETING TO THE BOARD OF
DIRECTORS OF POSTAL SAVINGS BANK OF CHINA CO., LTD. IN 2024**

**REPORT ON THE IMPLEMENTATION OF THE PLAN ON AUTHORIZATION OF
THE SHAREHOLDERS' GENERAL MEETING TO THE BOARD OF DIRECTORS
OF POSTAL SAVINGS BANK OF CHINA CO., LTD. IN 2024**

According to the relevant provisions of the Plan on Authorization of the Shareholders' General Meeting to the Board of Directors of Postal Savings Bank of China Co., Ltd. (the **"Plan on Authorization"**), the Board of Directors conducted a self-inspection of the implementation of the Plan on Authorization from January 1, 2024 to December 31, 2024.

The self-inspection results showed that the Board of Directors of the Bank strictly adhered to the requirements of the Plan on Authorization, earnestly performed their duties, scientifically and prudently made decisions and exercised their authority and powers in a well-regulated way. The Plan on Authorization was well implemented and there was no case of approval by the Board of Directors beyond its authority.

**REPORT ON THE 2024 SPECIAL REPORT ON RELATED PARTY
TRANSACTIONS OF POSTAL SAVINGS BANK OF CHINA**

In 2024, the Bank strictly complied with regulations governing related party transactions with an aim to further improve the management system for related party transactions. It enhanced the related party management, made solid progress in the informatization and data management of related party transactions, and strived to improve the related party transaction management. The related party transaction management, related parties and related party transactions of the Bank conducted in 2024 are as follows.

I. Management of Related Party Transactions

(I) The Related Party Transactions Control Committee under the Board of Directors and Independent Directors conscientiously performed duties to give full play to the effectiveness of corporate governance

The Related Party Transactions Control Committee under the Board of Directors held a total of seven meetings in 2024, reviewed and approved the 2023 Special Report on Related Party Transactions of Postal Savings Bank of China, the Proposal on the Adjustment to Deposit Agency Fee Pricing for the Agency Deposit Taking Business by Postal Savings Bank of China Co., Ltd. and China Post Group Corporation Limited and other proposals. The Related Party Transactions Control Committee under the Board of Directors operated in a professional and independent manner, focused on the compliance, fairness and necessity of related party transactions, and worked actively to advance the development of a related party transactions management system. The Independent Directors provided their independent opinions on the fairness, compliance and internal approval of related party transactions and played an active role in the Board's science-based and effective decision-making process, thereby ensuring that the related party transactions were conducted in accordance with the laws and regulations and in compliance with business practices, and safeguarding the overall interests of the Bank and the legitimate rights and interests of minority Shareholders.

(II) The Bank improved the related party transaction management system to fully implement the regulatory requirements

The Bank has established a "1 plus 3" regulatory system for related party transactions, including the related party transaction management measures, a knowledge manual, a system operation manual and a compilation of regulatory rules. This system is designed to improve the line management mechanism for related party transactions, standardize the review, approval and filing procedures for related party transactions, and continuously implement and monitor the caps. The Bank strengthened coordination and synergy using the related party transaction management office as a platform, facilitating the effective implementation of various measures for related party transaction

management. This enabled three lines of defense of front, middle and back offices to work together in joint prevention and control, thereby consolidating the risk prevention and control capabilities of related party transactions.

(III) The Bank dynamically managed a list of related parties to consolidate the foundation of related party transaction management

The Bank strictly implemented regulatory requirements, dynamically managing the list of related parties according to the principle of substance over form and look-through approach. The Bank ensured the reporting the list of related parties on the regulatory information system in a timely manner, and submitted it to the Related Party Transactions Control Committee under the Board for consideration, while also reporting to the Board and the Board of Supervisors. At the same time, it expanded the application of big data to intelligently screen suspected related parties, and continuously monitor the information of legal entities included in the list of related parties, so as to improve the accuracy and completeness of related party information, thereby constantly consolidating the foundation of related party transaction management.

(IV) The Bank implemented the regulatory requirements of the Two Stock Exchanges by completing the forecast of the caps on the related party transaction amounts for 2025 to 2027

In accordance with the regulatory requirements of the SSE and the Hong Kong Stock Exchange, the Bank forecasted the caps on the related party transaction amounts for 2025-2027. Following the consideration and approval by the Board of Directors, the Proposal on the Forecast of Caps on Related Party Transactions of Postal Savings Bank of China for 2025-2027, such forecast was disclosed through an announcement. All departments across the Head Office strengthened the implementation and daily monitoring of the caps on the related party transaction amounts within their own functions, ensuring that daily related party transactions were conducted in a standardized manner.

(V) The Bank strictly complied with relevant requirements of corporate governance to ensure that related party transactions were conducted in a standardized and compliant manner

In strict compliance with the relevant requirements of corporate governance, the Bank submitted the Proposal on Transferring Part of the Beneficial Interest of the Trusts and the Beneficial Interest of the Asset Management Plan to China Post Capital Management Co., Ltd., the Proposal on the Adjustment to Deposit Agency Fee Pricing for the Agency Deposit Taking Business by Postal Savings Bank of China Co., Ltd. and China Post Group Corporation Limited and other proposals in relation to the renewal of the trademark licensing agreement, the comprehensive services framework agreement, the

land use rights and property leasing framework agreement between China Post Group and the Bank to the Board for consideration and approval. Such proposals were subsequently disclosed through announcements.

(VI) The Bank practiced technological empowerment to promote the informatization of related party transactions

The Bank comprehensively upgraded its related party transaction management system, establishing six modules such as related parties, related party transactions, internal transactions, regulatory reporting, monitoring and alerts. In 2024, the system completed 12 iterations and deployed 336 new functions, including active recognition and monitoring of related party information, standardized rules for bank product classification, automatic generation of regulatory reports and optimization of monitoring indicator models, etc., which significantly improved the informatization and intelligence of related party transaction management.

(VII) The Bank strengthened the data management of related party transactions to improve the refined management of related party transactions

The Bank strictly implemented regulatory data reporting requirements, regularly organized and carried out source data management of related party transactions and self-checks and random checks on data quality. In terms of identifying related parties and related party transactions, managing source data of business systems, pre-controlling business systems, the Bank sorted out a special task for data management of related party transactions, thus consolidating the accountability for data management. The departments serving as the first line of defense in the related party transaction management earnestly performed duties by promoting the relevant upgrading and transformation of business and management systems. This effort improved the data quality and refined management of related party transactions.

(VIII) The Bank conducted special research and training to improve compliance awareness of related party transactions

The Bank established an internal and external research mechanism on related party transactions, conducted research on complex related party transactions through special studies, industry discussions, peer surveys and other means, and sorted out and standardized management rules to provide effective support for business development. The Bank carried out special training on related party transaction management to guide all business lines, branches and subsidiaries to carry out related party transactions in a standardized manner, deepened the integration of related party transactions into business operation and management, and improved the compliance awareness of related party transactions across the Bank.

II. Related Parties and Related Party Transactions

(I) Overview of related parties

In compliance with the relevant regulatory requirements of the National Financial Regulatory Commission, the CSRC, the SSE and the Hong Kong Stock Exchange, the Bank strengthened the classified management and dynamic update of related party information to further improve the accuracy and completeness of the related party information. As of December 31, 2024, the total number of related parties under criteria of the National Financial Regulatory Administration, the CSRC, the SSE and the Hong Kong Stock Exchange was 5,498. Among them, 3,730 related natural persons, mainly include Directors, Supervisors, senior management of the Bank and their close relatives, as well as directors and senior management of China Post Group etc.; 1,768 related legal entities, mainly include China Post Group, China Mobile Communications Group Co., Ltd., China State Shipbuilding Corporation Limited, Shanghai International Port (Group) Co., Ltd. and related parties, and legal entities or other organizations controlled or significantly influenced by related natural persons.

(II) Overview of related party transactions

In 2024, the related party transactions of the Bank were conducted in compliance with laws and regulations, followed commercial principles and in the interests of the Bank and its minority shareholders as a whole. According to the requirements of the National Financial Regulatory Commission, the related party transactions that required filing and disclosure have been reported to the regulatory system on schedule and disclosed on the Bank's official website, and the implementation of the corresponding regulatory ratio complied with the regulatory requirements. According to the rules of the two stock exchanges, the related party transactions that required a forecasted cap have been reviewed and confirmed by the auditors, and none of them has exceeded such cap. Related party transactions to which exemption rules may apply under the respective regulatory requirements have been implemented in a standardized manner.

1. Under criteria of the National Financial Regulatory Commission

(1) Overview of general related party transactions

In 2024, the Bank's related party transactions under criteria of the National Financial Regulatory Commission included credit-type transactions, asset transfer-type transactions, service provision-type transactions, deposits and other types of transactions. As of December 31, 2024, the balance of credit-type related party transactions between the Bank and related parties amounted to RMB100,493 million, mainly including bond investment, loans, discounted bills, lending, non-financial guarantee letters, etc.; asset transfer-type related party transactions amounted to RMB75,556 million, mainly

including transfer of industrial funds, forfeiting resale services, distribution of interest rate bonds, purchase and sales of commodities, etc.; service provision-type related party transactions amounted to RMB142,118 million, mainly including agency banking businesses, marketing, leasing, liquidation, agency insurance, etc.; deposits and other types of related party transactions amounted to RMB279,044 million, mainly including deposits and interbank placements.

As of December 31, 2024, after deducting the margin deposits for security, pledged bank certificates of deposit, and Chinese government bonds, the maximum net credit amount granted to a single related party of Bank was RMB29,098 million, accounting for 2.39% of the Bank's net capital; the maximum aggregate net credit amount granted a group customer consisting of a single related legal entity or unincorporated organization was RMB29,109 million, accounting for 2.39% of the Bank's net capital; the net credit amount granted to all related parties amounted to RMB100,493 million, accounting for 8.24% of the Bank's capital, all of which were in full compliance with the regulatory ratio requirements.

(2) Overview of major related party transactions

The Bank held the fourth meeting of the Board of Directors in 2024 on May 30, 2024, at which it reviewed and approved the Proposal on Transferring Part of the Beneficial Interest of the Trusts and the Beneficial Interest of the Asset Management Plan to China Post Capital Management Co., Ltd. According to the Proposal, the Bank intended to transfer the trust beneficial interest of the fund share income right or the asset management plan beneficial interest of the share income right of nine underlying industrial funds and one industrial fund management company to China Post Capital Management Co., Ltd., a wholly-owned subsidiary of China Post Group, at a total of RMB51,576 million (subject to the valuation result of RMB51,423 million as confirmed by the MOF). This transaction constituted a significant related party transaction of the Bank. On June 3, 2024, the Bank and China Post Capital Management Co., Ltd. entered into the Trust Beneficial Interest Transfer Agreements and the Asset Management Plan Beneficial Interest Transfer Agreement. On June 28, 2024, the Proposal was reviewed and approved at the Bank's 2023 Annual General Meeting. In accordance with relevant regulatory requirements, the Bank disclosed such information within 15 working days after the signing of the contracts, and reported it to the regulatory authority.

(3) Overview of unified transaction agreement

The Bank held the eighth meeting of the Board of Directors in 2024 on September 30, 2024, at which it reviewed and approved the Proposal on the Adjustment to Deposit Agency Fee Pricing for the Agency Deposit Taking

APPENDIX IV REPORT ON THE 2024 SPECIAL REPORT ON RELATED PARTY TRANSACTIONS OF POSTAL SAVINGS BANK OF CHINA

Business between Postal Savings Bank of China Co., Ltd. and China Post Group Corporation Limited. According to the Proposal, the Bank intended to adjust the deposit agency fee pricing for agency Renminbi and foreign currencies personal deposit taking business and proposed to manage the Agency Banking Businesses Framework Agreement signed in 2016 between the Bank and China Post Group and its supplemental agreements under unified transaction agreement. On October 25, 2024, the proposal was considered and approved at the 2024 first extraordinary general meeting of the Bank. In accordance with relevant regulatory requirements, the Bank disclosed such information within 15 working days after the signing of the contracts, and reported it to the regulatory authority.

According to the framework agreement and adjusted Scaled Fee Rates, the amount of related party transactions between the Bank and China Post Group in 2024 under the agreement was RMB130,325 million, of which the deposit agency fees and others paid by the Bank to China Post Group amounted to RMB117,814 million and the composite rate of RMB deposit agency fees was 1.15%, lower than the cap of 1.5%. Fees paid for the agency settlement services amounted to RMB6,085 million, and fees paid for agency sales services and other services amounted to RMB6,426 million.

Internal fund transfer pricing (“FTP”) is a funds pricing mechanism applied to the transfer of funds between the internal fund centers and the business operating lines of commercial banks at a consideration, for the purpose of accounting for the cost of funds or revenue. From the operational perspective, for the deposits taken by the personal banking business of commercial banks, save for a portion of which is used for providing personal loans, the remaining funds will be offered to other business lines through the treasury at FTP prices. In this process, the personal banking business is the provider of funds, which is similar to the agency outlets of China Post Group acting as the Bank’s provider of funds. Therefore, the funds provided by the personal banking business to the corporate banking business and the treasury business will earn internal interest income at FTP prices. After deducting the costs of interest payment, the FTP-based net yield can be calculated and used as a reference for the cap on deposit agency fees.

Considering that it is stipulated in the Agency Banking Businesses Framework Agreement that the passive adjustment mechanism of the deposit agency fees will be triggered by the fluctuation of the average net interest spread of the Big Four banks, data of the Big Four banks are used as comparable samples for the internal fund transfer pricing method. As illustrated above, composite rate of RMB deposit agency fees for 2024 is 1.15%, and the above FTP-based net yield in the first half of 2024 is 1.86%.

2. *Under criteria of the CSRC and the SSE*

In 2024, the Bank's related party transactions under criteria of the CSRC and the SSE included credit-type transactions and non-credit type transactions. As of December 31, 2024, the balance of credit-type related party transactions between the Bank and related parties amounted to RMB6,369 million, mainly including loans, bond underwriting, discounted bills and credit cards overdrafts; the amount of non-credit type transactions amounted to RMB193,193 million, mainly including agency banking businesses, transfer of industrial fund, purchase and sales of commodity, liquidation, marketing, leasing, insurance agency, etc. In particular, the agency banking businesses has been exempted from consideration and review and disclosure as a related party transaction; the transferring part of the beneficial interest of the trusts and the beneficial interest of the asset management plan to China Post Capital Management Co., Ltd. has completed the consideration and review and disclosure procedures as required. The Bank has formulated the 2024 Annual Caps in accordance with the listing rules of the SSE and other relevant requirements. As of December 31, 2024, none of the above related party transactions has exceeded the expected annual cap.

3. *Under criteria of the Hong Kong Stock Exchange*

In 2024, the Bank's related party transactions under criteria of the Hong Kong Stock Exchange mainly include agency banking businesses, leasing services, comprehensive services and asset transfer. In particular, the agency banking business have been exempted from the annual caps requirement under the Hong Kong Listing Rules; the transferring part of the beneficial interest of the trusts and the beneficial interest of the asset management plan to China Post Capital Management Co., Ltd. has completed the consideration and review and disclosure procedures as required; other continuing related party transactions have formulated 2024 annual caps in accordance with the Hong Kong Listing Rules. As of December 31, 2024, none of the above related party transactions has exceeded the expected annual cap. In addition, the Bank generally provided related parties with commercial banking services and products, including the provision of loans and credit facilities to related parties, taking deposits from related parties, and other related party transactions, all of which were exempted from requirements of annual reporting, announcements, annual review and independent shareholders' approval.