

Key Points for Debt Collection Policy of Industrial Bank

I. Policy Purpose

To further standardize the debt collection of Industrial Bank Co., Ltd. (hereinafter referred to as “Industrial Bank” or the “Bank”), improve the internal control and governance framework for debt collection, and in accordance with regulatory laws and regulations and industry self-regulatory requirements, including the *Personal Information Protection Law of the People’s Republic of China*, the *Measures for Supervision and Administration of the Credit Card Business of Commercial Banks*, the *Measures for the Administration of Consumer Rights and Interests Protection of Banking and Insurance Institutions*, and the *Guidelines for Debt Collection of Personal Consumer Loans by Financial Institutions (for Trial Implementation)*, Industrial Bank has formulated a debt collection management system to clarify standards of professional conduct for collection personnel, standardize various collection operations, effectively safeguard the lawful rights and interests of financial consumers, and promote the compliant, sound and sustainable development of its retail loan business.

II. Scope of Application

Industrial Bank’s debt collection management policy applies to all types and categories of retail loan business, including personal mortgage loans, personal consumer loans, personal business loans and credit cards, and covers all scenarios of in-house collection and outsourced collection.

III. Debt Collection Management Mechanism

(I) Repayment reminders and collection methods

The Bank adopts a differentiated service model combining “intelligent + manual” approaches. Based on customers’ different circumstances, the Bank provides differentiated repayment reminder services to customers whose repayment dates are approaching, whose payments are due, or whose payments are overdue. All repayment reminders strictly comply with the requirements of laws and regulations:

1. Repayment reminder prior to the due date

For customers whose repayment dates are approaching, the Bank sends repayment reminders via SMS, providing advance notice of the repayment amount and repayment date, so as to fully protect customers’ rights and interests and help customers maintain a good credit record.

2. Overdue amounts

For customers with overdue amounts, the Bank notifies them to make repayment by telephone, letter, field visit, judicial means and other proprietary channels (such as SMS platforms), and engages outsourced collection based on the customers’ overdue circumstances.

(II) Consumer rights and interests protection

Industrial Bank adheres to compliant debt collection, establishes clear red lines for

collection conduct, strictly controls all forms of improper collection, routinely carries out quality inspections and reviews throughout the entire collection process, and strictly upholds the bottom line for protecting customers' rights and interests:

1. Standardize communication and service standards. Collection personnel shall use courteous and civil language throughout their communication with customers, proactively provide solutions based on customers' difficulties, properly address customer needs, and ensure that explanations of business matters are concise, plain, clear and easy to understand.
2. Strictly observe the boundaries of collection. Collection personnel shall not directly or indirectly pursue collection from third parties unrelated to the debt; shall not use improper means such as violence, intimidation or fraud to conduct collection; and shall not conduct collection by misrepresenting themselves as administrative authorities, judicial authorities or other such bodies, so as to effectively protect customers' lawful rights and interests.
3. Strictly control collection frequency and time periods. Collection time periods and frequency shall be reasonably arranged, collection shall be conducted by lawful and compliant means throughout the process, and supporting mechanisms for supervision, assessment and routine control shall be in place and improved.
4. Strengthen customer information security management. Customer personal information shall be processed in accordance with the principles of lawfulness, legitimacy and minimum necessity. Customer information shall be subject to encrypted controls throughout the collection process. Copying, external transmission or disclosure of customer information is strictly prohibited to prevent the risk of information leakage.
5. Strengthen accountability for the management and control of outsourced collection. The Bank has established strict mechanisms for the admission, assessment and exit management of outsourced collection agencies, conducts comprehensive supervision and assessment of such agencies, requires strict compliance with personal information protection requirements and other applicable requirements, further standardizes controls over the entire process of outsourced collection, and effectively fulfills its primary management responsibility.
6. Ensure differentiated channels for repayment negotiation. Industrial Bank provides multiple negotiation channels for customers who demonstrate a strong willingness to repay but face short-term liquidity difficulties. For contract modification services such as loan extensions, installment arrangements and debt restructuring, customers may apply for adjustments to their repayment arrangements through the 95561 customer service hotline, the Industrial Bank app, nearby outlets or their dedicated customer managers. Such adjustments may help alleviate customers' financial pressure.

IV. Customer Debt Management

Industrial Bank has established dedicated management rules and process standards for existing retail credit customers. Taking into account customer qualifications and actual funding needs, the Bank conducts dedicated reviews and business processing in strict compliance with laws and regulations. Customers may make inquiries and communicate with the Bank through the 95561 customer service hotline or the Industrial Bank app. For customers temporarily experiencing repayment difficulties, the Bank gives priority to negotiating repayment plans with them; for customers who have a genuine willingness to repay but are experiencing temporary liquidity difficulties,

the Bank may, as appropriate, provide loan modification services. Matters relating to contract modifications are stipulated in the Bank's personal loan contracts. Borrowers may submit applications for loan modifications through nearby outlets, the 95561 customer service hotline, the Industrial Bank app, customer managers and other channels. The Bank continues to optimize its response mechanism for customer needs, establish expedited processing procedures, promptly accept and respond to various customer inquiries concerning loan contract modifications, and improve service convenience and effectiveness.

Credit card customers may submit applications for loan modifications through the 95561 customer service hotline, business outlets or other staff-assisted channels. For overdue cardholders whose repayment capacity has declined due to objective factors such as serious disasters or accidents, major illness, poor business conditions, unemployment or severe financial hardship, the Bank will comprehensively assess the customers' actual difficulties, debt levels, willingness to repay and current repayment capacity. On the basis of consultation between both parties on an equal footing, the Bank will adopt differentiated relief policies, including personalized installment arrangements and reductions or waivers of interest and fees, so as to effectively reduce customers' repayment burden.

V. Employee Training

Industrial Bank provides collection personnel with necessary pre-job training before they assume their duties. During their employment, the Bank organizes routine training for all personnel, at least once a year. The training covers new regulatory rules, key points for compliant operations, reviews of typical complaint cases, and sharing of exemplary service cases. The Bank incorporates training effectiveness into routine personnel management and continuously strengthens the collection team's awareness of compliant conduct and professional service capabilities.