

Oil/Gas-Related Credit Policy of China Minsheng Bank

The oil/gas-related credit policy is one of the important elements of the Company's credit policies. Every year, the Company improves and updates the oil/gas-related credit policy according to the latest situations both at home and abroad and the orientation of national policies.

I. Background for the Policy

Energy is an important material foundation for economic and social development and the principal source of carbon emissions. In the *Action Plan for Carbon Dioxide Peaking Before 2030*, the State Council puts forward the following measures: Firstly, measures will be taken to rationally regulate oil and gas consumption, gradually control the scale of gasoline consumption, vigorously promote the replacement of traditional fuels with advanced biological liquid fuels and sustainable aviation fuels, and enhance the energy efficiency of end-use fuel products. Secondly, measures will be taken to accelerate large-scale development of unconventional oil and gas resources such as shale gas, coal bed methane and tight oil (gas). Thirdly, measures will be taken to steer natural gas consumption in an orderly manner, optimize the utilization structure with priority to meet public needs, promote the integrated development of natural gas and various energy sources, build peak shaving natural gas power stations according to local conditions, rationally guide the use of industrial gases and chemical feedstock gases, and encourage the use of liquefied natural gas (LNG) as fuel for vehicles and ships.

II. Scope of the Policy

The oil/gas-related credit policy formulated by the Company covers the industries of petroleum exploration, manufacturing of refined petroleum products, LNG processing,

and the industries of LNG/CNG filling stations as defined in the *Industrial Classification for National Economic Activities (GB/T 4754-2017)* issued by the State Statistics Bureau.

III. Overall Credit Strategy

The Company has formulated the oil/gas-related credit policy, which defines the differentiated credit granting strategies, access standards and key risk control points. The policy prefers to support good petroleum manufacturing enterprises with complete industrial chains, deep processing capabilities, and low liability ratio, project constructions and financing demands for purchasing natural gas of LNG processing plants with well-managed safety production, guaranteed gas supply sources, and smooth downstream sales channels, as well as LNG/CNG filling station projects developed by LNG producers and city gas companies.

IV. Prevention and Control of ESG Risks

The Company concerns about environmental protection risks and production safety risks, and shall not provide credit support to those with potential safety hazards and/or with substandard production capacity scale and environmental protection.