中国邮政储蓄银行
POSTAL SAVINGS BANK OF CHINA

2021 Annual Results Presentation

March 2022

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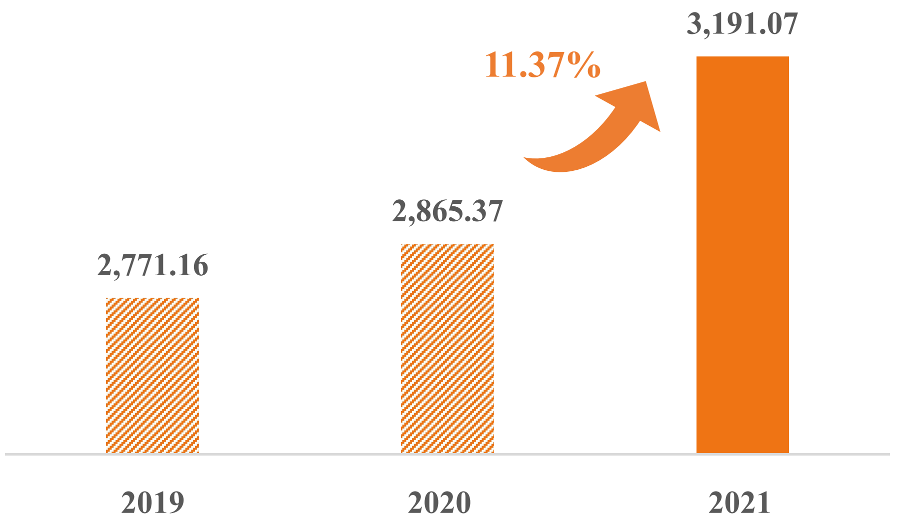
Note: 1. Unless otherwise specified, the data in this presentation is all in line with IFRSs and is presented in RMB.
2. Some of the data has been rounded based on the data in the report.

Contents

Operating results achieved steady and sound growth

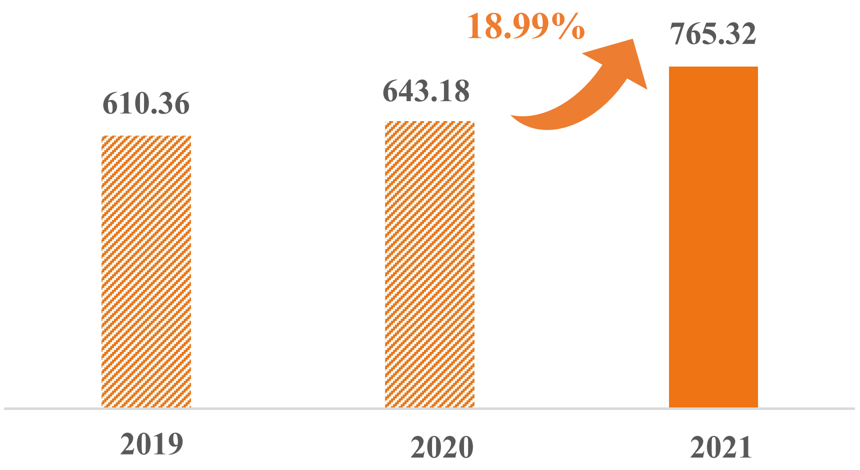
Operating income exceeded RMB300 billion for the first time

(Unit: RMB100 million)

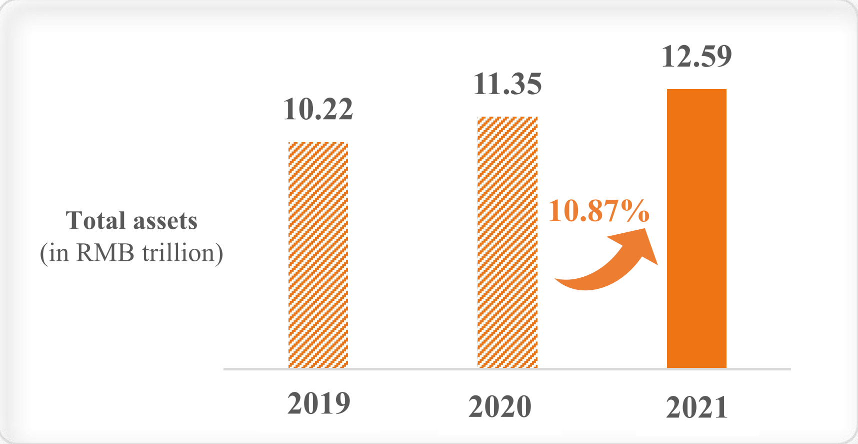


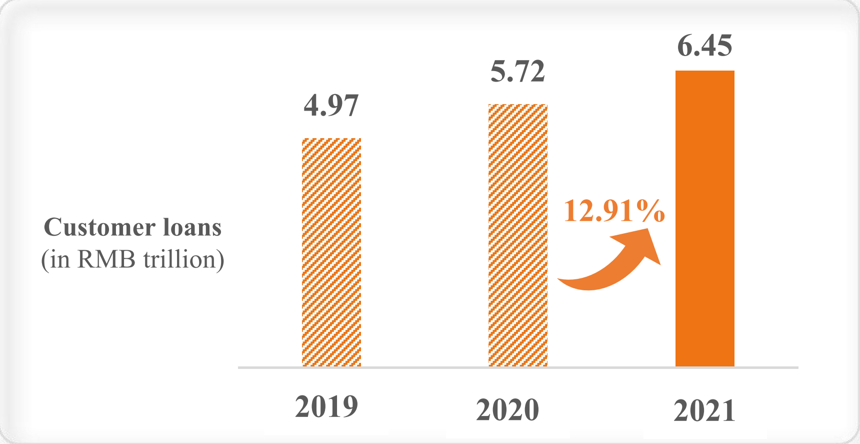
Net profit attained double-digit growth

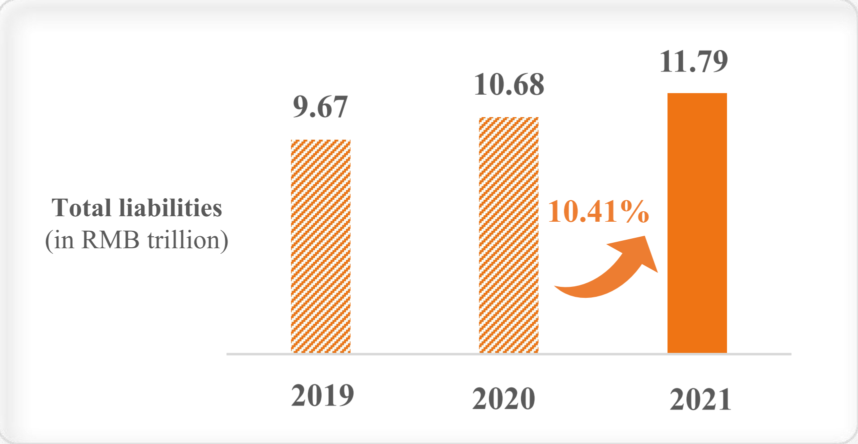
(Unit: RMB100 million)

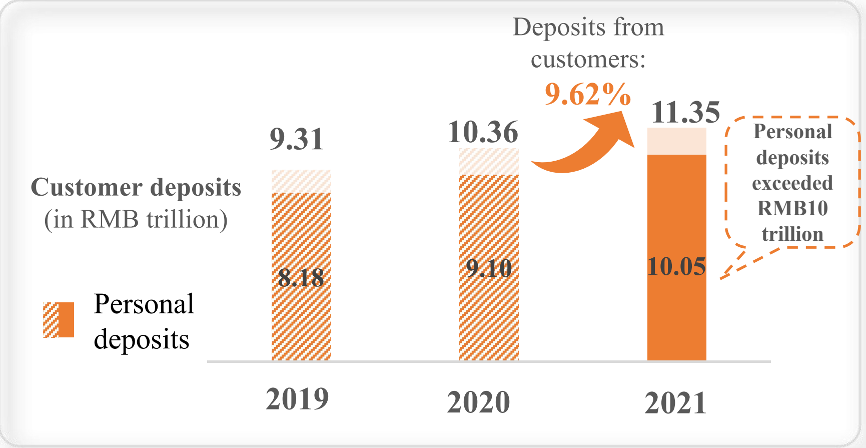


Operating results achieved steady and sound growth





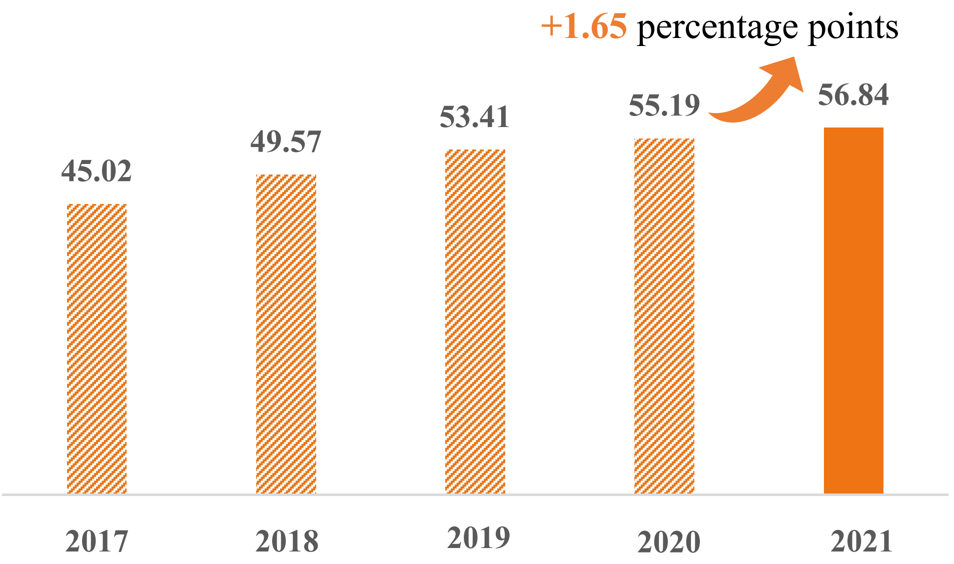




Operating results achieved steady and sound growth

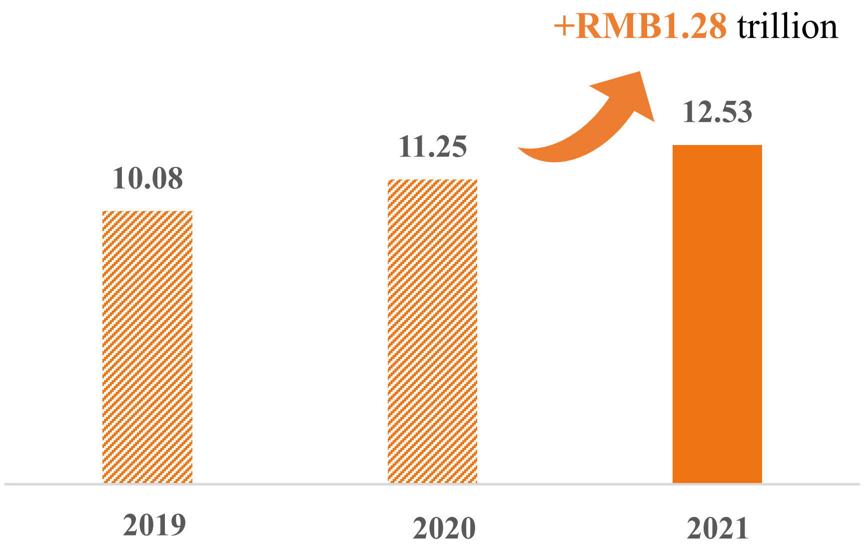
Loan-to-deposit ratio continued to improve

(Unit: %)



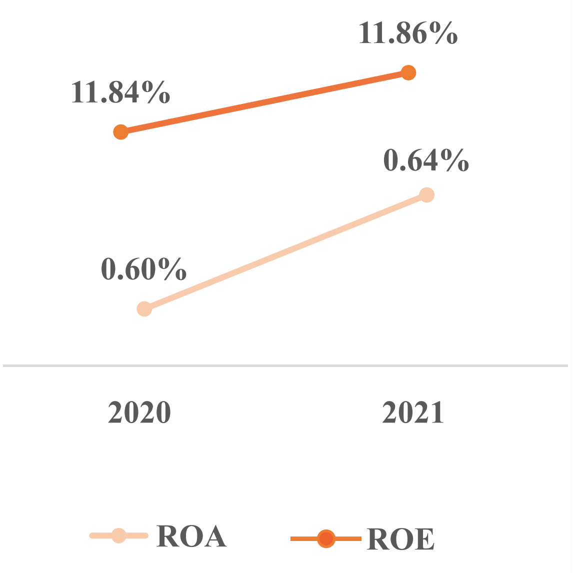
AUM exceeded RMB12 trillion, with an annual increase of more than RMB1 trillion

(Unit: RMB trillion)



The value-creation ability improved

ROA and ROE improved year on year



NIS and NIM maintained stable

2.30%

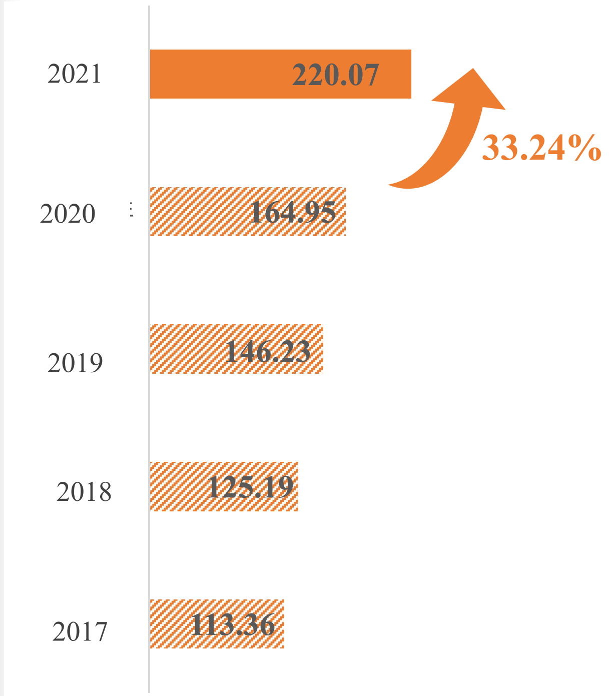
Net interest spread

2.36%

Net interest margin

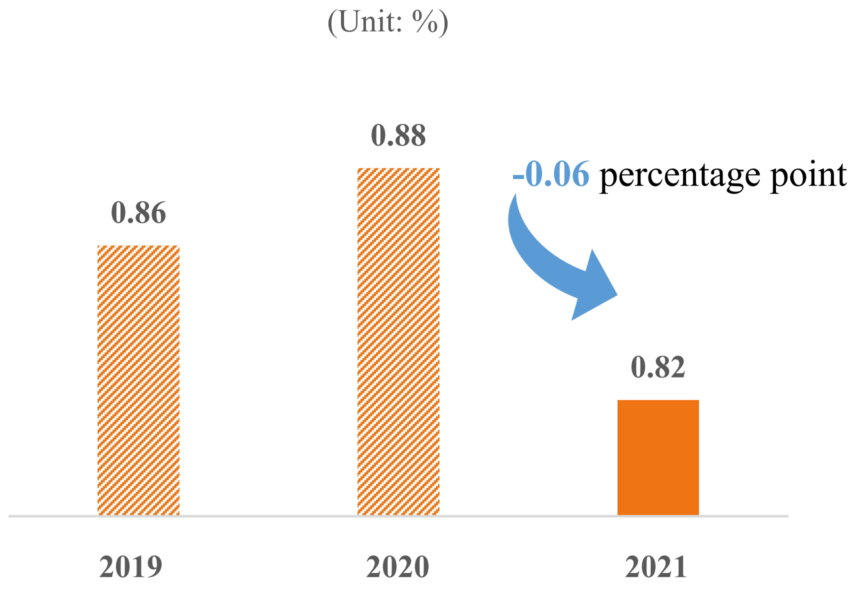
Fee and commission income grew by 33.42%

(Unit: RMB100 million)

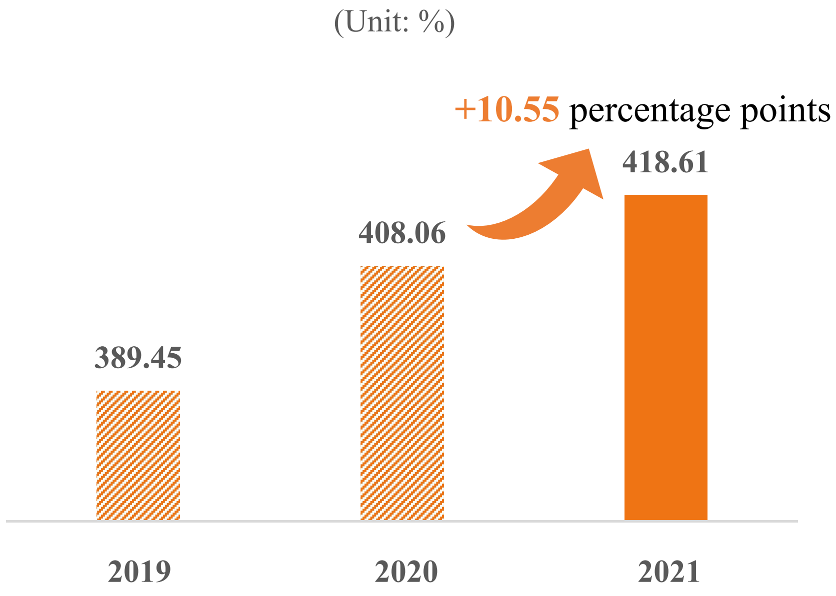


Asset quality remained excellent

NPL ratio decreased



Allowance to NPL ratio was further enhanced



Market influence was continuously expanded

Top 1000 World Banks

(in terms of tier 1 capital at the end of 2020)

The Banker (UK)

Ranked among the top 20 for the first time, advancing 24 places from our ranking during H-share IPO

MSCI ESG Rating

Rated as **A**

Contents

Serving national strategies and shouldering responsibilities as a major bank

Serving the rural revitalization strategy

We have built **190.8 thousand** creditworthy villages and rated **3.6364 million** households as creditworthy. The balance of agriculture-related loans in 2021 was **RMB1.61 trillion**, an increase of **RMB198,445 million** or **13.90%** from the end of the previous year. The growth has been **more than RMB100 billion** for the eighth consecutive year, with the balance accounting for approximately **a quarter of** all loans of the Bank.

Implementing the strategy of peak carbon emissions and carbon neutrality

The Bank adopted the Principles for Responsible Banking (PRB) and provided carbon accounting for **457** enterprises. The balance of green loans was **RMB372,294 million**, an increase of **32.52%**, and the balance of investment in green bonds was **RMB23,114 million**.

Supporting the development of MSMEs

The Bank provided financing to more than **1.71 million** micro- and small-sized customers, and extended a total of **nearly RMB2.5 trillion** inclusive loans to micro- and small-sized enterprises since 2019. The year-end balance of 2021 was **RMB960,602 million**, accounting for **more than 14%** of all loans of the Bank, ranking at the forefront among major banks in terms of loan balance and proportion.

Upgrading the retail banking system

Delivering professional services to make the economic achievements accessible to the public

Upgrading of wealth management system

Wealth management customers

grew by over 24%

The balance of personal wealth management

RMB 860.3 billion

Digital transformation of consumer finance business

The balance of personal consumer loans

RMB 2.67 trillion

An increase of RMB300 billion for the year

Innovative development of online business

Mobile banking customers

exceeded 326 million

MAU

Monthly active users

exceeded 47 million

Speeding up the digital transformation

Enhancing customer experience through technology

Advancing the development of IT projects

- New-generation core system for personal banking business
- "PSBC Brain" machine learning platform

Steadily improving big data basic capability

Big data platform

- Data of **138** critical systems
- Ten Themes Data models
- Six data marts
- ...

Expanding continuously the science and technology team and increasing inputs in science and technology

Building a three-tier talent team consisting of **"youth, backbone and leader"**

IT investments in 2021

RMB10.03 billion ↑ **11.11%**

Accounting for **3.15%** of the operating income

Vigorously developing the fee-based business

Creating value for shareholders with capital-efficient, high-quality growth

Agency business

YoY growth: **89%**

Credit card business

YoY growth: **23%**

Investment banking business

YoY growth: **44%**

Transaction banking business

YoY growth: **35%**

Custody business

YoY growth: **31%**

Guarding against risks by all means

Supporting more quality customers through forward-looking research

NPL ratio decreased

2020
0.79%

2021
0.60%

Down
0.19
percentage point

Classifying assets prudently

Ratio of NPLs to loans overdue for over 90 days

135%

Proportion of loans overdue for over 60 days and included in NPLs

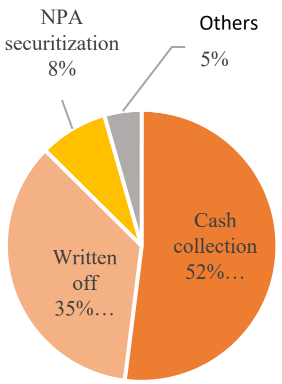
100%

Proportion of loans overdue for over 30 days and included in NPLs

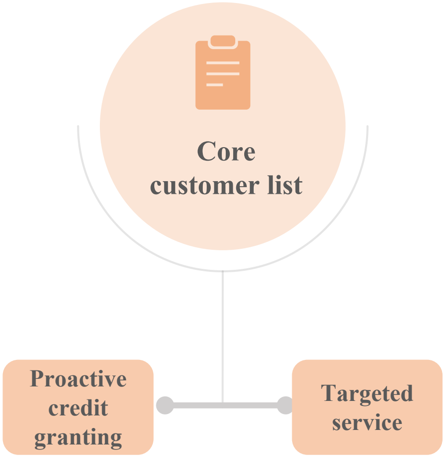
93%

Broadening the channels for NPA disposal

Making innovation in NPA disposal methods and implementing the securitization of NPA



Developing foresight



Promoting intensive operation

Improving customer service and value-creation capability through organizational structure and business model optimization

Centralized operation

Operational cost dropped

Operational efficiency improved

Human resources saved

Risk control

Customer service capability

Value creation capability

The operation centers in Hefei and Chengdu were completed and put into operation

Corporate settlement business achieved **100%** centralized operations

Retail credit factory model was promoted for consumer credit business in **30** tier-1 branches, improving the operational efficiency by **60%**

Centralized operation projects such as **centralized post-lending management** and **centralized management of financial expenses** were being promoted simultaneously

Contents

Speeding up the development of "six major capabilities" to foster differentiated competitive advantages

Promoting the development of core professional competence to meet customers' needs in a targeted manner

Promoting the development of system support capacity to improve customer service efficiency

Promoting the development of collaboration and integration capacity to form customer service synergy

Promoting the development of technological capacity to enhance the momentum of transformation and development

Promoting the develpopment of mechanism-driven capacity to advance profit-oriented development

Promoting the development of innovation-led competence and creating a culture of pursuing excellence

Thanks!

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