

China Minsheng Bank's Policy for Collection of Small Business Loans

China Minsheng Bank strictly abides by the *Law of the People's Republic of China on Commercial Banks*, the *General Rules for Loans*, and other relevant laws and regulations, and has formulated the *Administrative Measures of China Minsheng Bank on Collection and Liquidation of Retail Credit Loans and Disposal of Non-Performing Assets* and the *Measures of China Minsheng Bank on Outsourcing Risk Management*. China Minsheng Bank adheres to the customer-centric philosophy, strictly implements national laws, regulations and regulatory requirements, and carries out collection work under the premise of compliance with laws and regulations.

For small business loans, China Minsheng Bank classifies customers entering the collection process based on system model judgement and manual adjustment, and has established a loan collection mechanism based on quantitative analysis. The Bank implements refined collection level classification, and adopts differentiated loan collection strategies and measures, such as off-site SMS reminders, voice outbound calls, off-line collection and outsourced collection, and constantly optimizes business process. China Minsheng Bank also continues to strengthen training for management personnel and employees engaged in loan collection at all levels on loan collection policies and related works, with the view of comprehensively improving overall service quality.

China Minsheng Bank attaches importance to the protection of consumer rights and customer information security, continues to focus on customer complaints in relation to loan collection and strengthens the compliant information security control. The Bank has clarified the collection operation standards, formulated guidance on talking skills for collection, exercised prudent cooperation on outsourced loan collection services and strengthened the management of and supervision on the cooperating parties, in an aim to firmly stop illegal and violent collection practices. In the future,

the Bank will further strengthen the quality inspection and monitoring of loan collections by various sci-tech means, with the view of improving customer experience, reducing post-loan risks and eliminating improper collection behaviors through technology empowerment.