



2023 FinVolution Group

Environmental, Social and Governance (ESG) Report



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Preparation Basis of the Report

This report is FinVolution Group Inc.'s (ticker symbol: FINV) sixth Environment, Social and Governance (ESG) Report. It discloses the Company's philosophy, management methodologies, implemented actions and achievements in sustainable development across its operations to stakeholders.

Reporting Boundary

This report covers the operations of FinVolution's interest entities and subsidiaries. Unless otherwise specified, it is consistent with the scope of FinVolution's annual consolidated financial statements.

Reporting Period

This report mainly covers FinVolution's operations from January 1, 2023 to December 31, 2023. Parts of the report may cover content beyond the Reporting Period. Such instances will be noted and explained.

Reporting Standards

The report is prepared in accordance with the core tenets of the Global Reporting Initiative's Sustainability Reporting Standards (GRI Standards), the International Sustainable Standards Board's International Standard on Sustainable Disclosure for Financial Reporting No. 2 - Climate-Related Disclosures (IFRS S2) and the United States Securities and Exchange Commission's Enhancement and Standardization of Climate-related Disclosures for Investors (Climate Disclosure Rules).

Sources of Information

The data and cases in this report are from the original records or financial reports of the Company's actual operations. If the operational or financial data is inconsistent with the Company's annual financial report, the annual report shall prevail.

All monetary amounts quoted in the report are shown in Renminbi ("RMB"), the legal currency of China.

Report Language

This report is published in English and simplified Chinese. The Simplified Chinese report is available on the Company's Chinese website: <https://finvgroup.com/>.

Reliability

FinVolution undertakes that this report does not contain any false representation, misleading statements or major omissions, and the Company's Board of Directors takes responsibility for the truthfulness, accuracy, and completeness of its contents.

Safe Harbor Statement

This report contains forward-looking statements. These statements constitute "forward-looking" statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the U.S. Private Securities Litigation Reform Act of 1995.

These forward-looking statements can be identified by words or phrases such as "may," "will," "expect," "anticipate," "aim," "estimate," "intend," "plan," "believe," "is/are likely to," "potential," "continue" or other similar expressions. Such statements are based largely upon management's current expectations and projections about future events that may affect the Company's financial condition, results of operations, business strategy and financial needs. Forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual results, performance or achievements to be materially different from those expressed or implied by any such statements.

Potential risks and uncertainties include, but are not limited to, uncertainties as to the Company's ability to attract and retain borrowers and investors in its marketplace, its ability to increase the volume of loans facilitated through the Company's marketplace, its ability to introduce new loan products and platform enhancements, its ability to compete effectively, laws, regulations and governmental policies relating to the online consumer finance industry in China, general economic conditions in China and elsewhere, and the Company's ability to meet the standards necessary to maintain the listing of its ADSs on the NYSE, including its ability to cure any non-compliance with the NYSE's continued listing criteria. Further information regarding these and other risks, uncertainties or factors is included in the Company's filings with the U.S. Securities and Exchange Commission.

All information provided in this report is as of the date of the report release, and FinVolution undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events, except as required under applicable law.

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About FinVolution

1.1 CEO's Message

In 2023, we remained firmly committed to our mission of "leveraging innovative technologies to make financial services better," as well as our ESG strategy centered on "technology, green principles and kindness." We focused our endeavors on six key areas, i.e., Prudent Operations, Empowering the Growth of Small and Micro Businesses, Technological Empowerment, People-Oriented Development, Collaborative Advancement, and Green Operations. We worked toward the United Nations Sustainable Development Goals (SDGs) and publicly endorsed and advocated for the Ten Principles of the United Nations Global Compact.

Prudent Operations We value and prioritize effective governance, focusing on compliance and business ethics as well as meticulous risk management. Our comprehensive compliance management system provides transparent channels for whistleblowing and robust whistleblower protection, fostering robust and ethical operations from the inside out while diligently advancing the Company's sustainable and high-quality growth.

Empowering the Growth of Small and Micro Businesses We constantly explore ways to facilitate financial inclusion and support small and micro businesses. We have allocated various financial resources to assist small and micro businesses, meaningfully strengthening the real economy. In 2023, we facilitated a total of RMB194.3 billion of loans and helped 811 thousand small and micro business owners obtain over RMB47 billion in credit facilities. Additionally, we launched the "Marine-Land-Cloud System," an intelligent platform covering the entire spectrum of small and micro businesses' financial services, serving a total of 500,000 users.

Technological Empowerment Leveraging advanced technologies including artificial intelligence and big data, we have developed a digital service ecosystem featuring mutual benefits, win-win outcomes, openness and inclusion. Meanwhile, with our primary focus on information security, we have built a solid, multifaceted information security moat to ensure data security and safeguard our customers' privacy. In 2023, we invested over RMB500 million in technology research and development. By the end of 2023, we were granted 53 patents and registered 239 computer software copyrights. In addition, we upgraded our self-developed intelligent language recognition AI Chatbot, Blu, which now serves more than 20 fintech platforms in six countries under 5 different languages.

People-Oriented Development We believe that an enterprise's value lies not only in its commercial success, but also in the value it brings to employees, society and other stakeholders through its operational activities. As such, we are committed to sharing the rewards of our development with our employees and society, providing employees with an inclusive and diverse working environment, facilitating smooth two-way communication between individuals and management, formulating employee career development plans, and establishing a corresponding training system. Meanwhile, we continue to conduct employee satisfaction and engagement surveys and actively host an array of team-building activities to bring everyone closer together and encourage our employees to stay healthy and fit.

Collaborative Advancement We believe that aligning our business operations with societal values is pivotal to securing the Company's long-term success. In 2023, we partnered with China's National Weightlifting Team on a livestreaming initiative aimed at assisting farmers in marketing their produce. We also initiated the "Celebrating Small Shops" special public welfare project and completed our sixth visit to the Daliang Mountains in Sichuan to advance rural vitalization. Additionally, we continued to enhance the resilience of our supply chain, actively supporting industry collaboration and development.

Green Operations We are acutely aware of both the risks and opportunities brought by global climate challenges. To address our stakeholders' demands for environmental responsibility, we prioritize sustainable transformation and green finance initiatives. Moreover, we consistently optimize resource utilization by promoting green offices, eco-friendly commuting, active energy conservation and waste segregation, etc., all aimed at fostering a green workplace environment.

Moving forward, we will continue to thoroughly integrate ESG management into our business operations, fortifying and advancing our transition to sustainable growth. Through joint initiatives with more partners, we will propel sustainable development across the industry as a team.

CEO of FinVolution Group



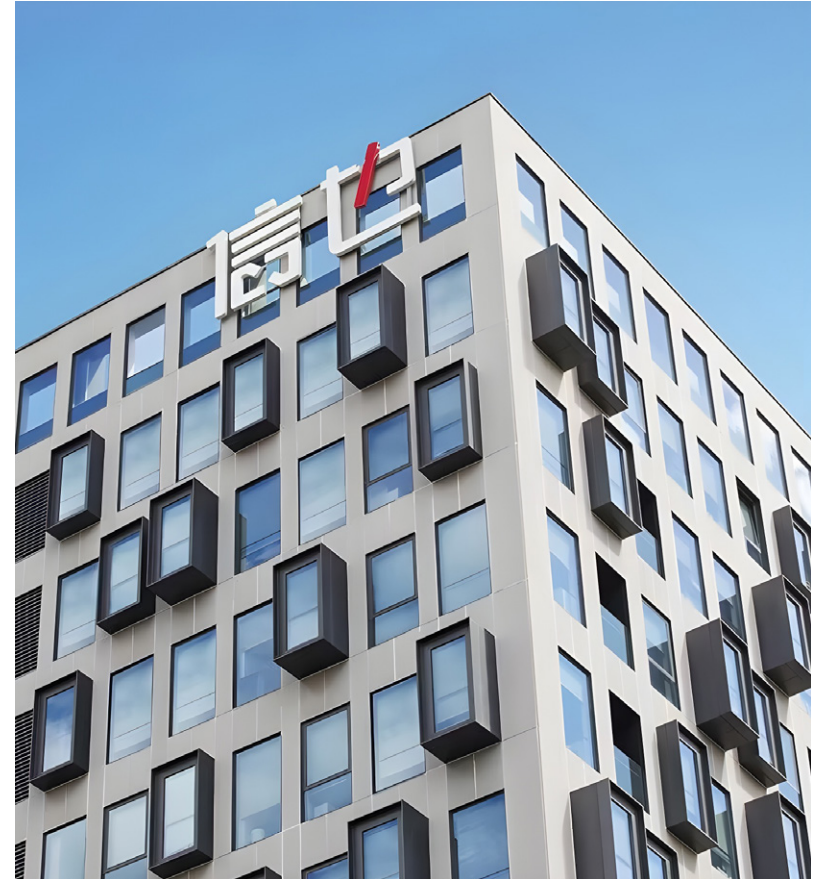
1.2 Company Overview

Established in 2007, FinVolution Group is a leading fintech platform listed on the New York Stock Exchange in the United States. The Company is a leading fintech platform with strong brand recognition in China and the international markets, boasting a wealth of self-developed innovative technologies and in-depth experience in the core areas of credit risk assessment, fraud detection, big data and artificial intelligence. We focus on three main business segments: Technology-driven Consumer Finance, International Business and Technology Incubation. By empowering institutions and supporting our partners with innovative technologies, we fuel the real economy's growth.

FinVolution is committed to connecting businesses with consumers in building an open financial ecosystem. Globally, FinVolution supports Southeast Asian countries by propelling local development through inclusive finance.

Basic Information of FinVolution Group

Company Name	• FinVolution Group
Stock Ticker	• NYSE:FINV
Company Address	<ul style="list-style-type: none"> • Building G1, 999 Dangui Road, Pudong New Area, Shanghai, China • Cyber 2 Tower, Jl.H.R Rasuna Sahid, No.13 Kuningan Timur, Jakarta Selatan, Selatan, Indonesia • 30th Floor, Discovery Suites, ABD Avenue, Ortigas Center, Pasig City, Manila, The Philippines
Main Business	• Technology-driven Consumer Finance, International Business and Technology Incubation
Company Size	<ul style="list-style-type: none"> • Operating revenue: RMB12.55 billion • Total full-time employees: 3,648 • Number of domestic and global users covered by credit services: nearly 30 million • Licensed financial institutions covered by FINV's digital services: 94
Industry Position	<ul style="list-style-type: none"> • 2023 China's Top 500 Service Enterprises (Ranked 410) • 2023 Top 100 Private Service Enterprises in Yangtze River Delta (Ranked 77) • 2023 Top 100 Enterprises in Shanghai (Ranked 92)

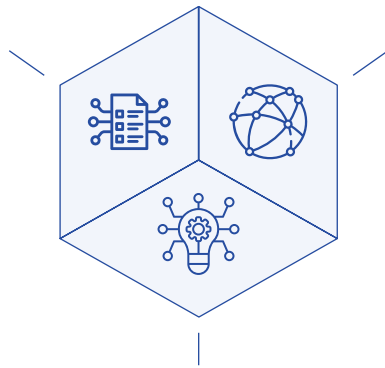




FinVolution Group Business Ecosystem

Fintech Platform: Acting as a financial connector, we connect and empower financial institutions with borrowers including individuals and small and micro businesses through technology to improve financial inclusion.

International Business Platform: We actively expand fintech solutions overseas to foster a diversified, intelligent, multi-country financial ecosystem.



Technology Incubation Platform: We support technology start-ups with innovative business opportunities and explore relevant new ecosystems for the Company's organic growth and expansion.

FinVolution's Industry Association Memberships

National Internet Finance Association of China	Shanghai Internet Finance Association
China Academy of Information and Communications Technology (CAICT) Confidential Computing Consortium	Shanghai Internet Association
China Digital Financial Cooperation Forum	Shanghai Software Association
China Association of Small and Medium Enterprises	Shanghai Information Service Industry Association
Artificial intelligence branch of China Information Industry Trade Association	Shanghai AI Industry Association
New Financial Alliance of China Finance 40 Forum	Shanghai High-tech Enterprise Association
CEIBS Lujiazui Institute of International Finance	Shanghai Financial Information Association
China University of Political Science and Law Rule of Law and Sustainable Development Research Center	Shanghai Credit Promotion Center
Tsinghua University 40 Forum on Consumer Finance	Shanghai Union Laboratory of Credit Big Data
Hainan Province Guarantee Association	Information Technology Application Innovation Working Committee of Shanghai Software Industry Association
Hainan Province Software Association	Shanghai Information Network Security Administration Association
Tianjin Financing Guarantee Association	Shanghai IT Entrepreneur Association
Mobile Application (APP) Security Committee	Shanghai Data Service Provider Association
Lujiazui Internet Finance Association	Shanghai Internet Industry Federation
Pudong Chamber of Commerce and Industry (Executive Committee)	Pudong Science and Technology Association
Shanghai Pudong Research and Development Institute Federation	The Singapore Business Federation (SBF)
Asosiasi Fintech Indonesia (AFTECH)	Asosiasi Fintech Pendanaan Bersama Indonesia (AFPI)
Consumer Lending Association of the Philippines (CLAP)	Digital Marketing Association of the Philippines (DMAP)



1.3 2023 ESG Highlights

Financials

Total assets (000')
RMB **21,293,673**

Operating revenue (000')
RMB **12,547,445**

Income tax expenses (000')
RMB **395,100**

Net profit attributable to FinVolution Group's ordinary shareholders (000')
RMB **2,340,835**

Net profit attributable to FinVolution Group's ordinary shareholders per ADS
RMB **8.5**

Environmental

Employee per capita greenhouse gas emissions (scope 1 + scope 2)
0.3 tons of CO₂ equivalent per person

Employee per capita energy consumption
2.0 MWh per person

Employee per capita water consumption
4.6 tons per person

Employee per capita paper consumption
0.7 kg per person

Social

Total employees including
5,196 full-time employees **3,648**

Percentage of trained employees
100.0%

Percentage of customers showing high satisfaction in customer satisfaction surveys
98.5%

30.6 million inclusive finance transactions

RMB **194.3** billion of loan volume facilitated in 2023

Percentage of employees from ethnic minority groups
3.7%

Employee per capita training expense
RMB **941.6**

R&D spending (000')
RMB **510,986**

3,686 hours of volunteer work

Percentage of employees receiving regular performance and career development appraisals
100.0%

Employee per capita training hours
41.6 hours

R&D spending as a percentage of operating revenue
4.1%

RMB **4.0** million invested in community welfare






1.4 2023 ESG Awards and Recognition

ESG Awards

Recognized by	Awards
Lingyi Caijing	The 5th China Retail Finance Development Conference ESG practice benchmark case
Investor.org.cn	Golden Bridge Award 2023 Outstanding ESG Practice Company
Securities Daily	2023 Listed company ESG innovation practice case - visited the Daliang Mountain in Sichuan for the sixth time to advance rural vitalization
Southern Metropolis Daily	2023 Top 10 ESG Innovation Cases in China
Shanghai Internet Industry Federation	2023 Social Responsibility and Social Welfare Outstanding Case Award - visited the Daliang Mountain in Sichuan for the sixth time to advance rural vitalization



ESG Rating

ESG Rating	ESG Rating Results
 <p>Morningstar Sustainalytics ESG Risk Rating</p>	18.7 (The Company was rated as "Low Risk," scoring 18.7/100 (the lower, the better), and ranked among the top 15% of its global diversified financials industry peer group.)
 <p>The S&P Global Corporate Sustainability Assessment CSA</p>	32 (The Company's ESG rating was higher than the industry average; ratings of social and governance were also higher than the industry average.)
 <p>Refinitiv ESG company scores</p>	54 (FINV ranked among the top 25% of its industry peer group, indicating good relative ESG performance and an above-average degree of transparency in reporting material ESG data publicly.)

Note: Rating results updated as of May 31, 2024



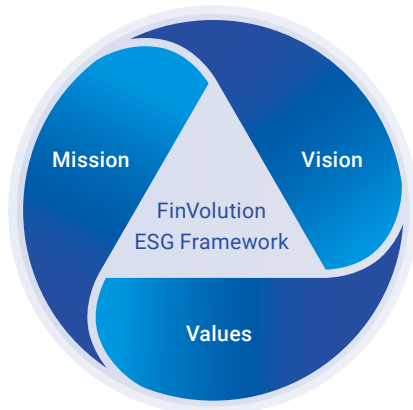
ESG Framework and Governance

2.1 ESG Framework

We consistently advance the principle of "easy access to finance, small deeds great rewards." We are committed to leveraging big data, artificial intelligence, and other advanced technologies to create sustainable value on diverse fronts for a wide array of stakeholders, including shareholders, customers, employees, government entities and regulators, partners, and the environmental community, among others.



Leveraging innovative technologies to make financial services better



Be the fintech platform most popular among users, most trusted by partners



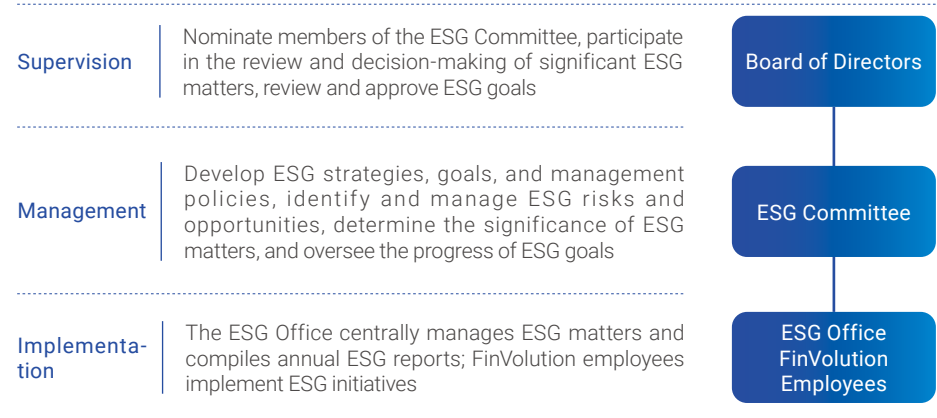
Customer-oriented
Simple and reliable
Excellence-driven
Mutual empowerment

2.2 ESG Governance

ESG Governance Structure

As we integrate ESG into our growth strategy, we continue to advance and refine our ESG governance. We have established an ESG framework that covers three levels: supervision, management and implementation, ensuring effective management and implementation of ESG matters. The Board of Directors is responsible for ESG-related decision-making and oversight. Under the Board's guidance, the ESG Committee coordinates the development of diverse ESG initiatives. The ESG Office and all FinVolution employees are responsible for the implementation of these ESG initiatives.

FinVolution ESG Governance Structure





ESG Strategy

We consistently capitalize on innovative technologies to advance inclusive finance, actively and sustainably contributing to social welfare and elevating our social impact. In 2023, building upon our strategic action plan, we identified "technology, green principles and kindness" as our ESG strategic pillars, seamlessly integrating ESG into the fabric of our business model.

FinVolution ESG Strategy



Technology

- Build on the Company's technological expertise, reinforce big data, artificial intelligence and other technological capabilities
- Strengthen the Company's technological know-how and experience, drive green operations and sustainable development with fintech



Green Principles

- Incorporate green and low-carbon elements into day-to-day business operations
- Facilitate the implementation of green electricity, afforestation, and biodiversity conservation



Kindness

- Improve services for small and micro business, explore business innovation, promote the "FinVolution Small Store" program
- Focus on the three elements of "agriculture, rural areas and farmers," contribute to rural vitalization
- Make changes and start small, better integrate consumer protection into business operations, product design and customer service




Implementing the United Nations Sustainable Development Goals (SDGs)

We publicly endorse and advocate for the United Nations Sustainable Development Goals (SDGs) and integrate these principles into every aspect of our business operations. In 2023, guided by the UN SDGs and in light of the dynamics reshaping economies at home and abroad, we established the Company's three ESG pillars: "technology, green principles and kindness." With these material ESG issues at the core of our ESG governance, we have actively implemented a comprehensive slate of ESG initiatives (please refer to the table below for details).


FinVolution Actions in Implementing the UN SDGs

1 NO POVERTY




- Support vulnerable groups
- Continuously advance rural vitalization

5 GENDER EQUALITY




- Ensure gender equality in recruitment and employment

8 DECENT WORK AND ECONOMIC GROWTH




- Ensure employee compensation and benefits

11 SUSTAINABLE CITIES AND COMMUNITIES




- Assist disadvantaged groups
- Provide community volunteer services

16 PEACE, JUSTICE AND STRONG INSTITUTIONS




- Maintain information transparency
- Forbid any form of corruption

3 GOOD HEALTH AND WELL-BEING




- Emphasize employees' physical and mental health
- Assist suppliers in ensuring safe production

6 CLEAN WATER AND SANITATION




- Use water-saving sanitary fixtures and equipment
- Foster water-saving habits among employees through education and awareness promotion

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE




- Strengthen technological innovation

12 RESPONSIBLE CONSUMPTION AND PRODUCTION




- Collaborate with suppliers to improve environmental performance

17 PARTNERSHIPS FOR THE GOALS




- Engage in stakeholder communications

4 QUALITY EDUCATION




- Provide educational support

7 AFFORDABLE AND CLEAN ENERGY



- Lease new energy electric vehicles as shuttle buses

10 REDUCED INEQUALITIES



- Advocate for equal opportunities
- Stand against all types of discrimination

13 CLIMATE ACTION



- Conduct carbon footprint verification and carbon accounting
- Implement extensive energy-saving initiatives
- Facilitate industry-wide green transformation

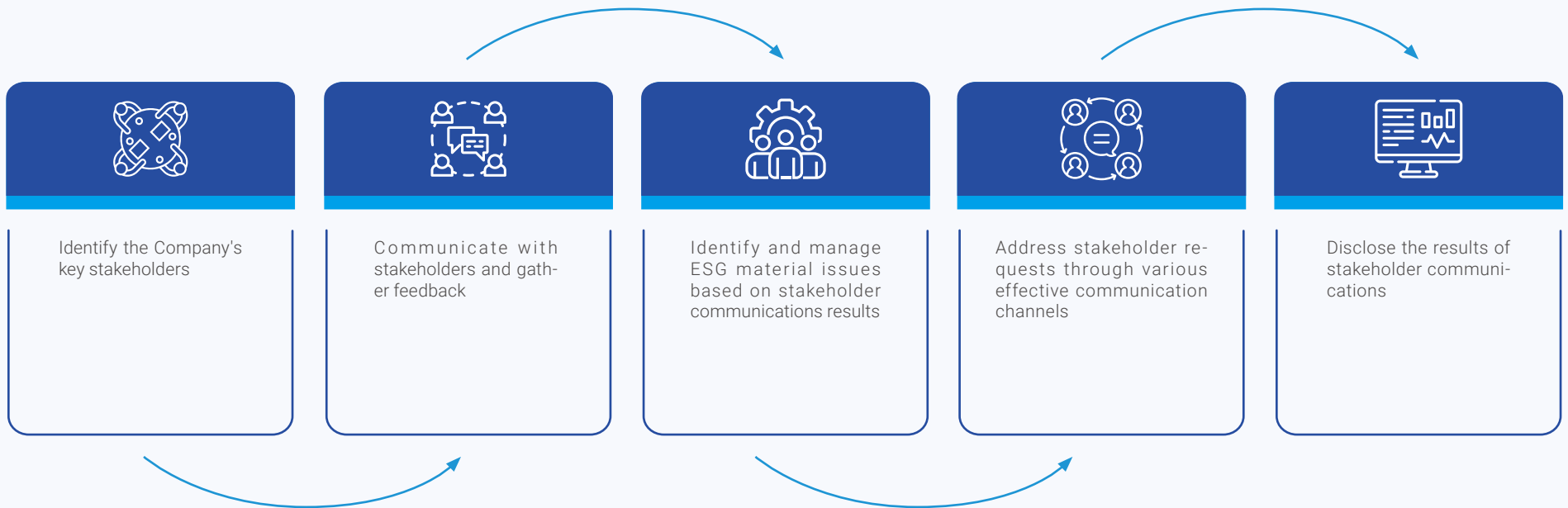




2.3 Stakeholder Communications





In 2023, based on the features of our actual business and management operations, we identified nine groups of stakeholders, including shareholders and investors, government entities and regulators, customers, suppliers and partners, employees, communities and the public, media, peers and industry associations, and non-governmental organizations. Following the AA1000 Stakeholder Engagement Standard 2015 (AA1000SES), we established our stakeholder communications process and continuously engaged with stakeholders through various channels to address their concerns.






FinVolution Stakeholder Communications Process





FinVolution Stakeholders, Key Items of Concern, and Communication Channels

Stakeholders	Key Items of Concern	Communication Channels
 Shareholders and Investors	<ul style="list-style-type: none"> Corporate governance Risk management Operational compliance Business ethics 	<ul style="list-style-type: none"> Regular earnings release Roadshows; reverse roadshows and conferences participation Investor and analyst meetings Investor relations website and email Webcasts and conference calls
 Customers	<ul style="list-style-type: none"> Inclusive finance and supporting small and micro businesses Information security and privacy protection Product and service quality 	<ul style="list-style-type: none"> Social media FinVolution official website Emails and phone calls APPs Customer service and whistleblower hotlines
 Government Entities and Regulators	<ul style="list-style-type: none"> Corporate governance Risk management Operational compliance Business ethics 	<ul style="list-style-type: none"> Policy consultation Government communication Supervision and inspection Industry seminars
 Suppliers and Partners	<ul style="list-style-type: none"> Business ethics Supplier management 	<ul style="list-style-type: none"> Emails and phone calls Supplier due diligence and evaluation Public pitching and bidding Whistleblower hotline

Stakeholders	Key Items of Concern	Communication Channels
 Employees	<ul style="list-style-type: none"> Employee interests and benefits Employee training and talent development Occupational health and safety 	<ul style="list-style-type: none"> Remuneration management Employee training Employee activities Interviews with employees Employee satisfaction survey Communications with management Health management actions
 Communities and the Public	<ul style="list-style-type: none"> Climate change and China's "dual carbon" goals Resource utilization and circular economy Pollution prevention and ecosystem protection Rural vitalization campaign Charity and volunteering 	<ul style="list-style-type: none"> Environmental protection Participation in social public welfare activities Community project collaborations
 Media	<ul style="list-style-type: none"> Inclusive finance and supporting small and micro businesses Rural vitalization campaign Charity and volunteering 	<ul style="list-style-type: none"> Press releases and announcements Interviews FinVolution official website
 Peers and Industry Associations	<ul style="list-style-type: none"> Information security and privacy protection FinTech innovation 	<ul style="list-style-type: none"> Industry conferences/ association meetings On-site investigations
 Non-governmental organizations (NGOs)	<ul style="list-style-type: none"> Business ethics Climate change and China's "dual carbon" goals Rural vitalization campaign Charity and volunteering 	<ul style="list-style-type: none"> Seminars Working meetings Emails and phone calls Charity and volunteering initiatives



2.4 Analysis of Material Issues

Material issues are key to ESG management and information disclosure. In 2023, FinVolution conducted a four-step analysis of material issues: identification, assessment, ranking, and reporting, which has been reviewed and approved by the Board of Directors.

FinVolution Material Issues Analysis Process

Identification
<ul style="list-style-type: none"> Interpret macro policies and industry trending topics, identify material issues relevant to the Company based on actual conditions and stakeholder concerns
Assessment
<ul style="list-style-type: none"> Continuously communicate with stakeholders in daily operations, assess the significance of these issues based on the Company's actual operations, identify annual key material issues, and implement targeted management
Ranking
<ul style="list-style-type: none"> Rank the issues in consultation with internal and external experts and consider the key concerns of the industry and other key information users, assessing material issues from the "Double Materiality" perspectives-namely, the significance of their economic, social, and environmental implications, as well as their financial significance to the Company
Reporting
<ul style="list-style-type: none"> Obtain Board approval for the material issues ranking list, and mainly disclose issues of medium to high materiality in the report

The material issues in this report are primarily determined per macro policies and industry trends, sustainability standards and guidelines (such as GRI Standards and SASB standards), standards of mainstream ESG rating agencies (such as S&P CSA's industry-specific questionnaires and Morningstar Sustainalytics ESG Risk Rating), industry peers' ESG reports, and FinVolution's previous ESG reports. We have identified 18 material issues for this report, encompassing environmental, social, and governance aspects, in alignment with the three AA1000SES principles of inclusivity, materiality, and responsiveness.

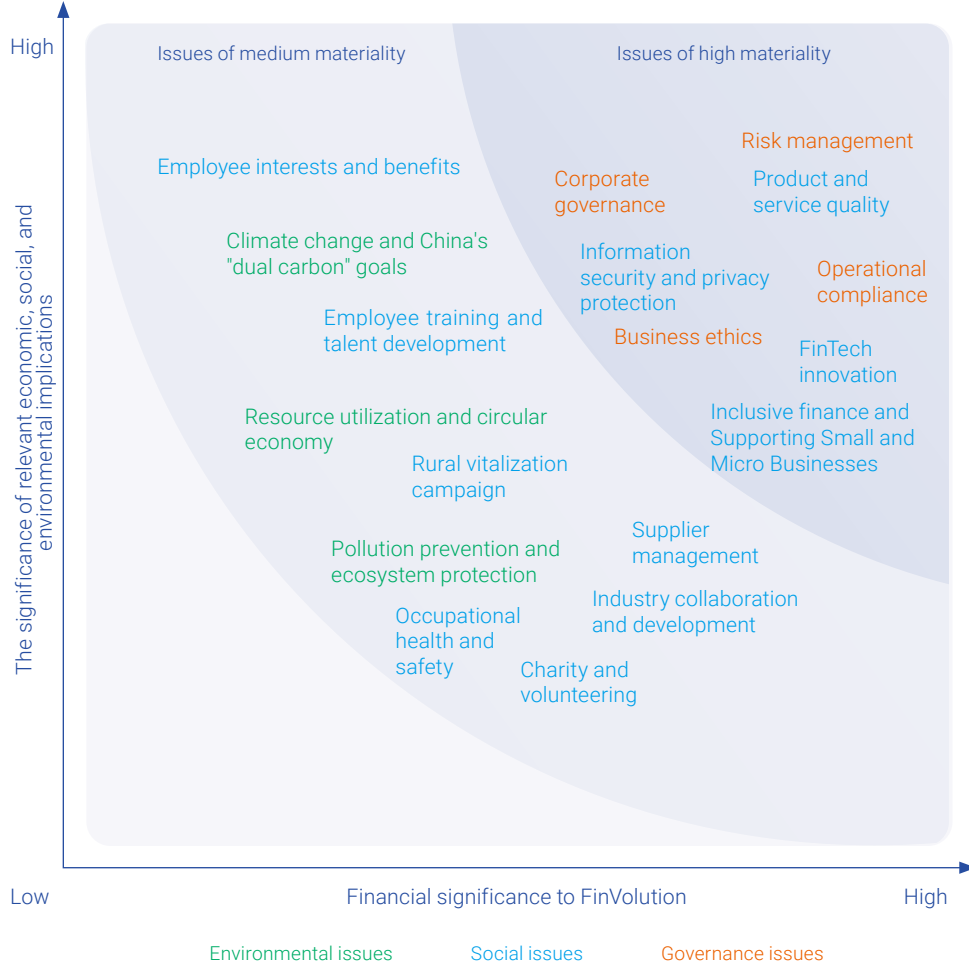
FinVolution 2023 Material Issues Compared with 2022 and Reasons for Change

2022 Material Issues	2023 Material Issues	Reasons for Change
Environmental management system	Resource utilization and circular economy	Issue breakdown - refine the wording to meet macro policy requirements
	Pollution prevention and ecosystem protection	
Inclusive finance	Inclusive finance and supporting small and micro businesses	Issue expansion - refine the wording to further clarify accountability
Business ethics	Business ethics	Issue consolidation - directly address the key concerns of capital markets worldwide
Intellectual property protection		

In 2023, through consultations with both internal and external experts and by assessing material issues from the "Double Materiality" perspectives – namely, the significance of their economic, social, and environmental implications, as well as their financial significance to the Company – we ranked the material issues and devised the FinVolution Material Issues Matrix. Issues of medium to high materiality are primarily highlighted in this report.



FinVolution 2023 Material Issues Matrix



FinVolution 2023 Material Issues Ranking List and Relevant Sections

#	Material Issues	Relevant Sections
1	Risk management	3.2 Enhancing Risk Management
2	Product and service quality	5.1 Product and Service Upgrades
3	Operational compliance	3.3 Maintaining Operational Compliance
4	Corporate governance	3.1 Strengthening Corporate Governance
5	Information security and privacy protection	5.2 Information Security Enhancement
6	FinTech innovation	5.3 Incentivizing Fintech Innovation
7	Business ethics	3.4 Upholding Business Ethics
8	Inclusive finance and supporting small and micro businesses	4.1 Inclusive Finance and Supporting Small and Micro Businesses 4.2 Expanding Overseas Financial Business
9	Employee training and talent development	6.2 Empowering Employee Development
10	Climate change and China's "dual carbon" goals	8.1 Climate Change and China's "Dual Carbon" Goals
11	Employee interests and benefits	6.1 Safeguarding Employee Rights and Interests
12	Resource utilization and circular economy	8.2 Resource Utilization and Circular Economy
13	Rural vitalization campaign	7.1 Advancing Rural Vitalization
14	Supplier management	7.3 Enhancing Supply Chain Resilience
15	Pollution prevention and ecosystem protection	8.3 Pollution Prevention and Ecosystem Protection
16	Industry collaboration and development	7.4 Industry Collaboration and Development
17	Occupational health and safety	6.3 Occupational Health and Safety
18	Charity and volunteering	7.2 Supporting Public Welfare Charities

Note: Bolded issues represent issues of high materiality for the Company in 2023.



Prudent Operations for Long-Term Risk Management

Material issues in This Section

Corporate governance, risk management, operational compliance, business ethics

Contribution to UN SDGs in this Section



3.1 Strengthening Corporate Governance

Corporate Governance Overview

We comply strictly with the "Company Law of the People's Republic of China" and the disclosure requirements for New York Stock Exchange-listed companies set forth by the U.S. Securities and Exchange Commission. In accordance with these laws and regulations, and based on the Company's actual business situation, we have formulated FinVolution's "Articles of Association" and established a corporate governance structure consisting of the general meeting of shareholders, the Board of Directors (the "Board") and the management. Our corporate governance structure is transparent with clearly defined accountability and responsibilities and a coordinated balance of powers. We have established three special committees under the Board: the Audit Committee, the Compensation Committee, and the Nominating and Corporate Governance Committee. Each of the special committees reports to the Board and performs supervisory duties per the Company's Articles of Association and its respective rules.

A Summary of 2023 Board Meetings



4

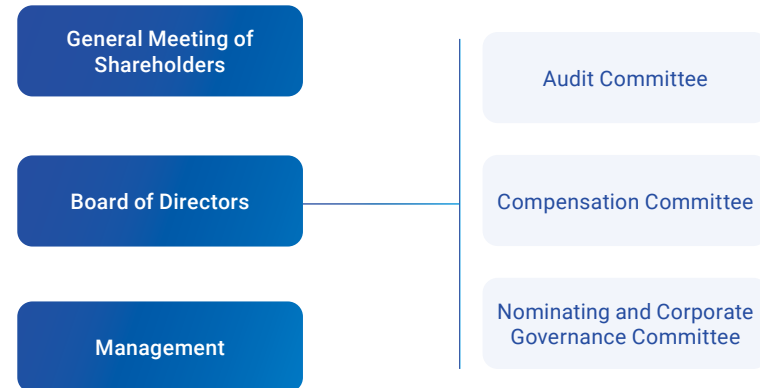
meetings of the Board were convened



6

meetings of the Committees of the Board were convened

Corporate Governance Structure





Board Diversity

We highly value diversity within the Board. To determine the Board's composition, we thoroughly evaluate the Company's business model and functional needs. The Nominating and Corporate Governance Committee reviews potential candidates, taking into account their nationality, age, educational background, and professional experience. This variety of perspectives ensures thorough evaluation of Board matters and informed decision-making, thus facilitating the Company's effective governance and sustainable development. Moving forward, the Company will timely add female Board members as needed, enhancing the Board's diversity and expertise and ensuring that the Company operates under a scientific, standardized, and transparent corporate governance framework.

Members of the Board

Name	Nationality	Gender	Age	Tenure (Year)	Financial Expert	Industry Expert	Risk Management Expert
Shaofeng Gu	Chinese	Male	45	12		Y	Y
Tiezheng Li	Chinese	Male	39	9	Y	Y	Y
Honghui Hu	Chinese	Male	46	12		Y	Y
Jun Zhang	Chinese	Male	46	12		Y	Y
Simon Tak Leung Ho	Chinese (Hong Kong)	Male	50	4	Y	Y	
Jimmy Y. Lai	American	Male	67	7	Y		
Bing Xiang	Chinese (Hong Kong)	Male	61	7	Y		



Operations Team

We have assembled an operations team composed of multiple functional departments and professionals with diverse backgrounds. At the beginning of 2024, to bolster our strategic business alignment, we optimized and fine-tuned our business teams and functional departments. This enhancement served to maximize the Company's overall synergy, propelling the Company's solid operations and sustainable growth through more refined and efficient operations management.





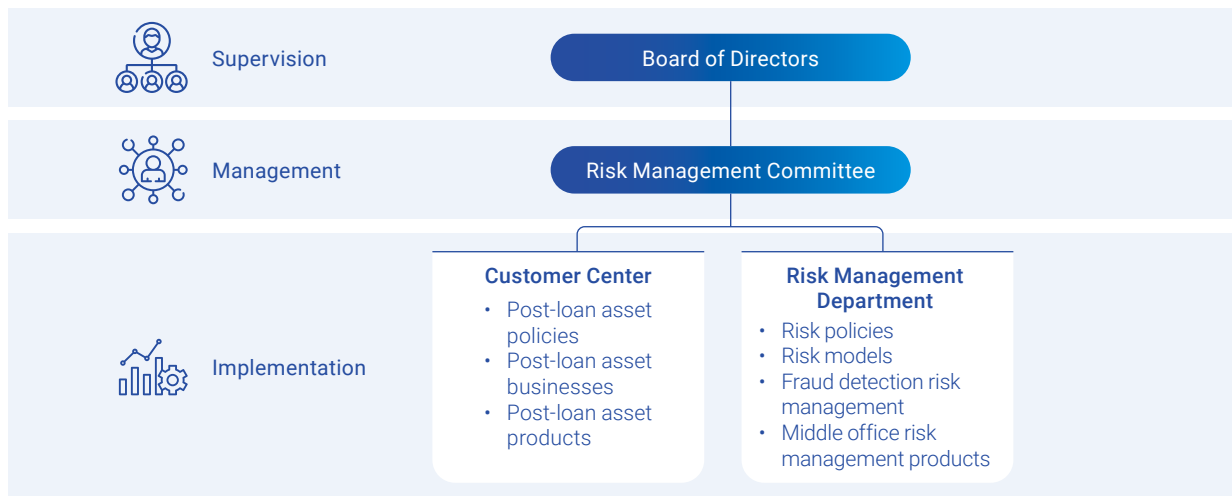
3.2 Enhancing Risk Management

Strengthening Risk Monitoring and Alert System

As a fintech company, we consistently strengthen our risk management and pursue a high-quality growth trajectory. Based on the Company's Articles of Association and our actual business situation, we have formulated multiple risk management policies and risk control assessment procedures, including the "Risk Management System," the "Borrowing Management Standards," and the "Borrower Management Measures." Our risk management framework ensures comprehensive and reliable risk management.

We have built an agile and efficient risk management structure. The chairman of the Risk Management Committee is responsible for the management of risk governance, risk monitoring and risk assessment. The Risk Management Committee oversees the Customer Center and the Risk Management Department, both staffed with highly skilled professionals boasting sophisticated professional experience, providing comprehensive support for the Company's risk management and control framework.

FinVolution Risk Management Structure



FinVolution Risk Management Committee Workflow

Upon the Risk Management Department's proposal, the Risk Management Committee reviews all major strategic adjustments.



If a matter is deemed significant upon review, the Risk Management Committee transfers this matter by email in writing to the department responsible for the applicable risk level for approval, and the matter is archived accordingly.



Any major strategic adjustment may be implemented only after review and approval by the responsible department and the Risk Management Committee.



We continuously optimize our risk monitoring and alert mechanisms. Through meticulous analysis and predictive modeling of risk trends, we seamlessly integrate our robust risk management framework with the Company's growth strategy. This strategic integration is designed to bolster comprehensive risk coverage and adeptly mitigate significant risks. The Risk Management Department conducts daily monitoring of key indicators such as overdue rate, D1 delinquency rate, collection rate, and liabilities, leveraging data analytics and risk assessment tools to conduct in-depth research and analysis on key indicators. In the event of any irregularities, the Risk Management Department immediately triggers the crisis alert system.

In 2023, harnessing our years of historical data, we advanced the proactive analysis and forecasting of cyclical risks. We conducted dynamic monitoring quarterly, fine-tuning our risk management strategies as needed to maintain stable risk levels. During the reporting period, the Company did not encounter any material risk events.

Falcon Platform: Strengthening Risk Monitoring and Alerts

Post-loan procedures entail unforeseeable activities. Through the Falcon Platform, we conduct real-time monitoring of all communication channels (phone calls + short messages), meaningfully bolstering our risk monitoring and alert mechanisms to avert material breaches and grievances. According to our statistical data, on average, the Falcon Platform intercepts 667 sensitive messages daily, notably improving customer experience. Additionally, it tracks and preempts an average of approximately 465 calls daily that could lead to complaints, enabling timely intervention to mitigate grievances.



Prioritizing the Cultivation of Risk Management Talent

Nurturing risk management talent is vital for enhancing the Company's risk management capabilities. In 2023, to further solidify our risk management, we selected top Business Analysis (BA) specialists and conducted ongoing Business Analysis University (BAU) courses along with the BAU Beginner Program. These initiatives were focused on steadily improving our BA team's professional competence and comprehensive skills.

Risk Management Training

From July to December 2023, our BAU provided customized entry-level and advanced courses for employees in BA roles at diverse levels. The entry-level courses covered five key modules: data-driven analysis, business-oriented strategy, tool-based empowerment, commercial insight, and general studies, aimed at enhancing the analytical skills of entry-level business analysts. The advanced courses included topics such as strategic decision-making, innovation, project management, and reporting. Through group discussions and mentoring led by the head of our BAU, we significantly bolstered participants' overall proficiency.

In 2023, the BAU Beginner Program was conducted for three consecutive quarters, reaching a total of 79 BA employees who had been with the Company for less than six months. We offered them 6 courses, covering new customer business, existing customer business, institutional funds & anti-fraud, customer center, KOO installment, and global operations. These courses aimed to bolster new hires' understanding of the Company's business functions and business lineup, enhancing their professional competency and facilitating their rapid assimilation into their roles.



Commencement Ceremony for BAU Courses



3.3 Maintaining Operational Compliance

Ongoing Compliance Enhancement

We regard operational compliance as the cornerstone of our business advancement. To remain strictly in compliance with the requirements of relevant documents including the "Regulation on the Supervision and Administration of Financing Guarantee Companies" and the "Regulation on the Administration of Credit Investigation Industry," we continue to improve the Company's management compliance system. We diligently incorporate management compliance throughout all management procedures, including decision-making, execution, supervision and feedback. In 2023, the Company reviewed laws and regulations governing seven business areas, including loans, financial product marketing, financing guarantees, and credit reporting, among others. Based on the review, we developed and implemented FinVolution's "Compliance Manual" to ensure that management compliance is consistent with our business operations and complies with the latest laws and regulations. Additionally, four subsidiaries of the Company have implemented relevant rules including the "Personal Credit Reporting Management Measures" and the "Compliance and Information Security Management System."

With respect to internal control, we strictly comply with relevant laws and regulations including the "Audit Law of the People's Republic of China" and the "Regulations on Internal Audit of the People's Republic of China." Building upon our internal control structure and procedures, we make every effort to ensure that the Company's management and operations are regulated, legitimate and transparent. The Company's Internal Control and Audit Department, as an execution function under the Board's Audit Committee, is responsible for independently conducting comprehensive assessments and audits of the Company's business operations and information system. The Internal Control and Audit Department conducts special audits monthly and audits the Company's costs and expenses every six months, meticulously examining all expenses related to procurement and reimbursement. These audits mainly target high-risk projects such as outsourced matters and procurement in connection with customer acquisition, marketing and the post-loan businesses. We also internally audit other matters, including system logs, information security and Sarbanes-Oxley Act (SOX) compliance.

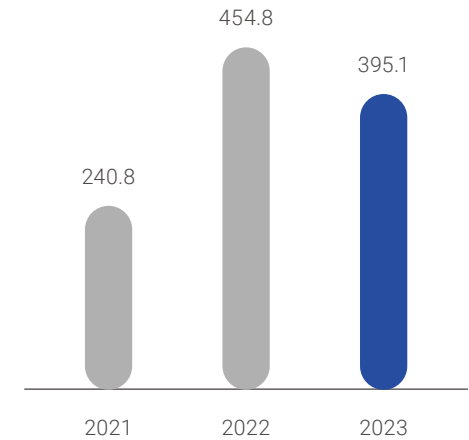
For tax matters, we support and follow the principles of base erosion and profit shifting (BEPS), and strictly comply with the "Corporate Tax Policy" and other relevant laws and regulations of the jurisdictions where we operate. We are committed to fulfilling our tax obligations in accordance with local laws where we engage in economic activities and create value, fostering social and economic development while advancing the Company's sustainable growth. During the reporting period, no tax violations occurred on the part of the Company.

Compliance Training and Appraisal

We place great emphasis on compliance training and education. We actively organize training sessions and awareness programs on legal and regulatory compliance, along with monthly appraisals, all aimed at ensuring that our employees are fully aware of relevant compliance requirements, including those pertaining to business expertise and procedural guidelines. Our compliance training and appraisals continuously elevate the compliance acumen and competence of our frontline managers and staff.

Additionally, our quality control team spot-checks audio recordings daily to detect potential breaches and assesses and grades the recordings accordingly. We also perform unannounced inspections on an ad-hoc basis, including random checks and risk assessments, and issue comprehensive inspection reports. We have established an accountability mechanism that enforces disciplinary actions for violations of business management protocols and prohibitive rules. Violations are classified by severity into minor, serious, or major categories, with penalties ranging from fines and performance bonus deductions to termination. Supervisors of offenders are also held accountable.

Income tax expenses of FinVolution (RMB/in millions)





Credit Reporting Compliance Training

In 2023, we organized credit reporting compliance training sessions for our employees, focusing on policy interpretation, policy development, and user management principles. This initiative was designed to guide employees in performing their duties within the framework of applicable laws and regulations and enhance employees' awareness of legal and regulatory compliance.



Compliance Education Workshop

On March 1, 2023, the "Measures for the Administration of the Protection of Consumer Rights and Interests by Banking and Insurance Institutions" came into effect, outlining the fundamental rights of consumers and the management of institutional violations. Guided by the strategy of "long-term commitment and steady advancement," our post-loan business team has bolstered the Company's customer-oriented and compliance-centric work protocols accordingly. Through compliance education workshops, we continually enhance frontline employees' compliance awareness, mitigating compliance risks.



Consumer Rights Protection Training



3.4 Upholding Business Ethics

The Company's Board of Directors has appointed a Chief Compliance Officer to oversee business ethics and integrity. The Internal Control and Audit Department is responsible for investigating alleged fraudulent activities and unethical business practices.

Anti-Money Laundering (AML)

To remain strictly in compliance with the "Anti-Money Laundering Law of the People's Republic of China," the "Regulation on Anti-Money Laundering of Financial Institutions" and other relevant laws and regulations, we have formulated internal rules including the "Management System for Anti-Money Laundering, Anti-Insider Trading and Counter-Terrorist Financing." These rules expressly set forth the Company's requirements for anti-money laundering and relevant operational procedures, including but not limited to customer identification, transaction monitoring, reporting and filing, thereby duly implementing the anti-money laundering measures required for fintech companies.

We comply with all local financial rules and regulations as we advance our overseas business across global markets. Our actions include but are not limited to utilizing public accountants and accounting firms approved by local financial service authorities, regularly submitting online forms for AML reviews, and filing risk assessment reports. In 2023, we conducted international business training for our employees, focusing on AML, anti-fraud and financial regulations, which facilitated the team's thorough understanding and implementation of these crucial principles.

Anti-Corruption

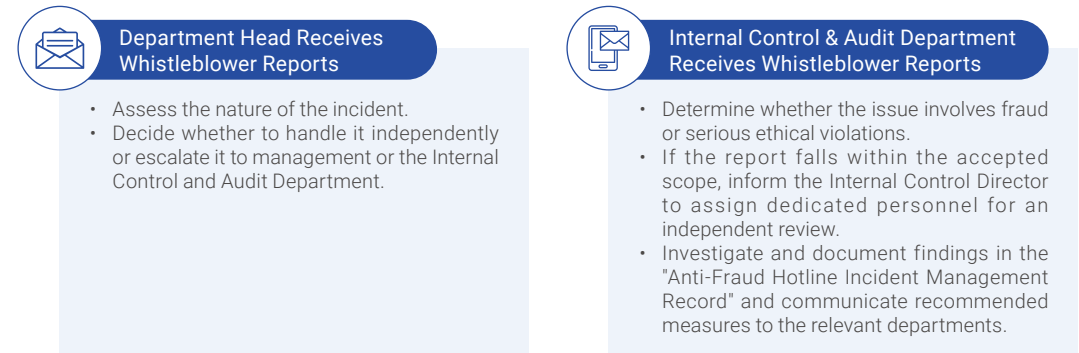
We strictly comply with the Criminal Law of the People's Republic of China and other relevant laws and regulations. We have formulated and implemented internal rules and regulations, including our "Code of Business Conduct" and "Business Ethics and Integrity Management Standards," to regulate the behavior of our suppliers and employees in business operations. Additionally, through training and educational initiatives, we diligently foster a culture that features fairness, justice and transparency. During the reporting period, there were no corruption lawsuits filed against the Company or its employees on the part of the Company, and all existing cases were brought to trial and concluded.

FinVolution Anti-Corruption Management System



We provide open channels for whistleblowing and actively enforce whistleblower protection. The protection of whistleblowers is expressly outlined in the Company's "Code of Business Conduct" and our employees are encouraged to report any and all suspected or actual ethics violations in the workplace.

FinVolution Whistleblowing Procedures





In terms of anti-corruption management with suppliers, we have included anti-commercial bribery provisions in all of the procurement agreements we sign with suppliers to ensure honesty, integrity, fairness and transparency throughout the cooperation. In 2023, we signed compliance and ethical commitment letters with 143 suppliers and conducted regular supplier audits. We launched two special procurement audits to examine the Company's procurement expenses, along with one on-site spot check visit to inspect and assess some of our suppliers and relevant cooperation initiatives. Throughout the reporting period, our audits and inspections did not reveal any significant irregularities.

To conduct anti-corruption management among employees, we implemented systematic training programs like the "Internal Control Mini-Course" to thoroughly guide employees and ensure that they adhere to business conduct standards, thus preventing compliance breaches. In 2023, we organized anti-corruption and business ethics training with themes like "Business Ethics and Integrity - Gifts or Bribery" and "Integrity – Embracing Frugality, Battling Corruption and Lavishness" etc., meaningfully bolstering our anti-corruption management.



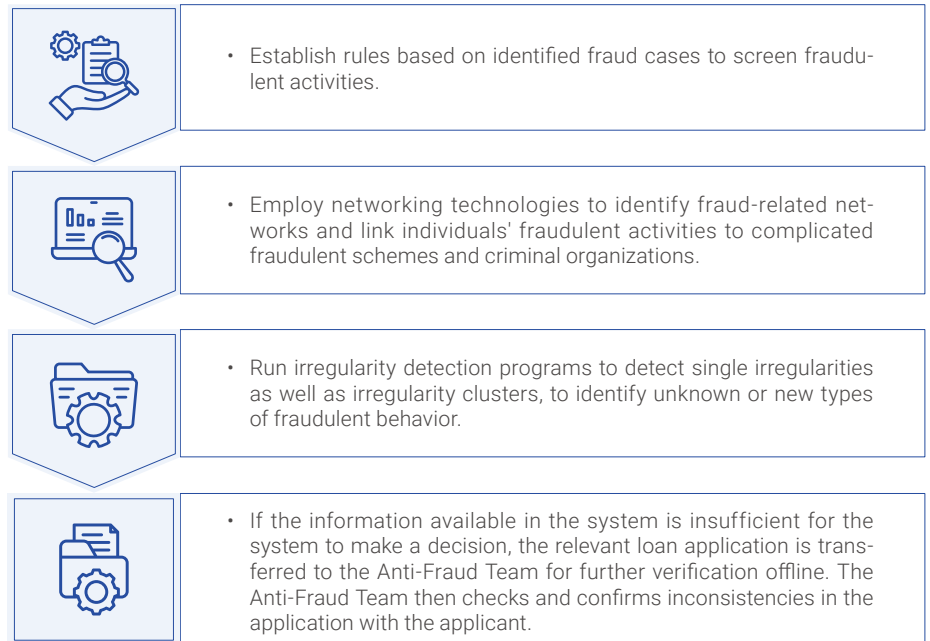
Internal Control Mini-Course – Business Ethics and Integrity

In 2023, our anti-corruption policies and procedures were communicated 100% to the Board, employees, business partners, suppliers, franchisees, and joint ventures. Our anti-corruption training covered 100% of employees in Mainland China, Hong Kong, and overseas. During the reporting period, there were no incidents where employees were terminated or disciplined due to corruption, and no contracts with business partners were terminated or failed to be renewed due to corruption-related violations.

Anti-Fraud

To maintain our emphasis on anti-fraud practices within our corporate governance and business operations, we have formulated relevant management rules including the "Anti-Fraud Management Standards," ensuring that in the course of business decision-making and the management of business operations, managers at all levels carefully consider anti-fraud risk control and precautions. In addition, we actively innovate in the area of anti-fraud. Fully leveraging our technological strengths, we have built a fraudulent information database and developed a model for anti-fraud monitoring. Through the integration and analysis of mass data, we identify suspicious fraudulent activities, which are then investigated and processed by the Anti-Fraud Team led by the Risk Management Department.

Operational Procedures of FinVolution's Anti-Fraud Monitoring Model





Smart Anti-Fraud Voice Alerts: Raising Public Awareness of Fraud

Leveraging our deep-rooted expertise in AI, big data, and internet technologies honed over the years, we have developed a proprietary smart voice AI system based on natural language understanding, speech recognition, and speech synthesis. This system enables swift human-machine engagement and effectively addresses user inquiries.

In 2023, we provided smart anti-fraud voice alert services to Shanghai Zhangjiang Police Station. The initiative delivered voice and SMS reminders to 11,000 residents within its jurisdiction, notably raising public awareness of fraud. The service enabled timely and accurate alerts that effectively mitigated fraud and its ensuing damages, exemplifying innovative collaboration between the police and businesses in combating fraud.



Intellectual Property Protection

We hold intellectual property protection to a high standard. As we strictly comply with relevant laws and regulations including the "Patent Law of the People's Republic of China," the "Copyright Law of the People's Republic of China," and the "Trademark Law of the People's Republic of China," we have formulated the Company's "Intellectual Property Management System" to regulate the registration, authorization and management of intellectual property rights, as well as to minimize risks associated with intellectual property infringement. Moreover, we adopt a zero-tolerance policy for piracy. Internally, we exclusively use genuine software products and strictly forbid the use of pirated software products. Externally, we actively monitor applications with infringement in app stores and hold infringing parties accountable through judicial procedures.

FinVolution 2023 Intellectual Property Protection Measures and Outcomes

Measures	Outcomes
Internal Access Control	By restricting access to sensitive information and intellectual property rights, we ensured resources like code repositories and the Company's knowledge management systems can be accessed only by authorized personnel.
Intellectual Property Registration	We actively register and apply for protection of our intellectual property rights, safeguarding the Company's legitimate rights and interests.
Technical Security Enhancement Measures	With the adoption of encryption tools, firewalls, and other security enhancement technologies, we protected the Company's electronic data and network systems, preventing unauthorized access and theft.
Employee Training and Awareness Enhancement	We ramped up our employee training and awareness enhancement regarding intellectual property protection, emphasizing its importance and increasing employees' awareness of safeguarding intellectual property rights.
Regular Review and Monitoring	Through regular review and monitoring of the Company's policies and measures related to intellectual property protection, we timely identified and addressed potential risks and vulnerabilities.



FinVolution 2023 Intellectual Property Protection Highlights

Patent

In 2023, we filed **17** patent applications and were granted **12** new patents. As of the end of 2023, we had filed **179** patent applications, among which **53** patents had been granted.

Copyright

In 2023, we registered **27** computer software copyrights. As of the end of 2023, we had registered **239** computer software copyrights.

Trademark

In 2023, we filed **43** trademark applications and were granted **21** new trademarks. As of the end of 2023, we owned a total of **338** trademarks.





Supporting Small and Micro Business and Helping Inclusive Finance "Go Global"

Contribution to UN SDGs in this Section



Material issues in This Section

Inclusive finance and supporting small and micro businesses, expanding overseas financial business

4.1 Inclusive Finance and Supporting Small and Micro Businesses

The Company upholds its mission of "Leveraging innovative technologies to make financial services better," focusing on the inclusive finance industry and providing efficient financing services for small and micro business owners in need of financial support. Through technological advancements and data accumulation, FinVolution empowers offline loan service providers and financial institutions across the industry chain, aiming to promote the stable and healthy development of the entire industry.

Innovations in Inclusive Finance Products

Developing inclusive finance and serving small and micro businesses is one of FinVolution Group's strategic-level businesses. The Company has consistently leveraged its technical strengths and network resources to identify and recognize the financial credit needs of low-income groups, individual industrial and commercial households, and small and micro businesses. By playing our part in allocating credit resources in the market, the Company enhances the reach of inclusive finance.

In 2023, the Company focused on the needs of small and micro business owners and launched innovative, inclusive finance products such as "one-month interest-free" and "overall fee reduction." By the end of 2023, the Company had provided over RMB47 billion in credit services to more than 811 thousand small and micro business owners and individual industrial and commercial households. Additionally, in 2023, the Company supplied RMB12 million in supply chain financing and deployed over 1,300 electric two-wheel vehicles, helping small and micro businesses efficiently and conveniently access financial services and promoting the steady development of inclusive finance.

Supporting the Digital Transformation of Small and Micro Businesses

The Company leverages digital technology to enhance its capabilities in providing tech services to small and micro businesses and smart retail. It addresses the financing difficulties faced by small and micro business owners and continuously reduces their financing costs.



Empowering Small and Micro Businesses' Financing through Smart Mobility SaaS Integrated Solutions

Building upon its technical strengths and industry experience, the Company provides smart leasing SaaS solutions for leasing companies. This comprehensive management platform integrates SaaS empowerment, traffic enhancement, private domain operations, supply chain services and financial services.

In 2023, the Company helped more than 6,000 micro,small and medium-sized enterprises achieve digital transformation and upgrades. The leasing SaaS business saw 1.35 million new orders throughout the year, with a transaction volume of RMB1 billion. The services were launched in 246 cities, with 6,667 partnering leasing merchants, establishing over 16,000 offline service points. The coverage rate in fourth-tier cities and above reached 86%.



4.2 Expanding Overseas Financial Business

Rooted locally and expanding globally, FinVolution Group has actively enhanced its international competitiveness by forming a new "dual-engine" growth model with domestic and international business. Since embarking on its technology expansion to target markets in the Belt and Road Initiative countries since 2018, the Company has established localized fintech platforms in Indonesia and the Philippines and has provided technology services in the Latin American region. By the end of 2023, the Company's overseas fintech platforms had provided credit technology services to a total of 4.8 million users.

Development of Inclusive Finance in Indonesia

The Company is committed to leveraging technology to provide the Indonesian public with more equitable, convenient and inclusive financial products and services. The Company strictly adheres to the regulations set forth by the Financial Services Authority of the Republic of Indonesia (OJK), including Circular Letter No. 19/SEOJK.06/2023 on the implementation of joint funding services based on information technology, and OJK Regulations No. 8, 9 and 16 of 2023. In compliance with local regulatory requirements, the Company undergoes online reviews and submits individual risk assessments through OJK, fulfilling all overseas regulatory mandates.

The Company's product, AdaKami, has become a highly recognized and influential fintech platform in the industry. By the end of 2023, the platform had reached a total loan amount of RMB14.76 billion and provided loan services to 3.99 million borrowers.

2023 Key Actions and Achievements of the Indonesia Business Unit

Key Actions	Actions and Achievements
Provide Financial Education and Services	In 2023, AdaKami conducted 31 educational courses through mass media channels such as broadcast TV programs, live meetings and offline events. These courses aimed to help users engage in digital transactions and increase their awareness of using financial products, thereby addressing the issue of widespread fraud.
Improve Living Conditions in the Community	Over the past three years, AdaKami has supported local communities through the #AdaWishAdaKami initiative, aiming to improve their quality of life and achieve financial stability. During this period, AdaKami garnered a cumulative 95 million views.

Development of Inclusive Finance in the Philippines

In the Philippine market, the Company actively responds to the Philippine government's fintech policies by leveraging data and technology to connect users and financial institutions, building a bridge of trust and providing convenient and affordable financial services to the local population. In 2023, the Philippine business obtained a credit data processing license authorized by the Credit Information Corporation (CIC), benefiting 404,000 people that year.

2023 Key Actions and Achievements of the Philippines Overseas New Business Unit

Key Actions	Actions and Achievements
Enhance Overseas Financial Products	The Company offers two types of products: "cash loans" and "buy now, pay later." In 2023, the Philippines business launched its first offline Private Pay Later product with a merchant, completing the Minimum Viable Product phase.
Develop Overseas Anti-Fraud Technology	The Company developed an anti-fraud technology tailored to overseas markets, accurately identifying and blocking fraudulent financial activities conducted using generative AI. The technology achieved an accuracy rate of 98.8% and a recall rate of 95.3%.
Lead the Establishment of Industry Associations	FinVolution Group led the establishment of the Philippines Online Lending Platform (OLP) industry association, the Consumer Lending Association of the Philippines (CLAP). The association works closely with relevant regulatory bodies to promote the industry's development through principles of financial inclusion and responsible lending.



Empowering Product and Service Optimization with Technology

Contribution to UN SDGs in this Section



Material issues in this Section

Product and service quality, information security and privacy protection, fintech innovation

5.1 Product and Service Upgrades

Strengthening Product and Service Quality Management

We strictly comply with the "Product Quality Law of the People's Republic of China," the "Standardization Law of the People's Republic of China," and all relevant local laws, regulations and industry standards of jurisdictions where we operate. We have established a comprehensive quality management system to ensure the highest standards in our business operations. Additionally, in compliance with regulatory requirements such as the "Self-Discipline Convention on Overdue Debt Post-Loan Management (Trial)," we have developed a robust set of internal management systems and business processes, including the "Asset Preservation Business Management Process," "Asset Preservation Personnel Management System," "Asset Preservation Information Management System," "Asset Preservation Complaint Management System," and the "Asset Preservation Specialist Performance Assessment Plan." We regularly update these rules to reflect any changes in regulatory requirements and the evolving external dynamics, ensuring that our post-loan management staff adhere to the highest service standards.

In 2023, we enhanced our "Quality Management Manual" and over 30 procedural documents to standardize the entire product quality management process, effectively safeguarding the Company from quality risks. During the reporting period, there were no incidents of penalties related to product and service quality, nor any litigation arising from such issues.

Honors and Achievements



With its "Customer Satisfaction improvement" program, the post-loan team won the "Best Practice Award" at the 13th Performance Improvement Forum.



FinVolution 2023 Product and Service Management Initiatives and Outcomes

Initiatives	Actions & Outcomes
<p>System Enhancement: Improve complaint management and dispute resolution quality and efficiency</p>	<ul style="list-style-type: none"> • Remediation Mechanism – Consistently strengthened complaint traceability and remediation processes, focusing on key issues, and systematically improving business and service workflows, while implementing targeted measures to achieve closed-loop management. • Diverse Dispute Resolution Mechanism – Leveraged diverse channels, combining litigation and mediation, to resolve conflicts and increase the resolution rate of complex cases. • Combatted Illicit and Gray Financial Sectors and Activities – Intensified efforts to combat illicit and gray financial sectors and activities to protect consumer assets and personal information, safeguarding legitimate consumer rights and interests.
<p>Service Upgrade: Standardize service dialogue protocols and enhance operational efficiency</p>	<ul style="list-style-type: none"> • Service Dialogue Protocol Standardization – Focused on critical areas and key processes, established and refined systems, workflows, standards and service dialogue protocols to translate requirements and standards into effective business governance. • Practical Training – Promoted tangible and regular business training to comprehensively enhance the post-loan team's proficiency, communication management skills and risk response capabilities. • Process Service Control – Monitored overall service quality through a business quality inspection mechanism, combining penalties, remediation and governance to refine pre-, mid-, and post-service management.
<p>Innovative Experience: Provide innovative solutions to optimize customer service experience</p>	<ul style="list-style-type: none"> • Customer Service Hotline and Online Messaging Services – Enabled users to send images through online channels while on calls, facilitating more comprehensive and efficient communication. Also enabled users to leave messages outside working hours. • Proactive Chat Pop-ups – Designed pop-ups to proactively address customer inquiries, eliminating the need for customers to re-queue after interrupted conversations and enhancing the customer experience. By the end of 2023, we supported over 256,000 users.



Customer Center "Performance Improvement Workshop"



Sales Supervisor "Quick Debate"



Improving Customer Complaint Handling Efficiency

We strictly comply with the "Consumer Protection Law of the People's Republic of China," the "Personal Information Protection Law of the People's Republic of China," the "Self-Discipline Convention on Overdue Debt Post-Loan Management (Trial)," and other relevant laws and regulations in the countries we operate. We have developed the "Customer Service Management System" and the "Customer Complaint Management System," clearly setting forth our service terms, commitments, responsibilities, service standards, complaint management processes, governance processes and accountability systems. By instituting these processes and systems, we have cemented a solid institutional foundation to protect customer rights and interests.

We highly value communication and interaction with customers, actively fostering a smooth two-way communication mechanism to promptly respond to customer needs. We have set up a comprehensive feedback system, allowing customers to seek the Company's assistance and support through various channels, including the 95065 hotline and online customer service, as well as through platforms including our websites, our apps, and the Company's WeChat and Weibo accounts, forums and communities, and H5, along with email and SMS.

FinVolution 2023 Customer Complaint Handling Initiatives and Outcomes

Initiatives	Actions & Outcomes
Set up post-loan customer service hotline	In addition to the existing customer service hotline 95065 and complaint hotline (400-108-0190), we set up the Company's post-loan customer service hotline (400-084-7099), facilitating timely responses to post-loan-related issues, feedback and complaints.
Launch customer service lounge on official website	We launched a customer service lounge on the homepage of the Company's official website for online interaction, efficiently addressing customer requests.
Add consumer protection customer complaint service position	We added a consumer protection customer complaint service position to handle high-priority customer complaints and requests raised by customers with complicated issues, ensuring timely, fair and reasonable resolutions. We handled significant and complex customer complaint cases through dedicated personnel and tailored strategies, ensuring a closed loop, and that each case is traceable and auditable.
Increase the frequency of complaint response review	We increased the frequency of our customer complaint response review from once a week to three times a week. We also enhanced the frequency of our implementation follow-up from bi-weekly to weekly, boosting the efficiency of our complaint response process.
Enhance irregular risk reporting mechanism	We optimized our complaint handling processes, reinforcing irregular risk reporting mechanisms and notably reducing the complaint processing timeframe from T+3 to T+2.5 days.

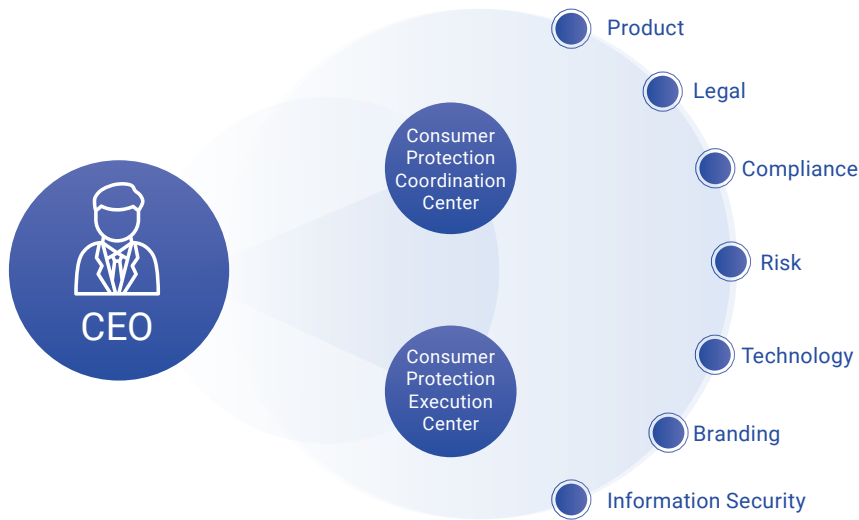
In 2023, our Customer Service Department refined the categorization of channels and types of customer complaints, setting annual goals and strategies for reducing complaints. Through effective enhancements by the high-risk complaint team, the Company's primary and secondary customer complaint rates declined, resulting in a 20% reduction in the number of complaints compared with 2022. By the end of 2023, the average online connection rate of our customer service reached 95.0%, with our first-engagement resolution rate reaching 74.6%, and our customer satisfaction reached as high as 98.9%.



Prioritizing Consumer Protection

We remain firmly committed to the philosophy of providing users with responsible services in good faith. 2023 marked the most significant milestone in our consumer protection initiatives. On May 15th, 2023, we officially established the Company's Consumer Protection Committee to oversee the comprehensive protection of consumer rights and interests across all business segments. We also integrated consumer protection into the Company's ESG agenda and overall strategic advancement. Chaired by the CEO, the Consumer Protection Committee comprises the executive task force and the work coordination group. As we incorporate consumer protection into our diverse business processes, the Consumer Protection Committee effectively harnesses resources from all business segments, including products, legal affairs, compliance, risk management, technology, customer service, etc. In addition, we have fostered a consumer protection framework centered on the rights and interests of our users. Our consumer protection framework focuses on five pillars, diligently advancing consumer protection on all fronts: system development, technological empowerment, product and service enhancement, public welfare and charity advocacy, and industry collaboration.

FinVolution Consumer Protection Committee Organizational Structure



In 2023, we released the Company's "2023 Consumer Protection Annual Report," highlighting our thorough customer management services for a total of 500,000 users throughout the year. We partnered with local mediation centers to offer bespoke negotiation services for over 3,000 users on repayment issues, achieving a negotiation success rate of 73.19%.



"Consumer Protection Hub" Launched in the PPDai APP

In November 2023, FinVolution's PPDai APP rolled out an all-new "Consumer Protection Hub," featuring practical functionalities, including one-click complaint & reporting, real-time exposure of fraud information, case study cartoons and consumer protection knowledge sharing. The Consumer Protection Hub serves as a comprehensive safeguard for consumer rights and interests, garnering views and engagement from 67,000 users since its launch.





Responsible Marketing and Advertising

We advocate for responsible marketing. Through the formulation of the Company's "Rules for the Implementation of Business Regulations," and by conducting regular spot checks on our employees' implementation thereof, we endeavor to prevent the posting of misleading advertisements on the Company's marketing platforms (including the official website, the Company's app, our official WeChat account and more). In terms of credit facilities, terms, interest and fees, detailed statements are required to ensure that our customers fully understand the features of relevant loans. During the reporting period, the Company did not incur any penalties from regulatory authorities for violating laws, regulations, or elective compliance standards related to the marketing, advertising, information or labeling of products and services.

FinVolution's Marketing and Advertising Review Process



AI Marketing: Elevating Marketing Prowess with Self-Developed Robots

In 2023, we systematically refined our marketing by integrating our self-developed robots, significantly boosting the quality of our marketing services. Our in-house AI-powered marketing robot gauges user receptivity to avoid disturbing uninterested or rejecting users, reducing ineffective outreach by over 30%. Additionally, our proprietary robot performs AI-driven quality checks on all marketing conversations handled by our team, ensuring the high quality of our marketing services, including assurances such as no exaggeration of marketing benefits on fee rates and credit limits, and that services are consistently delivered in a standardized manner.

5.2 Information Security Enhancement

Comprehensive Information Security Management System

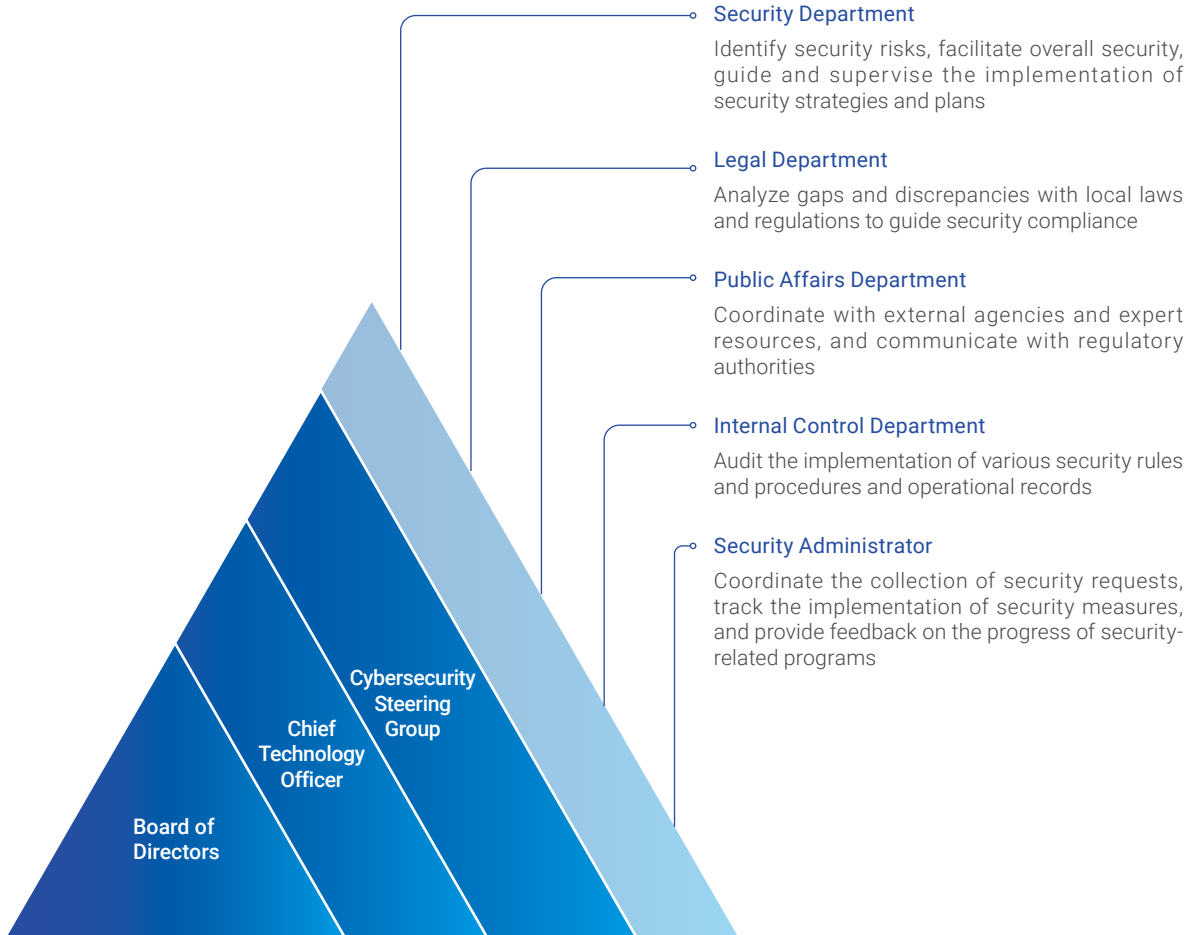
Information security is the lifeline of fintech companies. The Company integrates information security and privacy protection into its long-term governance framework, strictly complying with the "Personal Information Protection Law of the People's Republic of China," the "Network Security Law of the People's Republic of China," the "Data Security Law of the People's Republic of China," the "Measures for the Administration of Generative Artificial Intelligence Services (Exposure Draft)" and such other laws, regulations and regulatory documents. We conduct rigorous classification, grading, management and control of information and data.

We have established a three-level information security governance structure, i.e., "Board of Directors - Chief Technology Officer - Cybersecurity Steering Group." Through policy enhancements, management consolidation, technological innovation and training reinforcement, we have consistently cemented information security on multiple fronts. The Company's Cybersecurity Steering Group operates by way of cross-departmental collaboration, with the Information Security Department, the Legal Department and the Internal Control Department actively involved to ensure day-to-day information security, providing our users and partners with services boasting better quality, higher efficiency and heightened security.





FinVolution Information Security Governance Framework



We enforce stringent information security protocols, including rigorous data encryption and tiered management of employee access. In 2023, we established a Privacy Information Management System to ensure compliance with relevant laws and regulations while handling personal data, effectively protecting the privacy and security of user data. Additionally, we implemented a Personal Information Management System (PIMS), enhancing our privacy information management strategies, personal information protection management approaches and other institutional documents. We also updated over 20 documents under the ISO27001 Information Security Management System from a privacy protection perspective. During the reporting period, there were no breaches of any information security laws and regulations on the part of the Company.

Honors and Achievements

-  Certified by ISO 27701 Privacy Information Management System
-  Level 3 registration in cybersecurity protection
-  Selected into Shanghai's first batch of trade secret protection innovation pilot programs
-  Trade secret protection program featured in the Pudong Trade Secret Protection Guide
-  Engaged in the "Pan Shi Action", a cybersecurity practical drill organized by the Shanghai Communications Administration and received recognition as an Outstanding Support Entity







Safeguarding Information Security through Combined Actions

FinVolution has developed a comprehensive data security ecosystem encompassing risk prevention and control, hazard identification and elimination, and incident response, among others. The Company has independently developed several proprietary advanced security product offerings, including the Titan Agile Security Platform, the Tianqi Threat Response Center and the Quidditch Privacy Computing Platform. These innovative initiatives have allowed us to foster a multi-dimensional, multi-layered security framework.

FinVolution 2023 Information Security and Privacy Protection Measures and Achievements

Initiatives	Actions and Outcomes
Develop and Launch Proprietary "Fafa Data Sharing" Platform	In 2023, we developed in-house and launched the "Fafa Data Sharing Platform" for internal employees and external business partners. This platform offers secure and controllable file-sharing features, ensuring the safety and privacy of shared files.
Upgrade Sensitive Data Control System	We piloted security control measures based on data classification and grading, enhancing internal data governance. By analyzing employee behavior when handling sensitive data and utilizing machine learning for irregularity detection, we further standardized our team's data-handling practices.
Enhance Anti-Fraud Technology Matrix	In 2023, we upgraded our anti-fraud risk control matrix. Utilizing technological enhancements, the system intervened in over 4,000 suspected fraudulent activities daily, blocked more than 30,000 fraud attempts, and helped users and institutions avoid losses amounting to nearly RMB550 million. The platform's anti-fraud alerts covered 17.23 million users.
Refine Identification Mechanism of Illicit and Gray Sectors and Activities	We established an "intelligence-driven + human-supported" identification mechanism for illicit and gray sectors, and activities to track and mitigate potential risks, protecting users from damages. In 2023, this mechanism successfully identified and marked over 20,000 customers conducting suspected illicit and gray sector activities, reported hundreds of voiceprint data items of illicit and gray sector activities to the industry's big data systems, and sent nearly 4,000 risk alert messages to relevant customers.
Conduct Security Training and Drills	We conducted internal information security training and drills to continuously enhance employee security awareness. In 2023, themed training sessions were held on data classification and grading, data security and personal privacy protection, app compliance, and cybersecurity awareness week, among others, along with six cybersecurity practical drills designed specifically for our business and R&D departments.

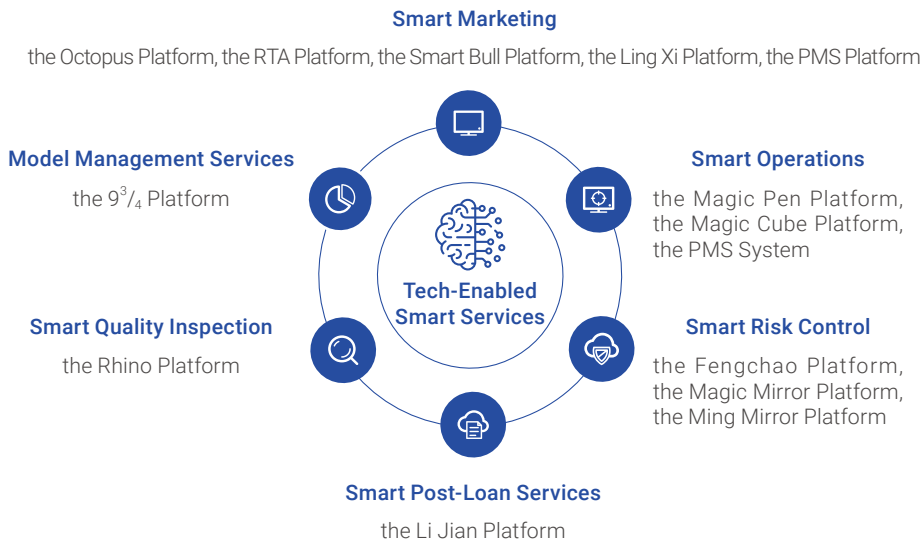


5.3 Incentivizing Fintech Innovation

Boosting Product Innovation

FinVolution has always believed that growth is fundamentally driven by technology. We consistently strengthen our technological capabilities, empowered by the Company's six key competitive advantages which include smart operations, smart risk control and model management services. We foster product innovation and leverage technologies to improve the efficiency of our financial services and deliver differentiated service offerings to our customers and partners.

FinVolution Tech-Enabled Smart Services



In 2023, we deepened our investment in research and development and launched a variety of smart products and technologies to diversify our product matrix. Through dynamic innovation, we have meaningfully enhanced user experience.

FinVolution Key Products and Technologies Launched in 2023



Privacy Computing Platform

We implemented container solutions to facilitate interoperability among algorithms from different vendors and developed anonymized query services based on Index PIR for privacy-sensitive information retrieval.



Anti-fraud Mini Program

Collaborated with the Zhangjiang Police Station in Shanghai Pudong area to create an anti-fraud mini program, supporting law enforcement in their anti-fraud campaigns.



Marine-Land-Cloud System

The Marine-Land-Cloud System covers the entire business service process for small and micro financial businesses, enhancing digital operating capabilities for small and micro businesses and their brick-and-mortar stores. Since its launch, the Marine-Land-Cloud System has supported a total of 500,000 users.



Improving Business Efficiency

Anchored in our digital legacy, we implemented AI algorithms across diverse scenarios including customer acquisition and marketing, risk control and anti-fraud, and customer service, significantly enhancing the efficiency of both service and business operations.

FinVolution 2023 Technological Application

Application	Outcome
Automated Content Generation Technology	This technology uses large-scale models to automate the generation of marketing content, reducing production costs by 60%, increasing weekly output by 30% and lowering customer acquisition costs for AI-generated content by 5% compared with manually created content.
AI Face-swap Attack Detection Technology	This technology introduces innovative algorithms like background template recognition algorithms and hand-held identification certificate verification algorithms, building cross-user and cross-data source correlations to effectively identify potential anomalies and achieve precise interception.
Multilingual Smart Voice Chatbot	We upgraded several AI core technologies, including multilingual speech recognition, natural language processing, real-time interactive dialogue management, and multi-tone voice generation. These enhancements enable effective emotion detection, user intent understanding and efficient customer query resolution, fostering human-machine collaboration. It currently supports five languages: Chinese, English, Spanish, Indonesian and Filipino, with over 90% accuracy in speech recognition and effective engagement intent recognition.
Code Assistance System	The AI code assistance system has achieved phased milestones in improving R&D efficiency, reducing errors and enhancing code quality, with an overall accuracy of AI-generated code exceeding 20%. It has generated over 400,000 lines of code for more than 100 projects.



Smart Annual Report System: Making Government Affairs Smarter

In the Pudong New Area, the large number and wide distribution of companies present significant challenges, with manual reminders requiring substantial manpower and yielding suboptimal results. In response, FinVolution developed the "Corporate Annual Report Smart Management System," incorporating AI, voice chatbots, text-based customer service robots and other cutting-edge technologies. This system supports the Shanghai Pudong New Area Administration for Market Regulation with smart annual report reminders, streamlining and enhancing the efficiency of annual report submissions.

From April to June 2023, the smart annual report system conducted automated outreach to nearly 150,000 business contacts in the jurisdiction. It effectively communicated key points of annual reports and other information, and provided professional, actionable guidance to support companies in completing annual report submissions on time. Additionally, the system implemented a targeted management approach for companies operating in key industries and high-credit-risk market entities, offering them special monitoring and reminders, ensuring a 100% annual report submission rate among key businesses.

Enhancing Incentive Mechanisms

To attract and retain top research and development talent and effectively harness their potential, the Company has implemented a comprehensive tiered system for R&D innovation projects. This initiative aims to cultivate our employees' scientific and innovative capabilities. We have also established a clear reward mechanism for employees who achieve outstanding results in R&D innovation, leveraging incentives to foster a culture of innovation and enthusiasm among our staff.

FinVolution Incentive Type and Mechanism

Incentive Type	Mechanism
Patent Incentive	The primary inventor receives an incentive upon patent approval.
Paper Incentive	Incentives are given to the first author, corresponding author, or main contributor for publishing papers in top-tier AI academic journals or conferences. Recipients are also recognized through a Company-wide email announcement.
Performance Incentive	Achievements in research activities, such as patents, papers, or awards, are considered, at the Company's discretion, during the relevant period's performance evaluation.



FinVolution 2023 Major R&D Achievements



Image Cognition Algorithm R&D

- We launched DGraph V2 and published 5 papers in top-tier conferences in 2023. Additionally, 3 patents have been accepted by the China National Intellectual Property Administration. FinVolution was also included in the ranks of national standard-setting entities.



GenSouls Digital Human

- This project's content generation and distribution capabilities further enhanced our precision-driven customer acquisition for inclusive financial services.

Collaborative R&D Projects



- In 2023, the Zhejiang University-FinVolution Artificial Intelligence Joint R&D Center initiated an array of collaborative projects, including the "research on large-scale models for graph data," "text-to-speech (TTS) synthesis technology and training of large-scale TTS models and the research on relevant key technologies," and the "research on key technologies for short video generation and editing based on large-scale models."
- In 2023, Shanghai Jiao Tong University and FinVolution jointly applied for and received support for an AI technology special project under the "Technology Innovation Action Plan" of the Science and Technology Commission of Shanghai Municipality. The project, entitled "Distributed Adaptive Generalizable Graph Neural Networks and Their Applications in Graph Theory Problem Solving," completed its proposal defense and has initiated its research phase.
- We published 8 papers in Class A AI conferences recommended by the China Computer Federation (CCF), including 1 outstanding paper and 1 top-tier paper.

Honors and Achievements



"G-ASR: High-Performance Offline Streaming Multilingual Speech Recognition System" ranked among the global top 50 in the startup group and won the Global Gold Award in the financial algorithm area



Financial Customer Service "Generative Large-Scale Model Algorithm for Digital Human Customer Service" ranked among the global top 50 in the startup group



Recognized as "Shanghai Workers' Pioneer"



Received three awards at the Yangtze River Delta Fintech Innovation and Application Global Competition



First Prize in the 2023 Shanghai Urban Digital Transformation "Smart Craftsman"





People-Centric Talent Development, A Dynamic Workplace

Material issues in this Section

Employee interests and benefits, employee training and talent development, occupational health and safety

Contribution to UN SDGs in this Section



6.1 Safeguarding Employee Rights and Interests

Recruitment and Hiring

FinVolution values and respects diversity, encouraging an inclusive work environment free from discrimination based on gender, age, region, religion, or any other characteristic. We are committed to ensuring that these factors do not hinder an employee's advancement within the Company. We welcome candidates from all backgrounds and actively promote job opportunities through diverse recruitment channels, including online platforms, campus recruitment, in-person job fairs, internal referrals and partnerships with recruitment agencies, ensuring an accurate alignment of recruitment resources with extensive information distribution channels. Our recruitment process adheres to principles of fairness, justice and transparency, focusing on candidates' professional skills and technical expertise. All applicants who meet the job requirements are given equal opportunities for interview.

As of the end of 2023, our workforce, comprising full-time, part-time and other employment forms, included 43.9% female employees, 22.5% international employees and 3.7% employees from minority ethnic groups.

We advocate for workplace inclusivity, offering equal development opportunities to the handicapped. We provide employment opportunities and corresponding benefits to the handicapped, provided that these arrangements align with our business needs. Additionally, we promote fair employment by supporting senior workers, offering flexible work arrangements, hours and compensation considering their physical condition, cultural literacy and skill strengths. This approach helps maintain a manageable workload and fosters a sustainable working environment for elder employees.

During the reporting period, the Company was not subject to any penalties by regulators for violations of labor laws and regulations concerning employee recruitment and termination practices.

Honors and Achievements

- 2023 Shanghai Extraordinary Employer
- 2023 NFUTURE Favorite Employer for College Students
- 2023 Rising Star TOP Employer
- 2023 Employer Certified Most Loved Employer Award
- Best Employer Brand for High-Tech Companies



Protecting Basic Rights, Interests and Benefits

We strictly comply with the "United Nations Guiding Principles on Business and Human Rights," the "Universal Declaration of Human Rights" and the International Labour Organization's "Declaration on Fundamental Principles and Rights at Work." Additionally, we remain in strict compliance with the laws and regulations of the jurisdictions where we operate, including the "Labor Law of the People's Republic of China" and the "Labor Contract Law of the People's Republic of China," diligently safeguarding our employees' legitimate rights and interests. During the reporting period, FinVolution did not receive any penalties from relevant authorities for violations related to employee working hours, holidays, or other laws and regulations related to labor management, and there were no incidents of child labor or forced labor.

Employee Rights, Interests and Benefits Overview

<p>Employee Remuneration</p>	<p>Remuneration: We implement attractive compensation and incentive schemes to ensure equal pay for equal work. Annually, we review our salary structure, assess the relationship between compensation, performance and external dynamics, and make necessary adjustments. Eligible employees, directors and advisors are entitled to our employee stock option plan.</p> <p>Overtime Compensation: In the event of overtime work, we strictly adhere to local laws and regulations, ensuring proper compensation for our employees.</p>
<p>Leave and Attendance</p>	<p>Leave: We offer a variety of leave options, including weekends, public holidays, personal leave, sick leave, work injury leave, marriage leave, parental leave, breastfeeding leave, paternity leave, bereavement leave, annual leave and other statutory holidays, as per local regulations.</p> <p>Attendance: Employees can choose flexible working hours or remote work based on their positions.</p> <p>Remote Work: Depending on business arrangements and employee needs (late-stages of pregnancy), remote work can be arranged. In 2023, we expanded remote work scenarios to include adverse weather conditions.</p>
<p>Human Rights Protection</p>	<p>We strictly prohibit all forms of human rights violations, including discrimination, bullying, intimidation and sexual harassment. The employment of child labor, forced labor and coerced labor is strictly forbidden.</p>
<p>Collective Negotiation</p>	<p>Collective Contract: We entered into, in writing, the "Collective Contract," the "Special Collective Contract on the Protection of Certain Rights and Interests of Female Employees," and the "Special Collective Contract on Compensation," covering remuneration, working hours, rest and leave, workplace safety and hygiene, professional training, insurance and welfare benefits.</p> <p>Freedom of Association: We support employees' rights to freely associate and actively engage in consultations with unions and employee representative groups.</p>



Employee Communication

Communication Channels: Employees can communicate through email, phone, mailboxes, etc.

Engagement Activities: We conduct an annual engagement survey and special benefit survey, as well as diverse employee consultation communication programs from time to time, such as employee face-to-face sessions with our CEO and director-level strategy meetings.

Communication Outcome: In 2023, our employee engagement index was 77.2, 5.4 points higher than the internet industry's average.

Employee Benefits

Insurance: We provide full social insurance coverage for all employees as required by various jurisdictions where we operate. In 2023, we enhanced the insurance benefits for employees stationed overseas to include high-end medical coverage with increased coverage limits, direct payment options and additional Chinese-speaking customer service.

Activities: We offer recreational facilities and organize a wide array of cultural and sports activities to promote work-life balance.

Care Initiatives: We provide nursing rooms for female employees and offer support and care for sick employees and their immediate family members. In 2023, we introduced educational expense coverage for children accompanying employees on long-term overseas assignments.

We have established a trade union according to law, and 100% of the employees of our subsidiaries that already have a trade union in place are entitled to membership in this trade union. The union operates in an orderly manner per the "Shanghai PPDai Trade Union Framework," the "Financial Management Rules," the "Operational Standards on Events and Activities" and other relevant rules. In May 2023, we convened the Company's second Union Member Representative Assembly, electing a union president, union committee members and finance review committee members for a new term. Our trade union organized diverse activities for employees, including relevant initiatives during the Lantern Festival, International Women's Day, Dragon Boat Festival and Mid-Autumn Festival, along with sports events like basketball games and a badminton tournament.



Mid-Autumn Festival Activities



Badminton Tournament



Basketball Games

Additionally, to enhance our day-to-day employee care, we have formulated the "Management Rules on Trade Union General Welfare" to expressly strengthen care and welfare benefits for our employees and their immediate family members who are sick.



6.2 Empowering Employee Development

Training and Talent Development

The Company's growth is intrinsically tied to the ongoing development of our employees. To help employees deepen their professional knowledge and skills, we have established a comprehensive training system for all levels of employees. This system balances the development of both general abilities and professional expertise, integrating internal training with external learning, and combining online and offline channels. We have implemented a robust employee training system and designated a dedicated annual budget to support the ongoing learning and development of our staff. Within this training framework, employees can participate in programs through registration at their discretion or internal recommendations.

FinVolution Employee Training System

New Employee Training	Onboarding programs and fresh graduate training initiatives
Professional Training	Professional Institute: Business Analysis University, Technology Institute, Product Institute, Big Data Institute
	Specialized Business Development Programs: In-house instructor development, customer center training, business training on offline consumer scenarios, international business training
Leadership Training	Leadership Programs: Leadership development programs for middle and junior managers

FinVolution Career Development Training Initiatives

Senior Executives

Tailor training for the senior executive team, focusing on domains like industry research, financial policies, economic dynamics, corporate strategy and organizational mechanisms

Middle and Junior Managers

Develop leadership programs and training assessment standards based on diverse levels of management scenarios for middle and junior managers, enhancing the professional competencies of our management personnel

Young Talent

Implement "Professional Skills Development Plans" and "Long-term Development Plans" to train and select key young talent, fostering multi-disciplinary expertise across finance, product development, IT, big data and AI, diversifying the expertise and roles of young talent

Entry-Level Employees

Pair entry-level employees with experienced mentors through various professional skills development plans and specialized training programs, equipping them with know-how and skills in sales techniques, operational standards, customer service, etc.

Localization Talent

Intensively train localization employees to enhance their management and professional skills, offering more promotion opportunities and integrating them into FinVolution's global talent development system to elevate their sense of belonging and cultural alignment



FinVolution's Global Expansion - Collaborative Projects on Specialized Business Integration

With the continued growth of our international business, in 2023, we launched collaborative training projects aimed at fostering global talent.

English Training Camp
(Indonesia and the Philippines, 21 participants)

Harness high-quality online learning platforms and specialized offline courses to facilitate international communication

Puncak Jaya Study Group
(Core team at our Indonesia headquarters, 26 participants)

Advance beyond functional silos, research new business models, clarify the business value chain and enhance the team's comprehensive capabilities

Review Workshop
(Core team at our Philippine headquarters, 25 participants)

Analyze previous projects, conduct case studies and discuss project takeaways, accumulating valuable experience for the consistent exploration of new businesses overseas



FinVolution In-house Instructor System Enhancement Project

We have enabled over 1,000 in-house instructors, supporting four key professional development modules (Business Analysis, Technology, Big Data and Product), specialized business training, new hire training (experienced professional hiring and campus recruitment), internal public courses and topic-specific coaching as part of our regular training programs. In 2023, we comprehensively upgraded the FinVolution instructor system. The enhanced framework focuses on three areas: fundamental qualities, professional expertise and teaching skills. We have established a tiered honor system for instructors (gold, silver and bronze) and implemented incentive programs based on instructor levels. Additionally, we have launched an Instructor Skill Enhancement Camp (20 participants), combining external training opportunities with our internal sharing platform to consistently empower our talented team of instructors.



FinVolution Instructor Skill Enhancement Camp



The 2023 "Faith & Empower Training Camp" for Graduate New Hires

We place high priority on the development and growth of campus recruits. We launched the 2023 "Faith & Empower Training Camp," a tailored program for graduate new hires. This program enhances fresh graduates' skills in problem analysis and resolution, reporting and presentation, team collaboration, project management, etc. Through diverse forms of training on multiple fronts, including face-to-face sessions with senior executives, mock career transition, practical drills and group project research, among others. This initiative continuously supports the rapid integration and growth of our new employees.



FinVolution Faith & Empower Training for Graduate New Hires

2023 Training Highlights



100%
employee training coverage



161,443
hours of total training



41.6 hours
Approximate average training hours per employee

Promotion and Appraisal

Supporting employee career development is the heart of the Company's human capital management strategy. To facilitate our employees' career advancement, we have established a fair and equitable promotion mechanism, offering diverse career development paths through the PM (Professional/Management) and O (Operating) tracks. This initiative aims to broaden development opportunities and support employees' personal and professional growth.

FinVolution Employee Career Advancement Paths

Lateral Advancement Path

Provide job rotation opportunities based on individual career plans, interests and strengths



Vertical Advancement Path

Offer internal promotion opportunities for high-performing and exceptionally talented employees





In terms of performance management, we have established a Closed-Loop Performance Management System. Depending on the nature of their roles, employees are subject to annual, semi-annual, quarterly, or monthly appraisals. Our performance appraisals focus on key performance indicators (KPIs) and overall competencies, shaping variable compensation, salary revisions and promotional decisions. Through our performance communication and feedback mechanism, we provide employees with performance appraisal insights and guidance for improvement. In 2023, 100% of our employees were subject to the Company's regular performance appraisal and career advancement assessments.

FinVolution Employee Incentives

Financial Incentives

- Short-term incentives include monthly/quarterly/annual bonuses (based on employee role)
- Long-term incentives include employee stock option plan (ESOP)

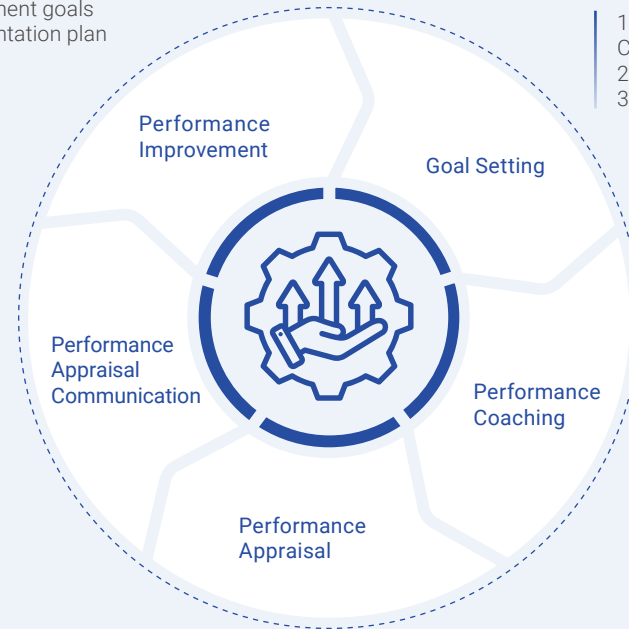
Non-financial Incentives

- Recognition, career advancement, training opportunities, honors, awards and more

FinVolution Closed-Loop Performance Management System

1. Improvement goals
2. Development goals
3. Implementation plan

1. Goal setting must align with the Company's strategy
2. Performance goals
3. The SMART principle



1. Reach consensus
2. Determine the direction of improvement
3. The GROW model

1. Guidance
2. Sustainability
3. Feedback and adjustment

1. Performance appraisal
2. The principle of "appraisal by direct manager"



6.3 Occupational Health and Safety

We are committed to maintaining a secure workplace. We conduct regular maintenance inspections to provide a safe, clean and healthy work environment for all employees. We strictly comply with the "Law of the People's Republic of China on Prevention and Control of Occupational Diseases," the "Provisions on the Supervision and Administration of Occupational Health at Work Sites," the "Regulation on Work-Related Injury Insurance," and other applicable laws and regulations governing our overseas operations, establishing comprehensive labor management mechanisms and standards. We have formulated the Company's "Special Emergency Plan for Fire Accidents" and the "Comprehensive Emergency Plan for Production Safety Accidents," setting forth the roles of rescue personnel, equipment, alarm systems and response procedures. We regularly conduct workplace safety drills to familiarize our employees with the building's fire escape routes and the operation of fire extinguishers, ensuring effective response to workplace safety emergencies. Our offices are equipped with first aid kits and we routinely organize training sessions to enhance employees' safety knowledge, awareness and skills.

In addition, we have launched the Wellbeing Oasis initiative as part of our Employee Assistance Program (EAP) to support employee mental health. This initiative addresses work-related stress, interpersonal relationships, parenting, and marital and emotional well-being through various mental health lectures. Through face-to-face psychological counseling, mental health assessments, a 24/7 counseling hotline and offline salon sessions, we offer professional mental health support to our employees. In 2023, we conducted an array of offline courses, including "Learning Mindfulness: Listening to the Voice of the Heart," our Customer Center's 525-themed course "Skr! Empowering Customer Complaint Handling with Emotional Intelligence," and "Professional Mindset and Emotional Management," a special program for fresh graduates.

To advance our employees' health awareness and foster an informed, active, health-conscious work culture, we organize health check-ups and comprehensive wellness programs curated for our employees' needs, actively promoting a balanced and healthy lifestyle. Each quarter, we conduct seasonal health assessments and issue guidance, with reports promptly synchronized to a mobile app. Additionally, we arrange for online consultations with licensed professionals to provide one-on-one report interpretations.

Enhanced Employee Health Check-Up Program in 2023



Expanded the range of medical institutions to include high-end private facilities and VIP services.



Introduced greater flexibility in check-up packages, allowing employees to customize their screenings based on personal needs, such as choosing one out of three imaging options (chest, lumbar spine, or cervical spine).

In 2023, there were seven workplace injuries among our employees, primarily due to motor vehicle accidents during commutes. We achieved a 100% completion rate in injury determination and compensation claims. Additionally, we have intensified our promotion of injury prevention to enhance our employees' safety awareness.





Fostering Collaboration for Industry-Wide Success

Material issues in this Section

Rural vitalization campaign, charity and volunteering, supplier management, industry collaboration and development

Contribution to UN SDGs in this Section



7.1 Advancing Rural Vitalization

We consistently prioritize social benefits, champion rural vitalization and common prosperity, and are committed to the sustainable growth of both our industry and society. Tailored to our specific context, we have established the Company's community relations management standards in alignment with the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the UN Declaration on the Rights of Indigenous Peoples, the UN Global Compact (UNGC), and other rules and guidance. In doing so, we ensure the Company's coordinated development with local communities.

We actively implement our rural vitalization strategy, thereby consolidating and expanding our achievements in poverty alleviation and advancing the effective execution of rural vitalization initiatives. Following relevant policies and procedures, we work closely with local communities to drive infrastructure development and improvements, elevating quality of life and living conditions for rural populations.

FinVolution 2023 Key Projects to Advance Rural Vitalization



Offering education assistance

We donated 20 computers to Changcheng Primary School in Dingbian County, Shaanxi Province, to enhance the school's information technology infrastructure.



Empowering infrastructure development

We donated 350 new energy streetlamps to the city of Huili in Liangshan Yi Autonomous Prefecture, Sichuan Province, helping improve local transportation and infrastructure.



Advancing Rural Development: FinVolution's Sixth Visit to the Daliang Mountains

In August 2023, FinVolution made its sixth visit to the Daliang Mountains to inspect and evaluate local education support and village lighting projects. A special opening ceremony was held for the children of the FinVolution Charity Kindergarten, providing them with essential school supplies, sports equipment and daily necessities for the new semester, encouraging them to lead disciplined lives and pursue their studies with dedication.

Additionally, we visited the city of Huili in Liangshan Prefecture to discuss education support, village lighting projects and local agricultural product sales support initiatives with the Huili City Government and the Liangshan Rural Vitalization Bureau. As part of this effort, FinVolution donated 350 new energy streetlamps to Huili, aiming to improve local traffic and infrastructure, making night time travel safer and more convenient for the villagers.



Daliang Mountains Streetlamp Donation Ceremony



Daliang Mountains FinVolution Charity Kindergarten Opening Ceremony



Charitable Agricultural Support: FinVolution Partners with China National Weightlifting Team on Charitable Agricultural Support Livestreaming Event

On August 6, 2023, in collaboration with the China National Weightlifting Team, we hosted our first livestreaming charity event to assist farmers in marketing their produce. The event, titled "Support You! China Strength," featured Olympic champions from the China National Weightlifting Team presenting awards for high-quality agricultural products from their hometowns. This innovative award presentation highlighted new avenues for supporting charitable agricultural initiatives.

The livestreaming session attracted 2.6 million views, garnering a total of 2.5 million likes and facilitating 2,382 sales orders for six farmers. Additionally, 409 FinVolution employees tuned into the livestreaming, demonstrating our employees' high level of involvement in and dedication to social responsibility.



Charitable Agricultural Support Livestreaming Event



7.2 Supporting Public Welfare Charities

We are committed to public welfare charities, adhering to laws and regulations including the "Charity Law of the People's Republic of China" and the "Donation Law of the People's Republic of China." We deem public welfare an effective means to give back to society. Leveraging our deep-rooted competitive edge, we support the development of technology, education, culture, sports and healthcare through a wide array of initiatives. Additionally, we encourage our employees to embrace volunteerism and actively engage in a broad spectrum of volunteer activities.

In 2023, the Company invested RMB4.0 million in community public welfare and launched 33 volunteer initiatives with 231 participants, contributing a total of 3,686 hours of service.

Public Welfare Advocacy: Enhancing Financial Literacy among Inclusive Populations through Public Welfare Education

Public Welfare Advocacy Initiatives	2023 Actions & Achievements
Regular Public Welfare Consumer Protection Lectures	We launched "PPDai Consumer Protection Lectures" and "PPDai Consumer Protection Classes," featuring industry experts and lawyers to educate users on basic consumer protection knowledge. During the reporting period, we released 21 consumer protection educational videos across 17 distribution channels, reaching over 1 million users under this initiative.
Contribute to XINHUANET Consumer Protection Special Page	FinVolution's Consumer Protection Committee became a contributor to XINHUANET, launching an independent consumer protection special page to educate the public with informative sections like consumer protection dynamics, lectures, hot topic interpretations, etc.
Launch "Credit Record Care Month"	Mirroring the People's Bank of China's "6-14 Credit Record Care Day," in June 2023, FinVolution launched its "Credit Record Care Month," intensifying public awareness campaigns on credit knowledge across diverse online channels and offline venues in the city of Fuzhou. This initiative aimed to enhance credit awareness among new urban residents and benefited a total of 1.39 million people.
Anti-Fraud Educational Campaign	During the National Cybersecurity Awareness Week from September 11 to 17, 2023, we launched the "Say No to Fraud" campaign under the guidance of the Cyberspace Administration of Pudong New Area. The initiative allowed us to engage with "the elderly and the new" (i.e. senior citizens and those employed in new business models and emerging industries) across various communities in Shanghai. It also empowered individuals in the Pudong New Area with enhanced cybersecurity awareness through knowledge sharing and legal consulting services.



"PPDai Consumer Protection Lectures"



XINHUANET Consumer Protection Special Page



Anti-Fraud Educational Campaign



Public Welfare Project: Leading with Responsibility to Jointly Create Value for Society

In June 2023, we established an ESG fund to advance public welfare projects and activities. Our public welfare micro foundation managed by the Company's Team Knight is part of this ESG initiative. At the beginning of each year, Team Knight applies for funding from the ESG fund to support our proposed public welfare projects.

The "Celebrating Small Shops" Public Welfare Assistance Program

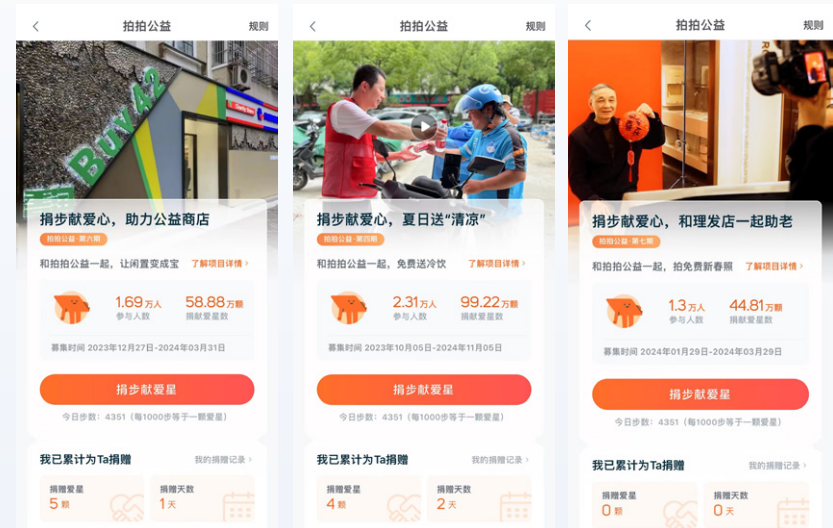
On November 27, 2023, in collaboration with Southern Weekly, we launched the "Celebrating Small Shops" special public welfare assistance program. This initiative aims to provide tailored support to at least 50 small and micro businesses with public welfare engagements or cultural advocacy roles, or those actively undertaking social responsibilities across China in 2024. The support includes financial aid, promotions, store renovations and upgrades, and qualification application support. By the end of March 2024, 16 small shops nationwide had joined the public welfare assistance program, and seven shops were up and running.



"Celebrating Small Shops" Public Welfare Assistance Program

"Donating Steps to Love" Charity Activities

On February 19, 2021, the PPDAl platform launched the "Donating Steps to Love" campaign for all registered users, encouraging them to practice a low-carbon lifestyle. The donated steps are converted into support for public welfare projects, including Liangshan charity activities and the "Celebrating Small Shops" public welfare assistance program. By the end of 2023, 410,000 users had participated in this campaign, donating a total of 18.8 billion steps, including 760 million steps specifically for small shops, advancing both charity and green low-carbon initiatives.



A Series of "Donating Steps to Love" Charity Activities



Tribute to Frontline Workers: "Beat the Heat" Summer Campaign

On August 7, 2023, we conducted a week-long "Beat the Heat" summer campaign in Shanghai, Changsha, Zhengzhou, Hefei and other cities, providing refreshments to frontline workers laboring in high temperatures. This initiative reflects the Company's sustainable development strategy of "technology, green principles and kindness." The charity fridges attracted participation from compassionate individuals across diverse walks of life, including those working in industrial parks and grassroots public institutions as well as community workers, extending kindness to those in need.

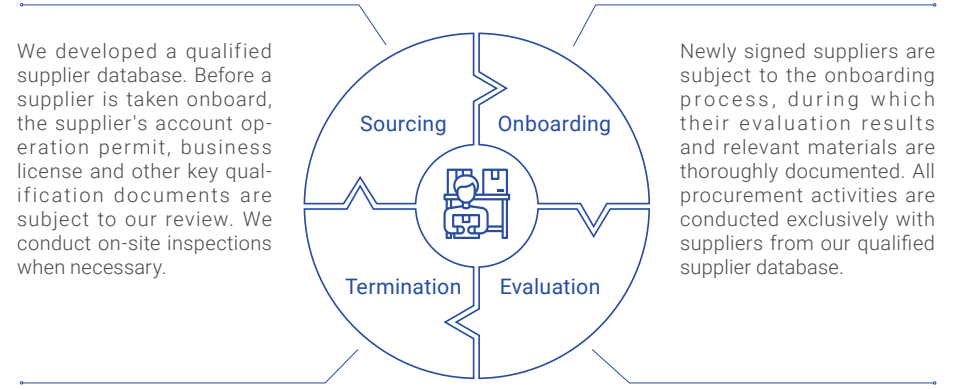


FinVolution "Beat the Heat" Charity Refrigerator

7.3 Enhancing Supply Chain Resilience

Our suppliers mainly engage in data analytics and management, IT operations, advertising traffic management and other such sectors. To remain strictly in compliance with the "Bidding Law of the People's Republic of China" and other laws and regulations related to procurement, we have formulated internal rules including the "Procurement Management System." Based on this system, we have also formulated detailed implementation guidelines for six key procurement categories, including administration, human resources and data procurement, building a centralized supplier management system for full lifecycle management that covers supplier sourcing, onboarding, evaluation and termination.

FinVolution Full Lifecycle Supplier Management System



We developed a qualified supplier database. Before a supplier is taken onboard, the supplier's account operation permit, business license and other key qualification documents are subject to our review. We conduct on-site inspections when necessary.

Newly signed suppliers are subject to the onboarding process, during which their evaluation results and relevant materials are thoroughly documented. All procurement activities are conducted exclusively with suppliers from our qualified supplier database.

Suppliers failing to meet our ethical and compliance standards during regular inspections are blacklisted and promptly terminated.

We evaluate supplier compliance through annual reviews and occasional on-site inspections. Supplier performance is evaluated based on production and quality standards. Additionally, we rate suppliers based on our evaluation results and key performance indicators, including business-related risks, prohibition of child labor and forced labor, and the provision of acceptable living conditions in employee housing facilities, etc.



We place a considerable emphasis on our suppliers' ESG management practices. Each year, we conduct annual reviews of suppliers, incorporating ESG performance as one of the evaluation criteria for supplier onboarding. In 2023, we further refined our supplier annual review system and initiatives, enhancing the "Supplier Annual Review Evaluation Form," which is used to generate annual review reports based on supplier performance scores. Additionally, we include social responsibility clauses in our contracts with suppliers, addressing ESG issues such as unfair competition and human rights. In 2023, we completed annual ESG performance reviews and reports for over 50 key suppliers.

ESG Evaluation Criteria in FinVolution's Supplier Annual Review



Self-assessment of carbon emissions



Carbon verification certificates



Emission reduction targets and plans



Specific emission reduction measures



Support for public welfare initiatives



On-site checks for child labor, initiatives for employing people with disabilities, etc.



Proprietary SRM Smart Vision Digital Procurement Platform

The SRM Smart Vision Digital Procurement Platform (referred to as the "SRM Platform") is a proprietary, comprehensive, efficient procurement management solution. It provides supplier onboarding management, contract management, annual review management, qualification and certification management, product management and quality control. Launched in 2023, the SRM Platform aims to enhance the digital management and expansion of our supplier base.



SRM Smart Vision Digital Procurement Platform



7.4 Industry Collaboration and Development

Alongside our consistent advancements in technological innovation and independent research and development, we have also established partnerships with diverse stakeholders. These include government entities, financial institutions and academia, strengthening academic exchanges and catalyzing industry growth to deliver high-quality fintech services to users worldwide. In 2023, we actively participated in a wide array of industry conferences and forums, sharing FinVolution's practical experiences in fostering financial innovation, enhancing financial risk management and promoting inclusive finance. We are dedicated to fostering the worldwide evolution of fintech.

FinVolution 2023 Initiatives and Outcomes in Advancing Industry Development

Initiative Type	Actions & Outcomes
<p>Knowledge Enhancement Collaboration: Engage in research on illicit and gray sector activities related to China's internet finance</p>	<ul style="list-style-type: none"> • Issued investigation and management research reports on illicit and gray sector activities, sharing insights and experiences on the identification, handling and governance of such matters. • Participated in discussions on developing risk prevention and control systems for illicit and gray sectors and activities, offering practical suggestions from first-hand experience. • Contributed to and filed shared information on illicit and gray sector activities, as required, including relevant types of illicit and gray sector activities previously encountered, rules for determination, typical cases and harmful online content. • Assisted in determining effective ways to defend relevant rights and facilitating the development of relevant regulatory frameworks based on practical experiences in handling illicit and gray sector activities.
<p>Security Collaboration: Participate in data security exchanges and experience sharing</p>	<ul style="list-style-type: none"> • Engaged in data security collaboration and experience sharing, increasing our commitment to fostering unified and standardized data security standards across the industry. In 2023, FinVolution participated in the development of China's first group standard for privacy computing password applications, titled "Basic Requirements for Privacy Computing Password Applications." This initiative provided comprehensive, standardized and holistic commercial password solutions for entities involved in the privacy computing business.
<p>Consumer Protection Collaboration: Lead the planning of financial consumer protection research</p>	<ul style="list-style-type: none"> • Collaborated with industry players and stakeholders operating in other industries to build a comprehensive consumer protection ecosystem. In 2023, we invited the Chinese National Weightlifting Team to serve as brand ambassadors for FinVolution's Consumer Protection Committee. This collaboration successfully reached 11.3 million people nationwide through public welfare campaigns. • Under the guidance of the National Internet Finance Association of China, FinVolution led the "Research on Financial Consumer Education and Consumer Protection in China." This research initiative explored the protection of consumer rights and interests from various angles, including theoretical bases, domestic and international legislative experiences and future trends, aiming to propel the systematic advancement, academic excellence and legislative development of China's consumer protection efforts.
<p>Governance Collaboration: Facilitate the development of a healthy industry ecosystem</p>	<ul style="list-style-type: none"> • Partnered with financial institutions in Shanghai, Fujian, Anhui and other regions which we operate to establish dynamic communication mechanisms with local anti-crime, criminal investigation and cybersecurity departments, assisting law enforcement in combating illicit and gray sector activities. • Joined the Shanghai Public Security Anti-Fraud Alliance: FinVolution became a member of the Shanghai Public Security Anti-Fraud Alliance, actively supporting the police in providing voice and SMS fraud prevention alerts for elderly individuals aged 60 and above. • In collaboration with the National Internet Finance Association of China, FinVolution launched the "steering clear of illicit and gray sectors and activities" educational campaign and proudly became one of its inaugural joint advocates.



Green Operations to Tackle Climate Change

Material issues in this Section

Climate change and china's "dual carbon" goals, resource utilization and circular economy, pollution prevention and ecosystem protection

Contribution to UN SDGs in this Section



8.1 Climate Change and China's "Dual Carbon" Goals

Tackling climate change is one of the most pressing global challenges of our time. We keep abreast of evolving global climate change trends and climate-related policy rollouts and diligently comply with disclosure frameworks and recommendations under the "IFRS S2 Climate-related Disclosures" (IFRS S2) of the International Sustainability Standards Board (ISSB) and the "Enhancement and Standardization of Climate-Related Disclosures for Investors" (Climate Disclosure Rules) of the U.S. Securities and Exchange Commission (SEC). We build and refine our climate change management system across four dimensions: governance, strategy, risk management, and metrics and targets. We have thoroughly integrated climate change mitigation and adaptation into our day-to-day management. Furthermore, we have established a top-down climate governance framework consisting of the Board of Directors, the ESG Committee and the ESG Working Group, ensuring our goals, policies and strategies concerning climate issues are effectively managed and implemented.

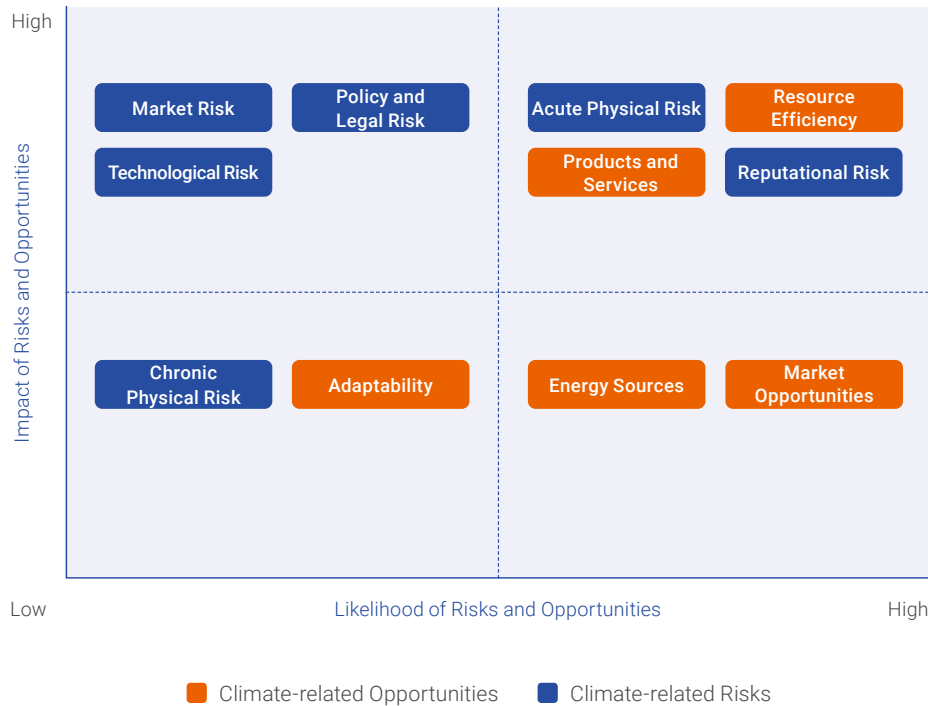
FinVolution Climate Change Management System

Governance	<ul style="list-style-type: none"> The Board of Directors supervises and manages climate change issues, integrating them as material issues within the Company's ESG management framework. Relevant departments and subsidiaries incorporate climate change management into daily operational priorities.
Strategy	<ul style="list-style-type: none"> Identify the risks and opportunities climate change presents to the Company's operations and financials. Integrate the evaluation results of climate-related risks and opportunities into future strategic planning and formulating relevant mitigation and adaptation strategies.
Risk Management	<ul style="list-style-type: none"> Apply the IFRS S2 framework to identify and analyze the risks and opportunities presented by climate change in our business operations, gradually incorporating these risks and opportunities into overall operational risk management. Relevant departments and subsidiaries engage in management initiatives focused on low-carbon operations, addressing climate change, natural disaster response, and supporting the development of clean energy.
Metrics and Targets	<ul style="list-style-type: none"> Implement China's dual-carbon strategy and set carbon neutrality targets: committed to achieving carbon neutrality throughout our operations (Scope 1 and 2) beginning from 2020; achieving peak carbon emissions by 2030; and achieving net-zero GHG emissions in our operations by 2060. Actively identify major sources of greenhouse gas emissions, regularly collect and disclose relevant emission data, and assess the performance of the Company's climate change management.



Driven by our commitment to sustainable business growth, we diligently assess the impact of climate change-related physical risks (such as extreme weather events like heatwaves and heavy rainfall) and transition risks (e.g. adverse reputational effect) throughout our operations. For change-related risks and opportunities with a high likelihood of occurrence or a significant potential impact, we assess their financial implications for the Company and implement appropriate climate change mitigation measures.

FinVolution Climate Risk and Opportunity Matrix







FinVolution Identification of Key Climate Change Risks and Opportunities and Relevant Potential Financial Impact

Identification of Key Climate Change Risks and Opportunities		Potential Financial Impact
Risks	Physical Risks The frequency and severity of extreme weather events such as typhoons, heavy rains, and floods caused by climate change have increased significantly. If the Company is affected by these extreme weather events, it may face power outages, flooding, and other issues leading to operational disruptions and economic losses.	Operational Costs ↗ Revenue ↘
	Transition Risks As a public company, our disclosed data on greenhouse gas emission reductions and mitigation measures are accessible to all customers and investors. If performance falls short of our customers' and investors' expectations, there could be a negative impact on the Company's reputation.	Revenue ↘
Opportunities	Resource Efficiency Improving the efficiency of resource usage, including energy and water, can help the Company reduce operational costs.	Operational Costs ↘
	Products and Services As favorable carbon neutrality policies come into effect, demand from domestic and international customers and consumers for low-carbon products and solutions is increasing. The Company's green and low-carbon product and service offerings can meet these emerging needs, unleashing new market opportunities.	Non-operational Costs ↘ Revenue ↗



FinVolution Low-Carbon Action Measures

 Carbon Footprint Verification and Carbon Accounting	<ul style="list-style-type: none"> Conduct annual carbon footprint verification. Engage third-party agencies to conduct carbon accounting.
 Solidify In-house Low-Carbon Initiatives	<ul style="list-style-type: none"> Form an in-house environmental alliance. Advocate for a low-carbon workplace and green mobility. Drive energy-saving and carbon-reducing transformations to create a green supply chain.
 Promote Green Finance	<ul style="list-style-type: none"> Advance green, low-carbon, innovative digital businesses. Empower financial institutions with technology that shapes the future of green finance.
 Enhance Carbon Inclusion Mechanism	<ul style="list-style-type: none"> Integrate carbon inclusion elements into business operations. Widely publicize carbon neutrality targets to encourage low-carbon behaviors among users.

We use greenhouse gas emission performance as a benchmark to track climate change management progress. By conducting greenhouse gas footprint verification and accounting, we have established a reliable data foundation. We consistently track emission performance and monitor our progress toward our targets as we steadily approach net-zero emissions across the entire value chain.

We conduct greenhouse gas footprint verification for Scope 1 and Scope 2 emissions per the ISO 14064-1:2018 principles and requirements and have obtained the relevant verification statement. Building on this progress, we are gradually extending the scope of greenhouse gas accounting to include emissions along our value chain (Scope 3), demonstrating our firm commitment to promoting low-carbon operations and advancing towards a net-zero society to all stakeholders and the wider community.



Third-party Carbon Accounting Statements

8.2 Resource Utilization and Circular Economy

Green Operations and Low-Carbon Workplace

To uphold the principles of green and sustainable development, we consider all environmental impacts created by our daily operations in our overall strategy and support the advancement of China's dual-carbon strategy. We continue to promote green, low-carbon business models and innovative digital businesses, empower financial institutions with science and technology, and promote green finance development.

Our resource consumption mainly includes electricity, water, and paper use in our workplace, as well as gas consumption by business cars. We strictly comply with the "Environmental Protection Law of the People's Republic of China," the "Water Law of the People's Republic of China," the "Energy Conservation Law of the People's Republic of China," and other local laws and regulations of the jurisdictions where we operate. We have established a comprehensive water and energy management framework.

We have launched an in-house environmental alliance to prioritize the scientific and efficient use of electricity and water as the core of our resource management. Furthermore, we have promoted the concept of low-carbon living in our workplace with a series of green marketing campaigns to inspire low-carbon initiatives throughout our workplace. We have implemented initiatives that include encouraging employees to engage in green activities in the workplace, advocating green mobility behavior, actively conserving energy, and implementing waste segregation to enhance our green governance. These initiatives have created a green workplace and instilled a daily commitment to low-carbon and eco-friendly behavior in our employees' mindsets.

During the reporting period, the Company was not subject to any penalties for any breach of environmental protection laws or regulations.





FinVolution Green Operations and Low-Carbon Workplace Initiatives and Outcomes

Initiatives	Actions	Outcomes
<p>Advancing Green Workplace</p>	<ul style="list-style-type: none"> • Environmental Awareness Campaign: We display environmental protection posters and energy-saving slogans in our office areas and place green plants to enhance staff awareness of environmental protection. • Paperless Workplace: We advocate for a paperless workplace and utilize electronic documents for information distribution. Our reimbursement and travel processes have been transitioned to entirely paperless. • Eco-friendly Supplies: We encourage employees to reduce the use of disposable items and promote the use of personal cups and utensils. We no longer offer bottled water for internal meetings. We promote the use of recycled paper for official documents, business cards, and printed materials. • Water Conservation Upgrades: All faucets in the Company's restrooms are equipped with sensor devices. We ensure regular maintenance of water equipment throughout our office spaces, conducting meticulous inspections to preempt any leaks. 	<p>We saved approximately 2,400 bottles of water from August to December 2023 compared to the same period of the previous year.</p>
<p>Promoting Green Mobility</p>	<ul style="list-style-type: none"> • Public Transit: We encourage employees to utilize public transportation. • Replacing ICE vehicles with NEVs: We require our suppliers to utilize electric vehicles instead of traditional fuel-powered vehicles for employee business cars. • Online Meetings: We promote the use of teleconferences and webinars among employees to reduce unnecessary business travel. 	<p>We converted our shuttle buses to new energy vehicles in July 2023, resulting in savings equivalent to 1,700 liters of fuel compared to the same period of the previous year.</p>
<p>Actively Saving Energy</p>	<ul style="list-style-type: none"> • Smart Technology Upgrade: In 2023, we installed a tablet-based reservation system and infrared detection devices in our meeting rooms. These systems automatically identify and release room resources when meetings end ahead of schedule or when rooms are unoccupied, preventing electricity wastage. • Procurement of Energy-efficient Devices: We have adopted energy-saving devices such as LED lighting in our office areas. Additionally, our selection of commonly used appliances like refrigerators and freezers prioritizes eco-friendly features and low energy consumption. • Electrical Appliance Management: We implement scheduled shutdowns for our printers and water dispensers. Air conditioning use is regulated based on specific indoor temperatures. Our designated personnel conduct hourly checks to turn off unnecessary office appliances. In 2023, we upgraded our ventilation system, utilizing natural ventilation during spring and autumn instead of air conditioning to further reduce energy consumption. • Workplace Seating Optimization: In 2023, we undertook a comprehensive reorganization and rational allocation of our workplace seating. This approach ensures precise control over the operation of lighting, air conditioning, and other equipment in our office areas, strategically managing dispersed seating arrangements to minimize energy inefficiencies. 	<p>We saved approximately 49,000 kWh of electricity from August to December 2023 compared to the same period of the previous year.</p>
<p>Waste Segregation</p>	<ul style="list-style-type: none"> • Implemented rigorous waste classification based on characteristics such as hazardous vs. non-hazardous, recyclable vs. non-recyclable. • Enhanced training for cleaning staff to improve their knowledge and skills in waste segregation. 	<p>We organized 14 training sessions in 2023 for all cleaning staff on theoretical and practical waste segregation, reducing daily waste handling time from 3 hours to 2 hours.</p>



Leading the Way in Sustainability with Green Data Centers

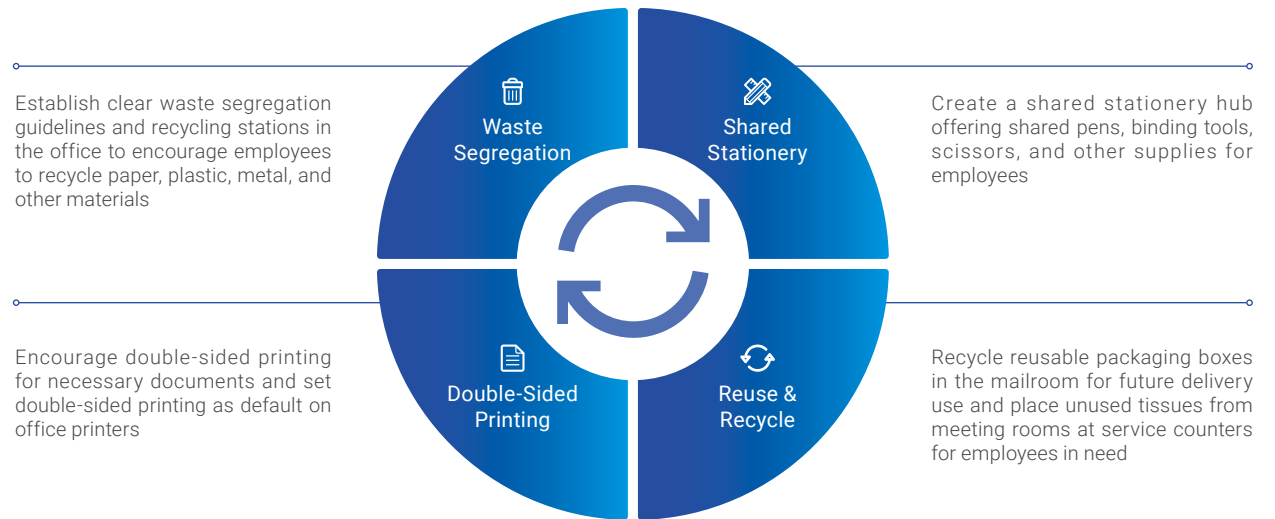
Data centers play a critical role in driving green transformation. Reducing energy consumption and improving efficiency are key measures to ensure the sustainable development of data centers. The main energy consumption in data centers is attributed to IT equipment and the associated power supply and cooling systems, etc. Power usage effectiveness (PUE) is a crucial metric for measuring data centers' energy efficiency.

To further align with carbon peaking and carbon neutrality policies, FinVolution prioritizes energy consumption and low-carbon criteria in data center location selection. This approach not only enhances cost-effectiveness but also minimizes the environmental impact of data center operations. Our new data center location, with a PUE of 1.295, outperforms the previous location's PUE of 1.33, reducing energy consumption by approximately 4%.

Promoting Resource Recycling

Workplace resource recycling is a vital pathway to achieving sustainable development goals. Through measures including waste segregation, shared stationery, reuse practices, and double-sided printing, among others, we have meaningfully reduced resource consumption while minimizing environmental impact.

FinVolution Resource Recycling Initiatives





Advancing Sustainable Finance

As the integration of global finance and industry deepens, sustainable finance has progressed beyond its role in addressing environmental challenges to emerge as a fundamental driver for financial institutions pursuing holistic, solid, and sustainable growth. As an internet finance company, we consistently integrate ESG factors into our comprehensive financial services, supporting society's sustainable development as well as environmental conservation. In 2023, approximately RMB510 million of our client transaction volume involved businesses related to environmental protection, afforestation and low-carbon initiatives.

Investment in and Implementation of Biodegradable Plastic Bag Dispensers for Medical Use

Huzhou Jiqimao Technology Co., Ltd. ("Jimao Technology"), a company in which FinVolution invests, specializes in medical-grade biodegradable bag dispensers. These self-service machines sell biodegradable plastic bags to patients purchasing medications or picking up medical reports, facilitating the adoption of eco-friendly biodegradable bags and accelerating the replacement of non-degradable plastic bags. This initiative also addresses the issue of high costs associated with biodegradable plastics, which often deter users from using them.

Following FinVolution's investment, the Anji Government Guidance Fund also invested in Huzhou Jiqimao Technology Co., Ltd., acknowledging Jimao Technology's achievements in meeting the demand for eco-friendly bags and aligning with commitments to sustainable development. To date, Jimao Technology has deployed approximately 2,500 self-service biodegradable bag dispensers in hospitals across China.



Self-service biodegradable plastic bag dispensers

Investment in Smart Feeder System

Through its Northstar Group portfolio, FinVolution has also invested in eFishery, a company providing smart feed management solutions for the aquaculture industry. eFishery leverages IoT and data analytics technologies to enhance the efficiency and sustainability of fish farming. Its core product, the smart feeder system, uses sensors and cloud technology to manage feed distribution precisely, thereby increasing yields, reducing feed waste, conserving water resources, and minimizing pollution.



Smart Feeder



8.3 Pollution Prevention and Ecosystem Protection

Enhancing Waste Management

The primary wastewater we generate is domestic wastewater produced during office hours. We strictly comply with the "Water Pollution Prevention and Control Law of the People's Republic of China" and other local laws, regulations, and rules of jurisdictions where we operate. The domestic wastewater generated within our offices is directed into municipal sewage networks, undergoes standardized treatment at sewage treatment plants, and is discharged in compliance with relevant laws and regulations to mitigate any environmental impact caused by our business operations.

Our waste management covers non-hazardous waste such as paper waste, packaging cartons, glass waste and food waste, as well as hazardous waste such as toner cartridges. We strictly comply with the "Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes" and other local laws and regulations of the jurisdictions where we operate. For different types of waste, we have formulated different disposal measures to ensure that waste is disposed of in a timely and scientific manner.

FinVolution's Waste Types and Disposal Measures

Waste Type	Waste Items	Disposal Measure
Non-hazardous waste	paper waste, glass, food waste, etc.	Disposed of per trash classifications
Hazardous waste	Toner cartridges	Disposed of per trash classifications; engaged toner cartridge suppliers for recycling

Biodiversity Conservation

We highly prioritize biodiversity conservation, strictly complying with relevant laws and regulations including but not limited to the "Forest Law of the People's Republic of China," the "Regulation on the Implementation of the Forest Law of the People's Republic of China," the "Regulations of the People's Republic of China on Wild Plants Protection," the "Wild Animal Conservation Law of the People's Republic of China," the "Regulations on Restoring Farmland to Forest," the "Regulations on Protection of Wild Medicinal Resources," and international conventions including the United Nations "Convention on Biological Diversity." We implement robust measures to advance biodiversity conservation. Based on our due diligence and assessment, we can confirm that we do not own, lease or manage any operations situated in or near reserves, sanctuaries, or other biodiversity-rich regions. Together, with local environmental group, our employees in Indonesia actively participated in activities of mangrove planting in the Greater Jakarta area. From a biological perspective, mangrove ecosystems are useful for the protection and growth of fish, shrimp and other creatures. From an economic perspective, mangroves are important raw materials in the production of batik cloth, syrup, sugar and other items.



Mangrove planting by FinVolution Indonesian employees

8.4 Be a Life Saver- Give Blood, Share Life



Blood drive event organized by FinVolution Philippines Employees in Manila in October, 2023. A total of 46 qualified employees participated in this meaningful event.



ESG Performance Index

The Range of Statistical Data During the Reporting Period

The Company adheres to the principles of "quantification and consistency." We disclose the performance of quantitative factors reflecting the effectiveness of the Company's ESG management. The range of statistical data during the reporting period is consistent within the range of the Company's consolidated financial statements, unless otherwise specified.

All data related to "intensity" is calculated using the total number of employees as the denominator, including full-time, part-time, labor dispatch and internship employment forms.

Year-over-year Change

Starting from 2023, some new performance indicators have been added. Operational data that cannot be traced back to previous years is represented as "-."

Financial Index

Financial Metrics	Unit	2021	2022	2023
Total revenues	RMB thousand	9,470,128	11,134,203	12,547,445
Total profit ¹	RMB thousand	2,736,134	2,736,031	2,778,585
Net profit attributable to shareholders	RMB thousand	2,508,947	2,266,382	2,340,835
Total assets	RMB thousand	18,138,551	21,382,911	21,293,673
Tax paid ²	RMB thousand	240,818	454,775	395,100
Financial subsidies granted by the government ³	RMB thousand	30,596	84,957	164,907
Earnings Per ADS	RMB/Per ADS ⁴	8.8	8.0	8.5

Notes:

[1] Total profit refers to profit before income tax.

[2] Tax paid refers to income tax expenses.

[3] Financial subsidies granted by the government are mainly due to tax contributions.

[4] RMB/Per ADS is the price per American Depositary Share denominated in RMB.

**Corporate Governance Index**

Performance Metrics	Unit	2021	2022	2023
Number of Directors on the Board	Person	7	7	7
Executive Directors	Person	2	2	2
Non-executive Directors and Independent Directors	Person	5	5	5
Average attendance at Board Meetings	%	100.0	100.0	100.0
Percentage of Directors on the Board whose payment is linked to ESG performance	%	—	—	14.3
Number of cases of significant fines and non-monetary sanctions for non-compliance with laws and regulations in social and economic areas	Case	—	—	0
Total amount of fines imposed for violations of laws and regulations in social and economic areas	RMB	—	—	0

Business Ethics and Management Compliance Index

Performance Metrics	Unit	2021	2022	2023
Percentage of operational office coverage for which corruption risk assessments have been conducted	%	100.0	100.0	100.0
Percentage of subsidiary coverage for which corruption risk assessments have been conducted	%	—	—	100.0

Performance Metrics	Unit	2021	2022	2023
Number of violations of laws and regulations related to anti-money laundering or insider trading	Case	—	—	0
Number of violations of laws and regulations related to preventing conflicts of interest	Case	—	—	0
Number of cases in which the Company has been sanctioned by relevant authorities due to unfair competition in operation or violation of anti-trust laws and anti-monopoly laws	Case	0	0	0
Number of confirmed incidents of corruption	Case	—	—	0
Number of cases in which employees have been dismissed or subject to disciplinary actions	Case	—	—	0
Number of cases of termination or non-renewal of contracts with partners due to corruption-related violations	Case	—	—	0
Number of employees reprimanded for corruption (embezzlement, bribery, or abuse of power)	Person	—	—	0
Number of employees reprimanded for other violations (conflict of interest, leaking information, etc.)	Person	—	—	0
Percentage of Company's anti-corruption policies and procedures that have been communicated to:	%	—	—	100.0
Board members	%	—	—	100.0



Performance Metrics	Unit	2021	2022	2023
Employees	%	–	–	100.0
Suppliers	%	–	–	100.0
Business partners	%	–	–	100.0
Total number of violations of anti-corruption related regulations	Case	0	0	0
Number of corruption cases brought and concluded against the Company or its employees	Case	0	0	0
Number of suppliers with anti-corruption agreements ¹	No.	132	30	143
Percentage of suppliers with anti-corruption agreements ²	%	16.0	2.9	10.2
Number of staff involved in anti-corruption training ³	Person	3,900	3,700	5,196
Total hours of staff anti-corruption training ³	Hour	31,200	29,600	41,568
Number of Directors involved in anti-corruption training	Person	7	7	7
Total hours of anti-corruption training for Directors	Hour	7	7	7

Notes:

[1] In 2022, we began signing CSR agreements (corporate social responsibility requirements) with key suppliers, resulting in a decrease in the number and proportion of suppliers with anti-corruption agreements. In 2023, we upgraded to signing commitment letters on compliance and professional ethics with suppliers, leading to an increase in the number and proportion of suppliers signing anti-corruption agreements.

[2] Percentage of suppliers with anti-corruption agreements = Number of suppliers with anti-corruption agreements / Number of total suppliers x 100%.

[3] The Company attaches great importance to anti-corruption training, covering all employees by the end of 2023. Therefore, the number of staff involved in anti-corruption training and the total hours of staff anti-corruption training both have increased compared to the previous year.

Risk and Internal Control Index

Performance Metrics	Unit	2021	2022	2023
Number of risk management-themed trainings conducted by the Company for Non-executive Directors	No.	–	–	1
Percentage of Non-executive Directors covered by risk management-themed training	%	–	–	100.0
Number of risk management-themed trainings conducted by the Company for employees	No.	–	–	1
Percentage of employees covered by risk management-themed training	%	–	–	100.0
Number of newly concluded litigation and administrative penalty cases ¹	Case	17	19	44
Among them, number of resolved litigations and administrative penalty cases ¹	Case	13	10	36
Economic losses caused by litigation and administrative penalty cases	RMB thousand	–	–	23

Notes:

[1] With the improvement of social awareness and the strictness of laws and regulations, the number of newly concluded litigation cases and the number of resolved cases involving the Company are on the rise. The Company takes measures, such as strengthening internal control and compliance management, enhancing employees' legal awareness and ethical standards, and strengthening cooperation with industry organizations, to prevent and respond to litigation risks.

Environmental Management System Index

Performance Metrics	Unit	2021	2022	2023
Number of incidents punished for violating environmental protection laws and regulations	Case	0	0	0
Associated costs of penalties for violating environmental protection laws and regulations	RMB	0	0	0



Energy Management Index

Performance Metrics	Unit	2021	2022	2023
Official gasoline consumption by Company-owned vehicles ¹	Liter	720.0	1,626.7	2,629.3
Energy consumption ²	MWh	2,886.0	10,055.6	10,318.2
Energy consumption intensity (per capita)	MWh/ Person	0.5	2.1	2.0
Water consumption ³	Ton	28,490.5	22,801.9	23,740.1
Water consumption intensity (per capita)	Ton/ Person	5.9	4.7	4.6
Paper consumption ⁴	kg	3,025.5	3,217.7	3,427.2
Paper consumption intensity (per capita)	kg/ person	0.6	0.7	0.7

Notes:

[1] The Company launched its official vehicles in November 2021, resulting in low gasoline consumption that year. In the first half of 2022, official vehicles were not used due to remote work implementation, with official vehicle usage resuming in the second half of that year. Therefore, the amount of gasoline consumed in 2022 was less than in 2023.

[2] The scope of statistics in 2021 included FinVolution's Shanghai headquarters and all other offices in mainland China except the Shanghai Waigaoqiao data center. In 2022, it also included the power consumption of the Shanghai Waigaoqiao data center and our offices in Indonesia and the Philippines, hence, total power consumption increased compared with previous years. In 2023, the scope was the same as that of 2022.

[3] The scope of statistics in 2021 included FinVolution's Shanghai headquarters and offices in Changsha, Hefei and Zhengzhou. In 2022, it covered FinVolution's Shanghai headquarters and offices in Changsha, Hefei and Zhengzhou, as well as offices in the Philippines and Indonesia. In 2023, the scope was the same as that of 2022.

[4] The scope of statistics in 2021 included FinVolution's Shanghai headquarters and all other offices in mainland China. In 2022, it covered FinVolution's Shanghai headquarters, all other offices in mainland China and offices in the Philippines and Indonesia. The statistical scope of the Company has been changed, so the data disclosed in the 2021 report has been adjusted. In 2023, the scope was the same as that of 2022.

Greenhouse Gas Emission Index

Performance Metrics	Unit	2021	2022	2023
Total GHG Emissions ^{1,2}	Metric tons of CO ₂ e	1,147.3	1,570.8	1,729.6
Direct GHG Emissions (Scope 1)	Metric tons of CO ₂ e	92.0	102.0	127.8
Indirect GHG Emissions of Imported Energy (Scope 2)	Metric tons of CO ₂ e	1,055.3	1,468.8	1,601.8
GHG Emissions Intensity (Per Capita)	Metric tons of CO ₂ e/ Person	0.2	0.3	0.3

Notes:

[1] Including the GHG Emissions of Shanghai Erxu Information Technology Co., Ltd and its holding companies, Shanghai Guangjian Information Technology Co., Ltd and its subsidiaries and holding companies, and Shanghai Manyin Information Technology Co., Ltd and its subsidiaries and holding companies.

[2] Total GHG Emissions include Scope 1 and Scope 2. In accordance with the requirements of ISO14064-1:2018, the Group's GHG inventory includes carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), and hydrofluorocarbons (HFCS), perfluorocarbons (PFCS), sulfur hexafluoride (SF₆) and nitrogen trifluoride (NF₃). Scope 1 includes GHG emissions generated from gasoline combustion, refrigerant leakage and FM200 emissions. Scope 2 includes GHG emissions generated from purchased electricity. The calculation of GHG emissions refers to "ISO 14064-1:2018 - Greenhouse gases – Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals," "China Energy Statistical Yearbook 2020," "2022 Guidelines for Power Greenhouse Gas Emission Measurement and Reporting," "Guidelines for Accounting and Reporting Greenhouse Gas Emissions Other Industrial Enterprises (Trial)" and "2006 IPCC Guidelines for National Greenhouse Gas Inventories."



Climate Change Mitigation and Adaptation Index

Metrics	Unit	2021	2022	2023
Annual climate change and "dual carbon" goal-related investments ¹	RMB thousand	0	170	50
Annual climate change and "dual carbon" goals-related benefits	RMB thousand	—	—	0
Risk events and violations from climate change	Case	0	0	0
Economic losses caused by risk events and violations from climate change	RMB thousand	—	—	0
Injuries caused by risk events and violations from climate change	Person	—	—	0

Notes:

[1] Climate change and "dual carbon" goal-related investments in 2022 mainly included consultation fees for GHG inventory, GHG verification fees and expenditures for tree planting. In 2023, the investments mainly included GHG verification fees.

Occupational Health and Safety Index

Performance Metrics	Unit	2021	2022	2023	
Occupational disease incidence rate among employees	%	—	—	0	
Percentage of subsidiaries that conduct internal audits related to occupational health and safety	%	—	—	100.0	
The number of recordable work-related injuries ¹	Case	13	21	7	
The rate of recordable work-related injuries ¹	%	0.3	0.5	0.1	
The number of fatalities resulting from work-related injuries	Person	0	0	0	
The rate of fatalities resulting from work-related injuries	%	0	0	0	
The number of high-consequence work-related injuries (excluding fatalities)	Person	0	0	0	
The rate of high-consequence work-related injuries (excluding fatalities)	%	0	0	0	
Lost days due to work-related injuries ¹	Day	261.0	515.5	135.0	
Total lost working hours due to work-related injuries	Hour	—	—	1,080.0	
Loss rate per million working hours	%	—	—	0.00015	
	Full-time	%	—	—	0.00015
By Employment Type	Part-time	%	—	—	0.00000
	Other Types	%	—	—	0.00000
Number of security personnel receiving formal security training	Person	—	—	13	

Notes:

[1] The increase in work-related injuries in 2022 compared with the previous year was mainly due to injuries that occurred during commuting and working. The Company proactively declared injuries to protect employees' rights and strengthen the promotion of employees' awareness of occupational disease and work-related injury prevention. In 2023, the number of work-related injuries, work-related injury rate and lost days due to work-related injuries all decreased compared with the previous year.



Inclusive Finance Index

Performance Metrics		Unit	2021	2022	2023
Percentage of borrowers with higher credit scores (Level I-IV)		%	94.1	97.3	97.4
Inclusive finance transactions		Time	32,557,002	29,036,013	30,636,060
Loan origination volume		RMB thousand	137,357,573	175,358,062	194,291,360
By Geographic Region	Mainland China	RMB thousand	133,649,401	171,104,120	186,437,598
	Overseas	RMB thousand	3,708,172	4,253,942	7,853,762
Cumulative registered users		Unit	140,317,393	159,385,402	180,212,420
By Geographic Region	Registered users in mainland China	Unit	131,222,180	143,924,660	155,574,460
	Registered users in overseas markets	Unit	9,095,213	15,460,742	24,637,960
Institutional funding partners active on our platform in China (cumulative)		Unit	63	75	94
Small and micro business owners we served in mainland China		Unit	825,840	906,140	811,210
Total loan origination volume of our loan products for small and micro businesses		RMB thousand	27,018,130	43,399,430	47,091,870

R&D and Innovation Index

Performance Metrics		Unit	2021	2022	2023
R&D spending		RMB thousand	434,850	491,484	510,986
R&D spending as a percentage of operating revenue ¹		%	4.6	4.4	4.1
Number of R&D staff		Person	663	645	698
R&D staff as a percentage of total staff ²		%	15.6	15.6	19.1
Patent applications during the reporting period		Case	4	16	17
Granted patents during the reporting period		Case	14	17	12
Cumulative granted patents		Case	24	41	53
Trademark applications during the reporting period		Case	40	12	43
Granted trademarks during the reporting period		Case	35	19	21
Cumulative owned trademarks		Case	297	317	338
New computer software copyrights obtained during the reporting period		Case	15	23	27
Cumulative owned computer software copyrights		Case	189	212	239

Notes:

[1] R&D spending as a percentage of operating revenue = R&D spending / Operating revenue x 100%.

[2] R&D staff as a percentage of total staff = Number of R&D staff / Number of total staff x 100%.



Product and Service Quality Management Index

Performance Metrics	Unit	2021	2022	2023
Number of employees trained to improve product and service quality	Person-Time	35,057	42,872	55,051
Total product and service quality-related training hours	Hour	26,829	42,375	40,872
Product and service violations in health, safety and labeling	Case	0	0	0
Product recalls due to health, safety and labeling issues	%	0	0	0
Received customer complaints about products and services ¹	Case	3,937	5,645	5,400
Complaint handling rate	%	100.0	100.0	100.0
Customer satisfaction survey coverage	%	–	–	100.0
Percentage of customers showing high satisfaction in customer satisfaction surveys	%	92.0	93.0	98.5
Violations in marketing (including advertising, sales promotion and sponsorship)	Case	0	0	0

Notes:

[1] Refers to the complaints occurring in human agent consultation. The significant increase in the number of complaints in 2022 compared with 2021 was mainly due to the increase in new customers and the adjustment of fee exemption policies.

Data Security and Customer Privacy Protection Index

Performance Metrics	Unit	2021	2022	2023
Percentage of information security facilities/operational offices that have obtained ISO27001 certification ¹	%	–	–	12.5
Violations in information security	Case	0	0	0
Total number of clients, customers and employees affected by information security-related violations	Person	–	–	0
Trainings on employees' personal information security ²	Time	2	6	15
Number of employee personal information security trainees ²	Person	100	314	2,636
Percentage of employees trained on information security ³	%	–	–	50.7
Total training hours on employees' personal information security ⁴	Hour	100	314	6,243
Average information security training hours per employee ⁴	Hour	–	–	1.2
Trainings and assessments in the specialized field of personal information security	Time	–	–	1
Participants in training and assessment in the field of personal information security	Person	–	–	13



Employee Rights and Wellbeing Index

Performance Metrics	Unit	2021	2022	2023
People who have passed the training assessment in the specialized field of personal information security	Person	–	–	13
Trainings on customer privacy protection ⁵	Time	1	1	6
Number of customer privacy protection trainees ⁵	Person	50	22	2,636
Total training hours on customer privacy protection ⁵	Hour	50	22	2,736

Notes:

[1] By the end of 2023, Shanghai and Hainan operational offices had obtained the ISO27001 Information Security Management System Certification, while other operational offices had started the establishment of information security management systems in accordance with ISO27001 requirements.

[2] In 2023, the Company strengthened its trainings on information security. The numbers of trainings and trainees on employees' personal information security both increased compared to the previous year.

[3] Percentage of employees trained on information security = Number of employee personal information security trainees / Total number of employees × 100%.

[4] Average information security training hours per employee = Total training hours on employees' personal information security / Total number of employees.

[5] In 2023, the Company strengthened its customer privacy protection training efforts. The number of trainings on customer privacy, trainees and the total training hours all increased compared with the previous year.

Performance Metrics	Unit	2021	2022	2023	
Total employees	Person	4,953	4,870	5,196	
By Gender	Male	Person	3,035	2,837	2,914
	Female	Person	1,918	2,033	2,282
By Nationality	Chinese	Person	–	–	4,028
	Foreign	Person	–	–	1,168
By Geographic Region	In mainland China	Person	4,334	4,164	4,102
	Overseas ¹	Person	619	706	1,094
By Age Group	Under 30	Person	3,332	2,716	2,857
	30–50	Person	1,619	2,150	2,336
	Above 50	Person	2	4	3
By Employment Type ¹	Full-time	Person	4,259	4,144	3,648
	Part-time	Person	7	13	88
	Other types	Person	687	713	1,460
By Cohort Level	Senior	Person	12	11	11
	Mid-Level	Person	366	389	131
	Junior	Person	4,575	4,470	5,054
Profile of Full-time Employees	Person	4,259	4,144	3,648	
By Gender	Male	Person	2,675	2,484	2,092
	Female	Person	1,584	1,660	1,556



Performance Metrics		Unit	2021	2022	2023
By Geographic Region	In mainland China	Person	4,180	4,069	3,568
	Overseas	Person	79	75	80
Total new employees		Person	—	—	3,328
By Gender	Male	Person	—	—	2,035
	Female	Person	—	—	1,293
By Geographic Region	In mainland China	Person	—	—	2,287
	Overseas	Person	—	—	1,041
Gender pay gap as a percentage	Average salary	%	—	—	4
	Average bonus	%	—	—	4
Number of Han employees		Person	—	—	3,837
Number of employees from ethnic minority groups ²		Person	185	162	191
Percentage of employees from ethnic minority groups ³		%	3.7	3.3	3.7
Number of the handicapped employees		Person	3	2	2
Number of management staff from ethnic minority groups		Person	—	—	4
Number of management staff from foreign nationalities		Person	—	—	14
Women holding managerial positions in revenue-generating departments as a percentage of managers in all revenue-generating departments		%	—	—	34.9

Performance Metrics		Unit	2021	2022	2023
Incidents of discrimination		Case	0	0	0
Employment contract signing rate		%	100.0	100.0	100.0
Social security coverage		%	100.0	100.0	100.0
Compliance rate with local minimum wage standards		%	100.0	100.0	100.0
Percentage of union member employees ⁴		%	—	—	100.0
Employee engagement		%	74.9	79.5	77.2
Employee engagement survey coverage rate ⁵		%	—	—	55.3
Percentage of employees with high satisfaction in employee satisfaction surveys		%	—	—	71.3
Employee satisfaction survey coverage rate ⁵		%	—	—	55.3
Employees who participated in parental leave ⁶		Person	1	243	273
By Gender	Male	Person	0	126	137
	Female	Person	1	117	136
Employees who returned to work after parental leave		Person	1	243	224
By Gender	Male	Person	0	126	111
	Female	Person	1	117	113
Employees who returned to work and still work for the Company 12 months after parental leave ⁷		Person	—	1	209



Employee Training and Talent Development Index

Performance Metrics		Unit	2021	2022	2023
By Gender	Male	Person	—	0	106
	Female	Person	—	1	103
Return-to-work rate after parental leave ⁸		%	100.0	100.0	82.1
By Gender	Male	%	0.0	100.0	81.0
	Female	%	100.0	100.0	83.1
Retention rate after parental leave ⁹		%	—	100.0	93.3
By Gender	Male	%	—	0.0	95.5
	Female	%	—	100.0	91.2

Notes:

[1] Total full-time employees include full-time contractors and full-time labor dispatch employees, consistent with the employee numbers in the FinVolution annual report. In 2023, to align with financial reporting standards, outsourced personnel are not included in other forms of employment, resulting in a significant change in this number compared with the previous year. Additionally, in 2023, outsourced personnel are not included in the number of employees working in Hong Kong and overseas, leading to a significant change in this number compared with the previous year.

[2] Employees from ethnic minority groups refer to employees who work in mainland China and are not from the Han ethnic group.

[3] Percentage of minority employees is calculated as the number of minority employees / total number of employees x100%.

[4] Percentage of union member employees is calculated as the number of union member employees / the total number of employees in subsidiaries where unions are established x100%.

[5] Employee engagement (satisfaction) survey coverage rate is calculated as the number of employees that participated in employee engagement (satisfaction) survey / total number of employees x 100%.

[6] Parental leave policy was implemented at the end of 2021; thus, no related data exists prior to 2021.

[7] As of the end of 2021, there were no employees who had worked over 12 months after parental leave. Therefore, in 2021, the indicators of "Employees who returned to work and still work for the Company 12 months after parental leave" and "Retention rate after parental leave" are not applicable.

[8] Return-to-work rate after parental leave = the number of employees who returned to work after parental leave in the reporting period / the number of employees who were eligible to return to work after parental leave in the reporting period x100%.

[9] Retention rate after parental leave = the number of employees who returned to work and still work for the Company 12 months after parental leave / the number of employees who returned to work after parental leave in the previous reporting period x100%.

Performance Metrics		Unit	2021	2022	2023
Number of employees receiving regular performance and career development appraisals		Person	4,718	4,870	5,196
Percentage of employees receiving regular performance and career development appraisals ¹		%	95.3	100.0	100.0
Total training expenditure for employees		RMB	—	—	4,892,777.0
Average training cost per employee ²		RMB	—	—	941.6
Total number of courses on the online learning platform		Course	—	—	1,286
Total number of enrollments on the online learning platform		Person-Time	—	—	8,739
Percentage of trained employees ³		%	95.3	100.0	100.0
By Gender	Male	%	61.8	58.3	56.1
	Female	%	38.2	41.7	43.9
By Age Group	Under 30	%	—	—	55.0
	30–50	%	—	—	44.9
	Over 50	%	—	—	0.1
By Cohort Level	Senior	%	0.3	0.2	0.2
	Mid-level	%	7.6	8.0	2.5
	Junior	%	92.1	91.8	97.3



Supplier Management Index

Performance Metrics		Unit	2021	2022	2023
By Employment Type	Full-time	%	—	—	66.7
	Part-time	%	—	—	1.7
	Other types	%	—	—	31.6
Average number of training hours ⁴		Hour	39.8	47.8	41.6
By Nationality	Chinese	Hour	—	—	41.6
	Foreign	Hour	—	—	41.6

Notes:

[1] Percentage of employees receiving regular performance and career development appraisals is calculated as the number of employees receiving regular performance and career development appraisals / by the total number of employees x100%.

[2] Average training cost per employee is calculated as the total training expenditure / the total number of employees x100%.

[3] Percentage of trained employees in each category is calculated as the number of employees in that category who received training / the total number of employees who received training x100%.

[4] Average number of training hours in each category is calculated as the total number of training hours received by employees in that category / the number of employees in that category.

Performance Metrics		Unit	2021	2022	2023
Total number of suppliers		Unit	822	1,036	1,400
By geographical region	In mainland China	Unit	782	991	1,320
	Overseas	Unit	40	45	80
By category	Level one (direct)	Unit	—	—	1,350
	Non-level one (indirect)	Unit	—	—	50
Procurement expenditure ¹		RMB thousand	1,056,770	1,243,500	4,090,000
By geographical region	Suppliers in mainland China	RMB thousand	871,760	906,940	3,900,000
	Suppliers overseas	RMB thousand	185,010	336,560	190,000
Proportion of spending on local suppliers ²		%	82.5	72.9	95.4
Proportion of procurement officers trained in sustainable procurement		%	—	—	100.0
Suppliers applying the Company's standards in environment, labor rights and business ethics ³		Unit	132	31	59
The proportion of suppliers applying the Company's standards in environment, labor rights and business ethics		%	16.1	3.0	4.2
Suppliers approved by the Company's standards in environment, labor rights and business ethics		Unit	132	31	59
The proportion of suppliers approved by the Company's standards in environment, labor rights and business ethics		%	16.1	3.0	4.2



Performance Metrics	Unit	2021	2022	2023
Number of suppliers identified as having actual and potential significant negative social and environmental impact, and whose relationships were terminated after evaluation	Unit	—	—	0
Number of suppliers identified as having actual and potential significant negative social and environmental impact, and who received support in implementing corrective action plans	Unit	—	—	0
Proportion of suppliers identified as having actual and potential significant negative social and environmental impact, and who received support in implementing corrective action plans	%	—	—	0
New suppliers	Unit	302	227	300
New suppliers applying the Company's standards in environment, labor rights and business ethics	Unit	302	227	300
The proportion of new suppliers applying the Company's standards in environment, labor rights and business ethics	%	100.0	100.0	100.0

Notes:

[1] In 2021 and 2022, the statistical scope was based on the purchase amounts made through the Procurement Department. In 2023, the statistical scope was adjusted to include purchase amounts from all Company departments, resulting in significant changes in the purchase amounts compared with the previous year.

[2] Since June 2021, the Procurement Center has started engaging with overseas traffic suppliers, resulting in a decrease in the proportion of local suppliers. In 2023, the statistical scope was adjusted to include all departments of the Company, leading to significant changes in the proportion of local suppliers compared with the previous year.

[3] Adjusted to evaluate core suppliers in environment, labor rights and business ethics standards in 2022; therefore, the number of suppliers applying the Company's standards in environment, labor rights and business ethics declined. In 2023, the scope of the assessment was expanded, resulting in an increase in the number of suppliers evaluated for their performance in environmental, labor and ethical aspects according to the Company's supplier evaluation system.

Industry Collaboration and Development Index

Performance Metrics	Unit	2021	2022	2023
Number of standards the Company participated in developing ¹	Unit	—	—	1
Investment in projects related to industry collaboration and development ²	RMB thousand	—	3,014	3,023

Notes:

[1] In 2023, the Company participated in the formulation of the group standard "Basic Requirements for Privacy Computing Cryptography Applications" (T/SHCCIA 001-2023).

[2] The statistical scope includes the FinVolution Cup competition and membership fees for various associations.

Charity and Volunteering Index

Performance Metrics	Unit	2021	2022	2023
Welfare investment ¹	RMB	10,477,788	328,130	3,974,186
Charity donation ²	RMB	10,300,000	300,000	2,300,000
Total hours of volunteer work	Hour	599	7,452	3,686
Total number of employees participating in volunteer work	Person	58	68	231

Notes:

[1] In 2021, donations of materials and funds totaling RMB155,560 were made for flood relief in Zhengzhou. Gifts for the Dragon Boat Festival and Mid-Autumn Festival worth RMB22,228 were donated to orphanages and nursing homes, and charitable donations amounted to RMB10,300,000. In 2022, FinVolution made material donations valued at RMB28,130, along with charitable donations totaling RMB300,000. In 2023, charitable donations of RMB2,300,000 were made for flood relief and rural revitalization across various regions. Additionally, RMB1,674,186 was invested in public welfare projects such as "Outstanding Small Shops," consumer protection and care for outdoor workers.

[2] The amount of charitable donations is subject to the receipt of donation.



Community Engagement and Rural Vitalization Index

Metrics	Unit	2021	2022	2023
Proportion of operational sites involved in community engagement and development in their operating areas	%	—	—	68.8
Proportion of operational sites conducting impact assessments on the communities in their operating areas ¹	%	—	—	18.8
Number of operational sites identified as having actual or potential significant negative impact on the communities in their operating areas	Unit	—	—	0
Rural vitalization investment ²	RMB	626,438	261,059	570,310

Notes:

[1] The Company conducts desertification risk and water pollution risk assessments in some of the communities where it operates.

[2] In 2021, rice worth RMB16,000 was purchased from Hanqiao Village, Qianrenqiao Town, Anhui Province. Office and fitness equipment worth RMB71,757 was donated to Fengxia Village, Sanming City, Fujian Province. Additionally, school supplies, sports equipment, computers and other items worth RMB538,681 were donated to schools and government bodies in various impoverished areas. In 2022, agricultural and sideline products worth RMB34,290 were purchased from a poverty alleviation enterprise in Daliangshan, Sichuan Province. Computers worth RMB90,000 were donated to schools in impoverished areas for rural education. Furthermore, RMB136,769 was donated to governments in impoverished areas for rural infrastructure construction. In 2023, photovoltaic streetlights worth RMB300,000 were donated to five villages and towns in Liangshan Yi Autonomous Prefecture, Sichuan Province. Teaching supplies worth RMB50,000 were donated to the Caring Kindergarten in Jiwei Village, Meigu County, Liangshan, Sichuan Province. Computers worth RMB12,000 were donated to rural schools in Dingbian County, Shaanxi Province. Storage cabinets, office desks and chairs worth RMB6,310 were donated to the Central Kindergarten in Fuwen Town, Ding'an County, Hainan Province. Donations of RMB2,000 were made to impoverished families in Binhu New District, Hefei City, Anhui Province. Additionally, RMB200,000 was donated to Huangnan Tibetan Autonomous Prefecture in Qinghai Province and Xiawuqi Town in Wuqing District, Tianjin, specifically for rural revitalization.



GRI Sustainability Reporting Standards (2021) Content Index Table

Statement of Use FinVolution reports the information referenced in this GRI Content index against the GRI standard between January 1, 2023 and December 31, 2023.

GRI1 used GRI1 Foundation 2021

GRI Standards	Disclosure Item	Section	
GRI 2: General Disclosures 2021	2-1	Organizational details	Company Overview
	2-2	Entities included in the organization's sustainability reporting	Preparation Basis of the Report
	2-3	Reporting period, frequency and contact point	Preparation Basis of the Report
	2-6	Activities, value chain and other business relationships	Company Overview
	2-7	Employees	ESG Performance Index
	2-9	Governance structure and composition	Strengthening Corporate Governance
	2-10	Nomination and selection of the highest governance body	Strengthening Corporate Governance
	2-11	Chair of the highest governance body	Strengthening Corporate Governance
	2-12	Role of the highest governance body in overseeing impact management	Strengthening Corporate Governance
	2-13	Delegation of responsibility for impact management	Strengthening Corporate Governance
	2-14	Role of the highest governance body in sustainability reporting	ESG Governance
	2-16	Communication of critical concerns	Strengthening Corporate Governance ESG Governance Analysis of Material Issues
	2-17	Collective knowledge of the highest governance body	ESG Governance
	2-22	Statement on sustainable development strategy	CEO's Message
	2-23	Policy commitments	Enhancing Risk Management Maintaining Operational Compliance Upholding Business Ethics Safeguarding Employee Rights and Interests



GRI Standards	Disclosure Item		Section
GRI 2: General Disclosures 2021	2-24	Embedding policy commitments	Enhancing Risk Management Maintaining Operational Compliance Upholding Business Ethics Safeguarding Employee Rights and Interests
	2-27	Compliance with laws and regulations	Maintaining Operational Compliance
	2-28	Membership associations	Industry Collaboration and Development
	2-29	Approach to stakeholder engagement	Stakeholder Communications
	2-30	Collective bargaining agreements	Safeguarding Employee Rights and Interests
GRI 3: Material Issues 2021	3-1	Process to determine material issues	Analysis of Material Issues
	3-2	List of material issues	Analysis of Material Issues
	3-3	Management of material topics	Analysis of Material Issues
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Company Overview ESG Performance Index
	201-2	Financial implications and other risks and opportunities due to climate change	Climate Change and China's "Dual Carbon" Goals
	201-3	Defined benefit plan obligations and other retirement plans	Safeguarding Employee Rights and Interests
	201-4	Financial assistance received from the government	ESG Performance Index
GRI 202: Market Presence 2016	202-1	Ratios of standard entry-level wage by gender compared to local minimum wage	ESG Performance Index
	202-2	Proportion of senior management hired from the local community	ESG Performance Index
GRI 203: Indirect Economic Impact 2016	203-1	Infrastructure investments and services supported	Advancing Rural Vitalization
	203-2	Significant indirect economic impact	Supporting Public Welfare Charities
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	ESG Performance Index
	205-1	Operations assessed for risks related to corruption	ESG Performance Index
GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	ESG Performance Index
	205-3	Confirmed incidents of corruption and actions taken	ESG Performance Index
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust and monopoly practices	Upholding Business Ethics



GRI Standards	Disclosure Item		Section
GRI 207: Tax 2019	207-1	Approach to tax	Enhancing Risk Management
	207-2	Tax governance, control and risk management	Enhancing Risk Management
GRI 302: Energy 2016	302-1	Energy consumption within the organization	ESG Performance Index
	302-3	Energy intensity	ESG Performance Index
	302-4	Reduction of energy consumption	Resource Utilization and Circular Economy
	302-5	Reductions in energy requirements of products and services	Resource Utilization and Circular Economy ESG Performance Index
	303-1	Interactions with water as a shared resource	Resource Utilization and Circular Economy
GRI 303: Water and Effluents 2018	303-2	Management of water discharge-related impact	Pollution Prevention and Ecosystem Protection
	303-5	Water Consumption	ESG Performance Index
	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Pollution Prevention and Ecosystem Protection
GRI 304: Biodiversity 2016	304-2	Significant impact of activities, products and services on biodiversity	Pollution Prevention and Ecosystem Protection
	304-3	Habitats protected or restored	Pollution Prevention and Ecosystem Protection
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Pollution Prevention and Ecosystem Protection
	305-1	Direct (Scope 1) GHG emissions	ESG Performance Index
GRI 305: Emissions 2016	305-2	Energy indirect (Scope 2) GHG emissions	ESG Performance Index
	305-4	GHG emissions intensity	ESG Performance Index
	306-1	Waste generation and significant waste-related impact	Pollution Prevention and Ecosystem Protection
GRI 306: Waste 2020	306-2	Management of significant waste-related impact	Pollution Prevention and Ecosystem Protection
	306-3	Waste generated	Pollution Prevention and Ecosystem Protection
	306-4	Waste diverted from disposal	Pollution Prevention and Ecosystem Protection
	306-5	Waste directed to disposal	Pollution Prevention and Ecosystem Protection



GRI Standards	Disclosure Item		Section
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers screened using environmental criteria	Enhancing Supply Chain Resilience ESG Performance Index
	308-2	Negative environmental impacts in the supply chain and actions taken	Enhancing Supply Chain Resilience
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	ESG Performance Index
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Safeguarding Employee Rights and Interests
	401-3	Parental leave	ESG Performance Index
	403-1	Occupational health and safety management system	Occupational Health and Safety
GRI 403: Occupational health and safety 2018	403-4	Worker participation, consultation and communication on occupational health and safety	Occupational Health and Safety
	403-5	Worker training on occupational health and safety	Occupational Health and Safety
	403-6	Promotion of worker health	Occupational Health and Safety
	403-7	Prevention and mitigation of occupational health and safety impact directly linked by business relationships	Occupational Health and Safety
	403-8	Workers covered by an occupational health and safety management system	Occupational Health and Safety
	403-9	Work-related injuries	Occupational Health and Safety
	403-10	Work-related health issues	Occupational Health and Safety
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Empowering Employee Development ESG Performance Index
	404-2	Programs for upgrading employee skills and transition assistance programs	Empowering Employee Development
	404-3	Percentage of employees receiving regular performance and career development reviews	Empowering Employee Development ESG Performance Index
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Strengthening Corporate Governance Safeguarding Employee Rights and Interests
	405-2	Ratio of basic salary and remuneration of women to men	Safeguarding Employee Rights and Interests ESG Performance Index
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	Safeguarding Employee Rights and Interests



GRI Standards		Disclosure Item	Section
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Safeguarding Employee Rights and Interests Enhancing Supply Chain Resilience
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	Safeguarding Employee Rights and Interests Enhancing Supply Chain Resilience
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Safeguarding Employee Rights and Interests Enhancing Supply Chain Resilience
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments and development programs	Advancing Rural Vitalization
	413-2	Operations with significant actual and potential negative impact on local communities	Advancing Rural Vitalization
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	Enhancing Supply Chain Resilience
	414-2	Negative social impact in the supply chain and actions taken	Enhancing Supply Chain Resilience
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impact of product and service categories	Product and Service Upgrades
	416-2	Incidents of non-compliance concerning the health and safety impact of products and services	ESG Performance Index Product and Service Upgrades
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	Information Security Enhancement
	417-2	Incidents of non-compliance concerning product and service information and labeling	Information Security Enhancement ESG Performance Index
	417-3	Incidents of non-compliance concerning marketing communications	Information Security Enhancement ESG Performance Index
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Information Security Enhancement

