



# **Collection Policy Statement of Lufax Holding Ltd.**

## **General**

Adhering to the collection principle of “compliance with the law, equality and objectivity, and protection of privacy” and strictly abiding by the relevant laws, regulations and regulatory requirements applicable in the locations of operation, Lufax Holding Ltd. (hereinafter referred to as “Lufax” or “the Company”) has established and improved the collection business management mechanism to standardise its collection process, so as to equally protect the legitimate rights and interests of customers and the Company, carry out collection on an objective basis, and ensure the information security during the whole process of collection.

## **Applicable Scope**

This collection policy applies to the related business personnel of Lufax and its member companies, covering all loan businesses and products with possible involvement of collection, such as business loans and consumption loans.

## **Working Mechanism**

1. Collection methods. Collection methods are categorised as manual and non-manual. Manual collection includes telephone, face-to-face and judicial collection. Non-manual collection includes intelligent voice, SMS, letter and email collection, as well as overdue reminders through other channels (e.g., outlets and mobile Apps) and outsourced collection as needed.
2. Repayment reminder. The Company carries out differentiated repayment reminder services for customers with expiring, due and overdue debts according to their different circumstances. In particular, the Company sends prompts for customer loans that are expiring, reminders of timely repayment for customer loans that are due and differentiated reminders for customer loans that are overdue.
3. Loan modification. The Company has developed a special system and standardised processes to meet customers’ needs for changes in loan amount and term. According to the loan services actually selected by customers, the Company provides customers with loan modification options such as loan restructuring and loan term modification. Customers can adjust their existing loan applications and change the loan amount and repayment period according to their income and repayment plans. The Company will review the cases based on the qualification and actual situation of customers, and handle the business according to rules.

## **Collection Principle**

Based on relevant laws, regulations and regulatory requirements, the Company has defined the collection principle of “compliance with the law, equality and objectivity, and protection of privacy”, and has developed the following measures:

1. Conduct collection in a legal and compliant manner; do not initiate collection from third parties unrelated to the debt; do not impersonate administrative authorities, judicial authorities, etc.; and do not use jargon involving threat, intimidation and fraud.
2. Apply the concept of equal and objective negotiation; truthfully inform customers of the reasons for collection, the situation of overdue payment and the liability for breach of contract; keep statements objective, and avoid ambiguous expressions and professional terms that are difficult for the customer to understand; and provide and negotiate solutions to problems with customers from a perspective of empathy.
3. Actively promote intelligent collection services, contacting and reminding customers of repayment deadlines in a timely manner through automatic SMS reminders and intelligent outbound calls, so as to reduce the risks arising from customers forgetting to make repayments.
4. Determine the time and frequency of collection in a reasonable manner, carry out collection in the time period permitted by law, and keep the frequency of collection within a reasonable range.
5. Respect customer privacy, and process customers' personal information in a lawful, reasonable and faithful manner when it is necessary. The collection of personal information shall be limited to the minimum extent necessary to achieve the purpose of processing, and customer information leakage is strictly prohibited.
6. Strengthen the management of outsourced collection by supervising and assessing the compliance of outsourced collection, the authenticity and integrity of collection records, the protection of personal information in collection and the response to complaints, so as to further standardise the control over the process of outsourced collection.

## **Guarantee Mechanism**

To ensure the effective implementation of the collection policy, the Company has established an internal collection process supervising and reporting mechanism to timely identify and address the violations by relevant employees during the collection.

Besides, the Company continuously provides online and offline collection training for employees involved in the collection business, covering various aspects such as collection policy, system application, complaint management, pilot experience and typical cases. Covering all employees involved in debt collection, the training is carried out at least once a year to ensure that the related employees are familiar with relevant laws, regulations and internal policies.