Academic Journal of Management and Social Sciences
ISSN: 2958-4396 | Vol. 15, No. 2, 2026

Y Rural Commercial Bank under Aging Background Research on Optimization Paths for Pension Finance

Xin Li, Xinrong Zeng *

School of Management, Sichuan University of Science & Engineering, Yibin, Sichuan, 644000, China
* **Corresponding author**: Xinrong Zeng (Email: 37714033@qq.com)

Abstract: Current research indicates that with the acceleration of China's aging population, national pension demands are undergoing profound transformations, exhibiting distinct characteristics of diversification, differentiation, and personalization. This poses more urgent requirements for innovation and development in the pension finance system. As key providers of financial services, commercial banks are increasingly expanding their initiatives in pension finance. Y Rural Commercial Bank exemplifies this trend through its pension finance development. In response to the nation's accelerating aging population and growing pension finance market, the bank aligns with national policy directives, actively addresses market needs, and promotes innovative advancements in pension finance services. However, due to its late market entry and operational challenges, the bank remains in an early exploratory phase, showing significant gaps compared to the mature practices of commercial banks in developed regions. This study examines Y Rural Commercial Bank's pension finance operations under the aging society context, analyzes its current status and existing challenges, compares its practices with those of S Rural Commercial Bank, and proposes pathways to optimize pension finance services.

Keywords: Aging; Pension Finance; Rural Commercial Bank.

1. Introduction

China is undergoing the world's largest and fastest aging process. By the end of 2025, the population aged 60 and above had reached 323 million, accounting for 23% of the total population; it is expected to exceed 400 million by around 2035, entering a stage of severe aging. This demographic shift is profoundly reshaping the demand-side landscape of pension finance. The "China Urban Elderly Care Service Demand Report 2022," jointly released by the China Geriatrics Society and a research team from Tsinghua University, shows that medical care, rehabilitation, and nursing have become core demands in elderly care services, with most residents endorsing the "three-stage" elderly care model. Urban residents' wealth concepts are becoming increasingly independent and diversified, with pension planning no longer relying solely on a single retirement pension but shifting toward diversified financial product allocation. These changes in demand will trigger significant transformations in human resources, consumption, investment, savings, and even the overall socio-economic structure.

To proactively address the challenges of an aging population, the government is accelerating the establishment of a multi-tiered elderly care security and service system. At the social security level, a multi-tiered pension insurance system has been established, with efforts to improve nationwide coordination of basic pension insurance and vigorously develop secondary and tertiary pillars such as enterprise annuities and individual pensions, thereby creating a comprehensive protection framework. In terms of service provision, a care system has been developed that prioritizes home-based care, supported by community services and professional institutional assistance. Home and community-based elderly care services are being expanded to establish "15-minute" home care service networks offering door-to-door support for meal delivery, bathing assistance, and medical aid. Additionally, the government has identified the silver economy as a high-potential sunrise industry, introducing policies to support elderly care service providers, promoting age-friendly products and services in communities, and including home adaptation measures in consumer product trade-in programs. On the financial front, pension finance is being vigorously developed to attract private capital investment and foster a diversified funding landscape.

From the perspective of policy evolution, addressing population aging has consistently been a pivotal national strategy. The 18th National Congress of the Communist Party of China and its Third, Fourth, and Fifth Plenary Sessions successively emphasized initiatives such as actively fostering the silver economy, accelerating the development of aging-related programs and industries, and improving aging-related policies and systems. In 2019, the "National Medium-and Long-Term Plan for Actively Addressing Population Aging" formally elevated these efforts to a national strategic level. The report from the 20th National Congress further clarified the commitment to "implementing the national strategy for proactive aging response, developing elderly care services and industries, optimizing support for isolated seniors, and ensuring universal access to basic elderly care services." This marks a renewed affirmation and deepening of pension finance's role within the national strategic framework.

In response to the national pension finance strategy, the People's Bank of China Sichuan Branch collaborated with nine government departments to release the "Sichuan Province Pension Finance' Silver Age Enhancement 'Special Action Plan." The plan aims to establish a pension financial service system by 2028 that is "precise and efficient, distinctive in features, inclusive and accessible, and sustainable." It focuses on four key areas: supporting the silver economy, serving elderly populations, implementing age-friendly adaptations, and protecting senior citizens' rights. These measures provide direct policy support and operational frameworks for Y Rural Commercial Bank to optimize

pension financial services.

2. Current Research Status at Home and Abroad

Dong Keyong (2016) defines pension finance as the totality of all financial activities related to the retirement needs of society's members, further subdividing it into three main components: first, pension finance, which encompasses a series of financial activities aimed at building retirement assets, including pension system design and pension asset management; second, pension service finance, referring to financial services provided by social institutions to meet the consumption needs of the elderly; third, pension industry finance, involving financial activities that offer investment and financing support to pension-related industries [1].

From the perspective of international pension finance, Europe has vigorously advanced pension reform. Most OECD countries have implemented measures to raise the retirement age. Additionally, many European nations emphasize individual pension planning, encouraging financial institutions to develop diverse pension products. For example, Germany's three-tier pension system encompasses life insurance, fund savings plans, British-style life insurance, bank savings plans, mutual funds, and stocks, demonstrating strong openness that allows participation from most financial institutions and provides citizens with ample opportunities for autonomous choice and investment. Sweden's pension model focuses on public pension reform, with its system comprising three tiers: government-provided pensions, individual account pensions, and fund-accumulated pensions, funded primarily through national taxation—a high-tax structure supporting robust welfare benefits. These international experiences demonstrate that diversified pension products and open financial markets represent key directions for pension finance development.

From the current status of China's pension finance, the 2020 Central Economic Work Conference, the 14th Five-Year Plan, the 2035 Long-Range Objectives Outline, and the 2021 Government Work Report all emphasized the need to "develop a multi-tiered, multi-pillar pension insurance system with standardized development of the third pillar." However, structural analysis reveals persistent characteristics in China's pension system as noted by Wang Jiaxiu (2022): the system remains dominated by the first pillar with supplementary support from the second pillar, while the third pillar based on individual pensions remains in the exploratory phase. This structural imbalance has led to prolonged underdevelopment of the second and third pillars, resulting in low commercial bank participation in elderly care financial services and financial product designs that fail to effectively align with seniors' retirement objectives [2]. Dang Xue (2022) argues that the elderly care financial market holds vast potential. Commercial banks should enhance pension fund management efficiency, expand financial service coverage, and vigorously promote financial support for the elderly care industry. Collaborative efforts between peers and cross-sector partnerships are crucial to build a high-quality pension financial system that boosts profitability while fostering sustainable development in elderly care services [3].

Meanwhile, the pension needs of the elderly population are undergoing significant transformations. Liu Ying (2025) noted that seniors 'demand for pension finance has rapidly expanded from traditional savings to diversified areas including investments, insurance, and care payment solutions. However, China's pension service finance currently faces notable shortcomings—despite possessing certain financial resources, most elderly individuals lack clear strategies for effectively utilizing these assets to secure their later years [4]. Fu Dongping and Lu Qianqian (2026) demonstrated through empirical research that pension finance can significantly boost silver consumption through three pathways: alleviating liquidity constraints, enhancing risk mitigation capabilities, and improving payment convenience, with an average increase of approximately 50%. This effect is particularly pronounced among urban seniors and younger elderly populations. These findings underscore the urgent economic and social value of optimizing pension financial services [5].

In response to these opportunities and challenges, Wang Jinshan (2022) emphasized that establishing and improving financial organizational frameworks, products, services, and policy systems conducive to accelerating the development of elderly care services, while effectively enhancing financial service quality in this sector, will become a strategic priority for financial institutions over the next 10 to 20 years [6]. Some scholars and local practices have begun exploring viable approaches. Hu Jiyeh and Zhang Zerui (2025) proposed that during the 15th Five-Year Plan period, a tripartite collaborative framework encompassing "products-institutions-markets" should be adopted. Digital technologies should empower innovation in elderly care financial products and service delivery, promote deep integration between pension funds and capital markets, and facilitate the transition from "demographic dividends" to "financial dividends" [7]. Wang Bangwu et al. (2026), using Xianning City's case study, suggested that financial institutions could advance high-quality local elderly care development by building three major systems: pension finance, elderly care service finance, and elderly industry finance, while enhancing social security card services and personal pension schemes [8]. Gao Chengyun (2026) argued that pension financial innovation should focus on demand-side strategies, shifting from individual life cycles to intergenerational family cycles, and establish a "credit-based elderly care" ecosystem to achieve integrated "financial products + services" solutions [9]. Wang Guanfeng (2026) emphasized that the essence of elderly care finance lies in cross-temporal resource allocation across life stages and generations. Drawing on international experience, high-quality silver economy development should be promoted through strengthened top-level design, implementation of social security taxes, diversification of pension financial products, and innovative consumption-oriented elderly care models [10].

3. Current Situation of Pension Financial Business of Y Rural Commercial Bank

As the provincial rural financial institution with the most extensive branch network and serving the largest number of customers in Sichuan Province, the Sichuan Rural Commercial Bank system has established a well-structured framework in the pension finance sector. In recent years, leveraging its user base of 272 million physical social security card holders and capitalizing on its inherent advantage of being deeply rooted in county-level areas and close to rural elderly customers, the bank has progressively developed a multi-tiered, comprehensive pension finance product and

service system focusing on three key dimensions: pension finance, elderly care finance, and pension industry finance. As specifically shown in Table 1:

Table 1. Pension Financial Product System of Sichuan Rural Commercial Bank

Pension Finance	Pillar 1: Social Security Card Proxy Issuance (272 million physical social security card users)
	Second Pillar: Corporate Pension Plans and Occupational Pension Plans with Proxy Payment
	Third Pillar: Opening of Individual Pension Accounts and Product Sales
Pension service finance	Exclusive deposit products (fixed deposit certificates, large-denomination certificates of deposit)
	Adaptation of elderly-friendly service outlets (200 demonstration outlets)
	Smart elderly care scenarios (smart canteens, community-based elderly care)
Financial Services for the Elderly Care Industry	Loan for elderly care institutions (pledging of bed occupancy fee rights)
	Loan for Renovation of Elderly Care Facilities (He Mei Rural Loan)
	Financing for Integrated Medical and Elderly Care Projects

As shown in Table 1, Sichuan Rural Commercial Bank has established three core pillars in pension finance, particularly building a robust client base through social security card distribution services. In elderly care finance, the bank offers customized deposit products to meet seniors 'wealth preservation needs while expanding service reach via age-friendly branch renovations and smart elderly care solutions. For the elderly care industry, it has pioneered innovative credit products like bed occupancy fee pledges and Harmony Rural Loans to support nursing homes and integrated medical-care projects. Overall, Sichuan Rural Commercial Bank has established a comprehensive financial ecosystem spanning "personal pension reserves-elderly care consumption-elderly care industry investment," providing Y Rural Commercial Bank with replicable framework models. The following section details Y Rural Commercial Bank's pension finance development from three key aspects.

3.1. Business Scale and Product Range

Although Y Rural Commercial Bank has not yet launched fund management, trust services, or pension deposit products, it has proactively developed high-interest deposit solutions such as "Fixed Deposit Treasure" and large-denomination certificates of deposit to meet the wealth preservation needs of elderly customers, particularly rural seniors. The bank has also lowered minimum deposit thresholds to help older clients preserve and grow their surplus funds. As of now, the bank serves over 110,000 senior clients aged 65 and above, with fixed deposit balances exceeding 10 billion yuan—accounting for more than 20% of its total fixed deposit portfolio. Additionally, the bank actively handles social security fund collections and payments for seniors, expands social security card applications, and provides subsidized "One-Card Pass" passbook services, effectively addressing elderly customers' demand for transparent and convenient financial products.

In financial products for elderly care services, Y Rural Commercial Bank has prioritized comprehensive social security card services, with its physical social security cards, electronic social security cards, and medical insurance codes ranking among the industry leaders in user base. As shown in Table 2, in terms of deposit products, the bank offers 1-year, 3-year, and 5-year fixed deposits tailored for senior citizens as primary wealth growth options. Additionally, it has launched exclusive senior deposit products like "Dingcunbao" (Fixed Deposit Treasure), modeled after provincial rural credit system designs and featuring preferential interest rates to enhance appeal to elderly clients.

Table 2. Deposit Product Status

product name	Product Features	target customer	remarks
Time Deposit Treasure	Higher interest rates require a lower minimum deposit amount.	Elderly population in rural areas	Pension Financial Management Needs Before Alternative Funds and Trusts Were Established
certificate of deposit	The interest rate is higher, with interest paid periodically.	Elderly individuals with surplus funds	The peak period for processing is from January to March each year.

3.2. Service Innovation and Age-Friendly Adaptation

Y Rural Commercial Bank has conducted systematic explorations in service innovation and age-friendly adaptations. For intelligent services, all branches have established dedicated senior service counters equipped with smart terminals featuring large-print displays, handwriting input capabilities, and voice assistance functions to enhance elderly users' operational experience with smart devices. To address smartphone usage challenges among seniors, the bank developed a senior-friendly mobile banking application and provides one-on-one guidance to help elderly customers bridge the "digital divide," enabling them to fully benefit from technological advancements.

In providing basic pension financial services, Y Rural Commercial Bank handles the proxy distribution of social security cards for retirees' pensions and various agricultural subsidies, while offering pension insurance collection and payment services through bank counters and mobile banking apps. For elderly-friendly service infrastructure development, the bank has established 200 model "age-friendly" service

outlets and 11,000 rural financial service stations, with nearly 100% coverage of senior-friendly facilities including medical kits and reading glasses.It can be subdivided into the situations shown in Table 3.

Table 3. Status of service products

Service Name	service content
Social Security Card "One Card"	Covering 81.67% of the permanent residents within its jurisdiction, 260 subsidies including pensions are disbursed instantly.
Financial Subsidy One-Card Savings Account Book	We provide passbook services to meet the elderly's need for "visible deposit management"
social security fund collection and payment on behalf of others	Providing pension and social security fund collection and payment services for the elderly population
Rural Financial Comprehensive Service Station	275 service stations + 650 public convenience service points, achieving 100% coverage across all administrative villages
Silver Hair Green Channel	Adapted elderly-friendly renovations of service outlets, retention of passbook services, and establishment of green channels

Table 4. Status of Age-Friendly Service Facilities in G County

type of service	concrete content	coverage area
Age-friendly Renovation of Physical Outlets	Equipped with reading glasses, reclining seats, sphygmomanometers, and medical kits.	Full coverage of 30 business outlets
door-to-door service	Provide door-to-door services such as passbook replacement and password reset for elderly individuals with mobility impairments.	All 13 towns in the county
Farmers' ATM Service Point	212 service points providing basic services such as pension inquiry, deposit and withdrawal	Full coverage of administrative villages
Mobile banking "Care Edition"	Large font, simplified interface	The electronic banking platform has 137,400 users.

In terms of age-friendly services, taking the situation of elderly-friendly service facilities in G County as shown in Table 4 as an example, all 30 of its business outlets are fully equipped with age-friendly facilities, including reading glasses, comfortable seating, blood pressure monitors, and medical kits, providing elderly customers with a comfortable and reassuring service environment. For seniors with mobility challenges, G County Rural Commercial Bank offers door-to-door services covering all 13 townships, offering services such as passbook replacement and password reset. Additionally, 212 rural cash withdrawal service points have been established across the county, covering all administrative villages and providing basic financial services like pension inquiries and deposits/withdrawals. In digital services, the mobile banking app "Care Edition" features large fonts and a simplified interface, serving 137,400 electronic banking platform users. These initiatives have become exemplary practices of age-friendly services by Y Rural Commercial Bank, earning widespread praise and recognition from elderly customers.

3.3. Credit Support for the Development of the Elderly Care Industry

With the accelerating aging trend, demand for elderly care-related industries continues to surge, making the elderly care sector a vital component of pension finance. To support industry development, Y Rural Commercial Bank has conducted in-depth industry research, dynamically monitored market trends, and actively utilized credit products including project loans, working capital loans, and personal business operation loans to provide financial support to key players in the elderly care industry chain such as healthcare, wellness services, and tourism. To date, the bank has disbursed 560,000 yuan in loans directly related to the elderly care sector and approximately 300 million yuan in indirectly related loans, with 222 million yuan allocated to healthcare, 26 million yuan to traditional Chinese medicine manufacturing, and 39 million yuan to funeral services. Additionally, settlement accounts have been established for over 20 elderly care institutions, holding balances totaling around 28 million yuan. Overall, the bank has channeled approximately 326 million yuan in credit funds into supporting the elderly care industry and related fields.

Table 5. Overview of Credit Products

product name	Product Details	Release Date
social security credit loan	For the payment of borrowers' pension insurance, addressing the challenges faced by disadvantaged groups in obtaining insurance coverage	Around 2024
Hemei Rural Loan	Promote age-friendly renovations in rural areas and support the construction of age-friendly housing in rural regions	Around 2024

In credit product innovation, Y Rural Commercial Bank actively utilizes 72 innovative products covering elderly care-related fields, such as "Shuxin e-Loan" and "Business e-Loan."while exploring a pension industry loan model that employs bed fee rights as collateral for credit enhancement. The province's first bed fee rights-backed credit loan was issued by Sichuan Rural Commercial Bank's internal institutions, providing replicable experience for Y Rural Commercial Bank. Other system institutions like J Rural Commercial Bank have extended 7 million yuan in credit loans and 13 million yuan in fixed asset loans to K Company, demonstrating reference value for pension industry working capital financing models. Targeting rural elderly populations, as shown in Table 5, Y Rural Commercial Bank also meets productive funding needs of senior farmers through small loans, while continuously increasing support for healthcare

institutions and elderly care infrastructure development in regions like G County through livelihood-oriented loan programs.

In summary, Y Rural Commercial Bank has established a preliminary development framework in elderly financial services, primarily focusing on deposit products while integrating age-friendly services and credit support. The bank exhibits the following characteristics: First, although its deposit product portfolio is solid, it has yet to develop a comprehensive elderly financial ecosystem encompassing "accounts + products + services + scenarios." Second, while credit allocation to the elderly care industry has grown rapidly, the bank's direct related loans remain limited at only 560,000 yuan, with indirect support still dominating and insufficient direct credit penetration into elderly care institutions. Third, although rural financial service stations have achieved full coverage of administrative villages, age-friendly adaptations for mobile banking and smart devices require continuous enhancement. Overall, Y Rural Commercial Bank leads in elderly-friendly infrastructure and service accessibility, but there remains significant room for improvement in product diversification, ecosystem-based services, and deep integration with the elderly care industry.

4. Analysis of Issues in Y Rural Commercial Bank's Pension Finance Services

Y Rural Commercial Bank's pension financial services face multiple challenges: rural seniors struggle with insurance enrollment and premium payments, low pension benefits, insufficient savings, inadequate risk protection, and inconvenient services. Elderly care facilities commonly encounter structural difficulties including light asset portfolios, lack of collateral, and financing constraints. The "last mile" of elderly-friendly services remains unaddressed. In terms of financial support for the elderly care industry, the current landscape is dominated by policy-based financing. Public institutions primarily rely on government bonds and fiscal funds for upgrades, while private capital participation remains limited. Corresponding financial support policies require further implementation.

4.1. Insufficient product accuracy

With the development of financial markets and evolving retirement concepts among residents, elderly customers are showing growing demand for diversified financial products including pension wealth management, pension insurance, and retirement trusts. However, Y Rural Commercial Bank remains relatively conservative in pension financial product innovation, currently relying primarily on traditional deposit products such as "Fixed Deposit Treasure" and large-denomination certificates of deposit to meet senior clients 'needs. The bank has yet to establish a comprehensive product matrix covering pension finance, elderly care finance, and senior industry finance. Three key shortcomings emerge: First, existing credit products lack adaptability in terms of loan amounts, terms, and repayment methods for rural elderly populations with low and unstable incomes. Specialized products remain virtually unavailable for high-age groups (over 75), semi-dependent seniors, and empty-nest individuals. Second, development of risk-oriented products like pension wealth management schemes, pension funds, and insurance policies lags behind market needs, with awareness and acceptance rates among elderly customers remaining below 5%. Third, while traditional deposit products achieve basic value preservation and appreciation, their limited diversity and lack of personalization fail to meet differentiated needs of elderly clients, thereby restricting the bank's competitiveness and appeal in pension financial services.

4.2. Insufficient service depth

Although Y Rural Commercial Bank has established 200 elderly-friendly model branches and 11,000 rural financial service stations, there remains significant room for enhancing service quality. First, agricultural support services lack multifunctionality, currently only offering basic deposit/withdrawal and payment services while failing to provide comprehensive financial solutions like wealth management, insurance, or loan applications. Second, mountainous areas with poor transportation infrastructure result in insufficient home visit frequency for elderly individuals living alone or of advanced age, leading to uneven coverage and persistent challenges in delivering elderly-friendly services to remote communities. Third, digital accessibility upgrades progress slowly, with low adoption rates of large-print mobile banking interfaces, voice navigation systems, and smart teller machine interfaces designed for seniors, leaving many rural elderly customers struggling to bridge the digital divide. Additionally, fundamental service gaps—including difficulties in insurance enrollment, low pension benefits, insufficient savings, and inadequate risk protection—remain unresolved among rural elderly populations.

4.3. Weak industrial support

Y Rural Commercial Bank primarily provides indirect credit support for the elderly care industry, with insufficient direct financing services for elderly care institutions. Currently, public elderly care facilities mainly rely on government bonds and fiscal funds for renovation and upgrades, exhibiting distinct policy-oriented financial characteristics. Private elderly care institutions remain limited to Y Elderly Apartment, while social capital remains cautious about entering the elderly care market in G County. Financial support policies such as 6 million yuan interest-subsidized loans still require further implementation. Elderly care institutions generally feature light asset structures and lack collateral, making traditional credit models ineffective in addressing their financing challenges. Meanwhile, financing for small-scale elderly care projects like rural happiness centers, day care centers, and mutual aid programs remains unaddressed. Financial solutions for integrated medical-care systems and wellness tourism within the elderly care industry chain have yet to be developed, highlighting the urgent need to enhance systematic and targeted financial support mechanisms for this sector.

4.4. Capacity and Ecological Lag

Y Rural Commercial Bank exhibits significant shortcomings in its professional capabilities and support systems within the pension finance sector. Firstly, there is a severe shortage of specialized talent in pension finance, with no dedicated pension finance team, resulting in inadequate capabilities in product design, risk assessment, and customer service that hinder refined and professional development. Secondly, the risk-sharing mechanism remains inadequate;

for instance, the "Social Security Credit Loan" product has a non-performing rate of 1.2%, yet lacks government-backed risk compensation funds or guarantee mechanisms, limiting sustainable business expansion. Thirdly, internal performance evaluation incentives and resource allocation are insufficient, failing to adequately motivate grassroots branches and employees to engage in pension finance services. Finally, the overall development of the pension finance ecosystem lags behind, lacking a cohesive framework integrating financial products, service providers, policy support, and scenario-based ecosystems. This impedes effective resource integration and prevents the bank from fully leveraging its comprehensive and systematic role in pension financial services.

5. Case Analysis: A Comparative Study of Y Rural Commercial Bank and S Rural Commercial Bank

5.1. Pension Finance of S Rural Commercial Bank

5.1.1. Leading in Pension Financial Services

S Rural Commercial Bank has been deeply engaged in pension finance, with its pension disbursement services consistently ranking among the top in S's peer industry for multiple years. Serving over 1.25 million clients, the bank holds the second-largest market share in the city and has maintained the highest growth rate in the sector for two consecutive years. Actively responding to societal demands amid an aging population, the bank has meticulously developed its "Anxiang Xinsheng Life" pension financial service brand. Through the launch of the Anxiang "Accompanying Elderly Account," it establishes a comprehensive pension financial service system grounded in professional wealth planning. This system integrates diversified asset allocation, integrated services, differentiated offerings, and companion-style financial solutions, dedicated to providing elderly clients with more personalized and professional financial protection.

5.1.2. Age-Friendly Branch Renovation

S Rural Commercial Bank has actively promoted the renovation of age-friendly branches, establishing over 300 elderly service outlets and 55 specialized financial service branches for seniors. These branches enhance financial service experiences for elderly customers through innovative measures such as implementing a "Six Specialized Services" mechanism, setting up "Senior Care Rooms" within branches, and installing smart remote consultation devices.

5.1.3. Online Service Optimization

S Rural Commercial Bank has prioritized age-friendly design in digital channels like mobile banking, thoroughly considering the usage habits and needs of senior customers. In 2025, the bank launched an upgraded mobile banking app that integrates AI technology to create a "one-stop" elderly financial service zone. The senior-friendly version continuously enhances accessibility features such as voice prompts and screen reader support, while utilizing remote outreach services to provide product maturity reminders and retirement procedure guidance for aging clients. Additionally, the bank has expanded specialized services and elderly assistance through digital solutions including video banking platforms.

5.1.4. Community Public Welfare Services

S Rural Commercial Bank has implemented the "Heart Home" public welfare service project to serve the 15-minute community life circle, addressing residents' needs and integrating social resources to form a tripartite service synergy involving "commercial banks + social organizations + neighborhood communities." Over 1,000 service stations have been established, achieving full coverage across 216 subdistricts and townships in S. The project provides eight distinctive services including health care, senior universities, community performance platforms, and agricultural product procurement assistance, playing a pivotal role in elderly financial services.

5.2. Comparative Analysis and Insights

S Rural Commercial Bank leverages its leading position in pension distribution services to provide comprehensive financial solutions for senior clients through innovative products like the "Anxiang Xinshenghuo" brand and "Companion Elderly Accounts." The bank emphasizes age-friendly design across both online and offline platforms, exemplified by its mobile banking "Le Ling Edition" and optimized video banking services, showcasing its cutting-edge approach to technology-driven elderly financial services. Meanwhile, Y Rural Commercial Bank strengthens its local market presence by developing age-appropriate deposit products, upgrading branch facilities for seniors, promoting financial literacy, and offering credit support for elderly care industry development—all tailored to deliver personalized and practical services for older generations.

Y Rural Commercial Bank can draw on S Rural Commercial Bank's successful experience in pension financial services and its advanced practices in integrating online and offline services. By introducing age-friendly financial service brands tailored to local conditions and developing more distinctive financial products, the bank should enhance the accessibility of its online channels—such as optimizing mobile banking interfaces and adding voice navigation features—to improve the user experience for elderly customers. Additionally, Y Rural Commercial Bank can adopt S Rural Commercial Bank's model for community public welfare services, strengthening partnerships with local communities and social organizations to provide elderly customers with more comprehensive and considerate financial services.

6. Optimization Path of Pension Finance for Y Rural Commercial Bank

6.1. Product System Upgrade

6.1.1. Optimization of Individual Pension Security Products

To address challenges such as difficulties in enrollment and premium payments among rural elderly populations and low coverage levels, the "Social Security Credit Loan" has been significantly upgraded to version 2.0. In terms of coverage expansion, it now includes all groups—including those without social insurance coverage, those with interrupted premium payments, recipients of subsistence allowances, individuals in extreme poverty, and people with severe disabilities. Regarding loan limits, the maximum amount has been increased to 150,000 yuan with a term of up to 10 years (provided the borrower's age plus loan term does not exceed

80 years). For interest rates, the subsidized rate does not exceed 1.8%, with repayment options available quarterly or annually and a 6-month grace period. In risk management, a tripartite data verification mechanism involving the Ministry of Human Resources and Social Security, civil affairs authorities, and banks has been established, supplemented by an insurance safety net (death compensation). Additionally, the "Filial Piety Loan" product has been launched, with children serving as guarantors, to finance elderly care expenses, age-friendly home modifications, and medical rehabilitation, offering a maximum loan amount of 300,000 yuan at interest rates starting from 3.2% over a 5-year term.

In pension savings solutions, the bank has launched the "Hao Xiangfu" product series modeled after C Rural Commercial Bank's practices. Key offerings include: 5-or 10-year "Xiangfu Certificates of Deposit" with 3.1%-3.5% interest rates and principal protection; "Xiangfu Monthly Savings" – a zero-coupon savings plan starting at 50 yuan per month with lump-sum withdrawals at maturity; and "Xiangfu Smart Savings" featuring tiered interest calculation and flexible withdrawal options to maximize returns. For inclusive insurance, the upgraded "Senior Accident Insurance 2.0" provides 200,000 yuan coverage with expanded protections for fractures, chronic illnesses, and hospital care services. The pilot Long-Term Care Insurance program offers nursing subsidies and service reimbursements for disabled seniors. Comprehensive pension institution liability insurance coverage is being implemented, supported by premium subsidies and increased coverage limits.

6.1.2. Breakthroughs in Financial Products for the Elderly Care Industry

To address financing challenges faced by elderly care institutions, an innovative "Elderly Care Facility Construction/Operation Loan" has been introduced. This loan employs various guarantee mechanisms—including bed fee rights pledges, operational subsidy pledges, and credit guarantees—with a maximum loan amount of RMB 10 million, a term of 10 years, and interest rates ranging from 3.0% to 3.45%. It primarily supports county-level nursing homes, regional elderly care centers, community elderly care service complexes, and private wellness projects. Additionally, a "Rural Mutual Aid Elderly Care Loan" has been launched to facilitate the construction and operation of senior care facilities such as happiness centers, day care centers, neighborhood mutual aid stations, and senior dining halls, offering a maximum loan amount of RMB 500,000 as a credit loan with interest rates starting at 3.0% and eligibility for government interest subsidies. Furthermore, a "Medical and Elderly Care Integration/Wellness Tourism Loan" has been developed to support integrated development projects combining elderly care with healthcare, cultural tourism, and ecological initiatives. These loans align with rural revitalization and inclusive elderly care refinancing policies, thereby reducing financing costs.

6.1.3. Wealth Management and Service Product Expansion

We will enhance the quality and expand the coverage of individual pension schemes by launching county-specific pension savings, wealth management, and insurance products with returns 10–20 basis points higher than the market average. Flexible contribution options are available on a monthly, quarterly, or annual basis, along with mechanisms allowing reinvestment of idle funds and resumption after suspension. Through tax incentive promotion, village and community agency services, and door-to-door account opening, we aim to achieve a 50% coverage rate among the target population aged 35–55. Additionally, we provide pension wealth planning services for clients aged 60 and above, covering asset allocation, inheritance planning, and comprehensive fraud prevention services, while exploring the introduction of simplified pension trusts and automatic deduction features for child support payments.

6.2. Upgrade of Service System

6.2.1. Offline services: Delivered to villages and provided at home

Establish a three-tier elderly care service network at the county, town, and village levels. At the county level, construct 3 flagship demonstration outlets to provide comprehensive one-stop services. At the town level, 13 branch offices have undergone age-friendly renovations, featuring dedicated service windows, assigned staff, and green channels. At the village level, 194 rural withdrawal points have been upgraded to "Elderly Financial Service Stations," which offer not only basic payment and fund transfer services but also insurance application processing, loan applications, and business consultations. Twenty "Silver Age Service Teams" have been formed, equipped with 40 mobile terminals, providing at least one home visit per month (once weekly in priority villages) to deliver full-process services including card issuance, activation, loss reporting, loan applications, financial planning, insurance services, and anti-fraud awareness campaigns. For vulnerable elderly groups—including those with limited mobility, advanced age, solitary living conditions, or disabilities—a registry management system has been implemented, with regular home visits and collaborative support from village communities and volunteers offering personalized assistance such as document processing, agency services, and payment assistance.

6.2.2. Online Services: Bridging the Digital Divide and Intelligent Elder-Friendly Solutions

The "Senior-Friendly Version" of mobile banking has been fully rolled out, featuring large fonts, voice navigation, and a minimalist interface. It supports one-click access to both live chat and video customer service, covering comprehensive services including account inquiries, transfers, withdrawals, payments, social security, insurance, and wealth management. Remote video terminals have been deployed at agricultural assistance centers and community hubs to facilitate loan applications, account loss reporting, and password resets. Enhanced anti-fraud intelligence safeguards include transaction alerts, spending limits, and family member notifications for elderly account holders.

6.2.3. Public Education and Rights Protection

Regularly conduct "Silver Age Protection" awareness campaigns, with no fewer than 4 sessions per town annually covering all villages and communities. Utilize methods such as dialect interpretation, visual presentations, and case analyses, with content encompassing anti-fraud measures, financial literacy, insurance basics, credit record maintenance, and rights protection channels. Establish a senior financial service hotline staffed with dedicated personnel for 7×12-hour responsiveness, ensuring prompt resolution of elderly clients' inquiries and provision of home visit services.

6.3. Industrial Ecosystem Synergy

We will deepen government-bank collaboration by signing the 15th Five-Year Strategic Cooperation Agreement on

Pension Finance with the Human Resources and Social Security Bureau, Civil Affairs Bureau, Health Bureau, and Finance Bureau. Joint mechanisms for data sharing, risk compensation, interest subsidies, and project coordination will be established, while actively seeking policy support including inclusive pension refinancing loans, risk compensation pools, and fiscal interest subsidies. A whitelist system for elderly care institutions will be implemented with customized solutions per institution, providing comprehensive services such as settlement services, payroll processing, supply chain financing, employee financial services, and wealth management. Social banking integration will be promoted through collaborative efforts with village communities, elderly care institutions, hospitals, and senior associations to build a service alliance, creating a one-stop platform integrating finance, elderly care, healthcare, wellness, and cultural services.

6.4. Risk Control and Assurance System

Establish a comprehensive risk management system across all processes. At the data risk control level, implement cross-verification of multi-source data from human resources and social security authorities, civil affairs departments, public security agencies, and banks. For product risk control, ensure dedicated fund allocation, closed-loop operations, and secured repayment sources with insurance-based risk coverage. In post-loan risk management, utilize village-community coordinators for real-time monitoring and tiered resolution. Promote the establishment of a county-level pension financial risk compensation pool funded jointly by fiscal authorities, banks, and insurers, covering social security loans and elderly care facility loans with 50% compensation for non-performing loans exceeding 1% of total loans. Enforce strict compliance and consumer protection measures, including product registration, sales suitability assessments, and information disclosure requirements, to achieve zero complaints, zero violations, and zero cases, thereby effectively safeguarding the legitimate rights of elderly financial consumers.

6.5. Capacity Building and Support

In terms of organizational structure, the head office has established a Pension Finance Department, branch offices have set up Pension Finance Centers, and villages and communities are assigned liaison officers, forming a three-tier management system. Comprehensive training and certification requirements are implemented, with no fewer than four professional training sessions annually, and professionals in pension finance, insurance, risk management, and wealth management are recruited. Regarding digital empowerment, a pension finance big data platform has been developed to enable customer profiling, demand analysis, precision marketing, and risk control alerts. The platform also integrates with the Sichuan Rural Credit and G Government Data Platforms, facilitating data interoperability and one-click processing. In terms of cultural incentives, the "G Rural Credit · Warm Elderly Care" service brand has been launched to foster a corporate culture of respecting, caring for, and assisting the elderly. Special performance evaluation indicators have been established, dedicated resources allocated, and substantial rewards granted to outstanding institutions and individuals to fully stimulate grassroots vitality.

Acknowledgments

Supported by The Innovation Fund of Postgraduate, Sichuan University of Science & Engineering. The project number is Y2024070.

References

[1] Dong Keyong. Professor Dong Keyong, Secretary-General of the China Pension Finance 50 Forum, delivered a speech [C]// China Pension Finance 50 Forum (CAFF50). China Pension Finance 50 Forum 2016 Annual Conference Speech Materials. China Pension Finance 50 Forum; 2016:2.

[2] Wang Jiaxiu. Bank innovative services for the third pillar of pension insurance [J]. China Finance, 2022, (07):57-59.

[3] Dang Xue, Wanyan Sujuan, Zhou Zhenguo. Development and Efficiency Enhancement Strategies of Commercial Bank Elderly Care Financial Services in the Context of Aging Population [J]. Southwest Finance, 2022, (11):96-106.

[4] Liu Ying. Discussion on the Development of Pension Finance under the Inclusive Finance Framework [J]. China Finance, 2025, (22):88-89.

[5] Fu Dongping, Lu Qianqian. How pension finance can boost silver consumption: An empirical analysis based on China's elderly social tracking survey data [J/OL]. Financial Economics Research, 1-15 [2026-04-16].

[6] Wang Jinshan, Fu Dongsheng, Li Baoxu, et al. Implementation of a Capital-Specific Elderly Financial Service Ecosystem [J]. State-Owned Enterprise Management, 2022, (09):82-87.

[7] Hu Jiyue, Zhang Zerui. Research on Digital Empowerment for High-Quality Development of Elderly Financial Services During the 15th Five-Year Plan Period [J]. Journal of Hohai University (Philosophy and Social Sciences Edition), 2025,27(06):71-85.

[8] Wang Bangwu, Wang Wenxiu, Wang Yueming. Local Practices of Financial Services in the Development of the Elderly Care Industry [J]. China Finance, 2026, (02):101.

[9] Gao Chengyun. Innovation in Pension Financial Supply Based on Demand Side [J]. New Finance, 2026, (04):14–22.

[10] Wang Guanfeng. Financial support for elderly care in China promotes high-quality development of the silver economy: International references and advancement paths [J/OL]. Contemporary Economic Management, 1-12 [2026-04-16].