Responsible Banking Progress Statement for PRB Signatories

XIAMEN BANK 2025

Summary

Principle 1: Alignment	Principle 2: Impact & Target Setting	Principle 3: Clients & Customers
Response: ▪ There were no material updates to the Bank's other basic information or key strategies. As of the end of 2025, the Bank's total assets amounted to RMB 453.099 billion, up 11.11% from the end of the previous year, with steady business expansion. ▪ The total loans and advances amounted to RMB 243.247 billion, of which corporate loans and advances totaled RMB 165.859 billion and personal loans and advances totaled RMB 65.935 billion.	**Response:** ▪ There were no material changes to the types of corporate loans or the proportion of key industries. The conclusions of the impact analysis and the overall direction of target setting remain unchanged, namely the two targets of green finance and technology finance, which will continue to be implemented, with the baseline remaining unchanged at 2024. ▪ Further analysis of the environmental and social impacts of green finance and technology finance related businesses was conducted. See the Supplements for further information. ▪ In 2025, in light of new requirements from the central government and Xiamen Municipality, the Bank carried out a green finance assessment. In addition to maintaining existing internal policies such as the green finance work plan, the Bank added new internal documents to support green and technology finance work. For details, please refer to the Supplements.	**Response:** ▪ As of the end of 2025, the balance of green loans was RMB 20.578 billion (PBOC statistical scope), and the balance of technology loans (including discounted bills) was RMB 26.191 billion. ▪ For work on green bonds, technology special bonds, and other products and services, please refer to the Supplements. ▪ For pilot work in emission reduction, biodiversity, and other areas, please refer to the Supplements.
Links & references: ▪ Xiamen Bank Co., Ltd. 2025 Sustainability (ESG) Report ▪ ESG Performance: Economic and Corporate Governance Performance — Economic Performance ▪ Social Performance — Development of Inclusive Finance ▪ Xiamen Bank Co., Ltd. 2025 Annual Report: Section 3 Management Discussion and Analysis — 5. Main Operating Conditions During the Reporting Period	**Links & references:** ▪ Xiamen Bank Co., Ltd. 2025 Sustainability (ESG) Report: Annual Sustainability Highlights	**Links & references:** ▪ Xiamen Bank Co., Ltd. 2025 Sustainability (ESG) Report: Annual Sustainability Highlights — Environmental, Social

Principle 4: Stakeholders	Principle 5: Governance & Culture	Principle 6: Transparency & Accountability
Response: ▪ The Bank actively participates in building the sustainable finance industry ecosystem. ▪ For customer financial education, please refer to the Sustainability Report: Financial Literacy Promotion; Pension Finance — Consumer Education. ▪ The Bank actively participates in domestic and international peer exchanges. For details, please refer to the Sustainability Report: ESG Management — Capacity Building. ▪ In June 2025, the Bank participated in the UNEP FI Asia-Pacific Sustainable Roundtable and spoke at the Risk and Opportunity Seminar on Climate Adaptation Finance.	**Response:** ▪ The Bank has established and improved its ESG governance system. This year, it continues to apply the Credit Policy of Xiamen Bank Co., Ltd. (2024) and the Implementation Rules for ESG Risk Assessment of Corporate Credit Customers, with no updates. ▪ For details on employees and talent development, please refer to the Supplements. ▪ Xiamen Bank conducts risk management for key corporate clients through the ESG rating model. For details, please refer to the Sustainability Report: ESG Risk Assessment of Financial Market Business. ▪ In accordance with standards issued by TCFD, NGFS, ISSB, and BCBS as well as relevant domestic policies, Xiamen Bank issued the Implementation Plan for Addressing Climate Risks and Opportunities based on its existing climate risk and opportunity analysis. For details, please refer to the Supplements.	**Response:** ▪ The Bank continued to have its Sustainability (ESG) Report subject to an AA1000 Type 2 assurance at the moderate level. The assurance statement can be found in the appendix of the Sustainability Report.
Links & references: ▪ Xiamen Bank Co., Ltd. 2025 Sustainability (ESG) Report — Social: Consumer Rights Protection — Financial Literacy Promotion ▪ Pension Finance — Consumer Education ▪ Xiamen Bank Co., Ltd. 2025 Sustainability (ESG) Report — ESG Management: ESG Strategy — Capacity Building	**Links & references:** ▪ Xiamen Bank Co., Ltd. 2025 Sustainability (ESG) Report — Social: Human Resources Management — Career Development and Training ▪ Xiamen Bank Co., Ltd. 2025 Sustainability (ESG) Report — Environmental: Green Finance and Climate Change Tackling — Impacts, Risks and Opportunities Management — ESG Risk Assessment of Financial Market Business	**Links & references:** ▪ Xiamen Bank Co., Ltd. 2025 Sustainability (ESG) Report: Assurance Statement

Supplements

Principle 2:
Impact & Target Setting

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

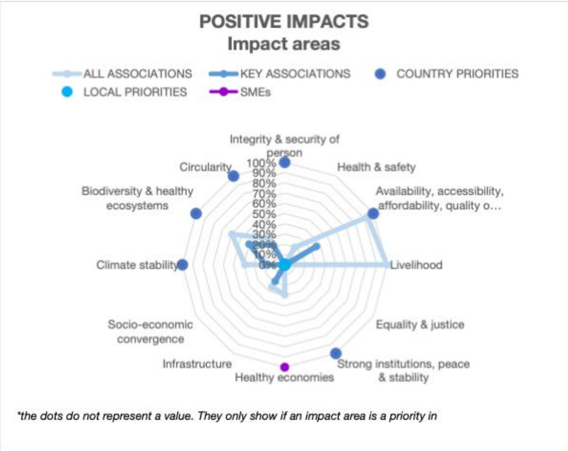
Impact Analysis

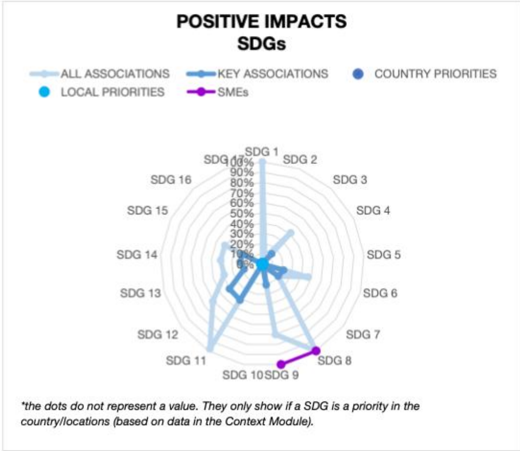
Show how your bank has identified, prioritized and measured the most significant impacts associated with its portfolio (both positive and negative). Determine the priority areas for target-setting. Include details regarding: Scope, Portfolio Composition, Context, and Performance Measurement.

The impact analysis should include assessment of the relevance of the four priorities laid out in *Leading the Way to a Sustainable Future: Priorities for a Global Responsible Banking Sector* (2024), as part of its initial or ongoing impact analysis.

Response:

- Xiamen Bank's green credit business is aligned with the Green Finance Supported Project Catalogue (2025 Edition), covering energy conservation and carbon reduction, environmental protection, resource recycling, green and low-carbon energy transition, ecological protection, restoration and utilization, green upgrading of infrastructure, as well as green services, trade, and consumption. These businesses have major positive impacts on climate, circular economy, and biodiversity. They also deliver quantifiable emission reduction, water conservation, and pollution reduction effects. The green balance of projects amounted to RMB 20.578 billion, accounting for 9.3% of total business. Among them, projects included in the environmental benefit assessment achieved a total emission reduction equivalent to 38,000 tons of standard coal, carbon dioxide emission reduction of over 89,000 tons, and water savings exceeding 10,000 tons.
- Technology credit business is based on the science and technology industry catalogues of the National Bureau of Statistics and regional science and technology enterprise lists. It mainly covers: high-tech manufacturing, high-tech services, strategic emerging industries, and intellectual property (patent) intensive industries. It also includes industries with green industry characteristics, such as new energy vehicles. It has certain positive impacts on improving industrial quality, economic development, and employment. The balance of technology credit was RMB 26.191 billion, accounting for 11.8% of total business.
- The above businesses deliver significant positive environmental and social contributions. Based on the industry environmental and social impact analysis for green finance and technology finance priorities identifiable and matched in the UNEP FI Third Edition Impact Analysis Tool, they have relatively clear positive impacts on resource and service availability, biodiversity, and bridging socioeconomic disparities, and promote Sustainable Cities and Communities (SDG 11) and Responsible Consumption and Production (SDG 12).





Targets, Target Implementation, and Action Plans / Transition Plans

Show that your bank has set and published a minimum of two SMART targets which address at least two different areas of most significant impact that your bank identified in its impact analysis. Once targets are set, explain the actions taken and progress made. Include details regarding: Alignment, Baselines, Targets, Target Implementation & Monitoring (and KPIs), Action Plans / Transition plans and Milestones.

Banks are encouraged to disclose information regarding actions they are taking in four priorities laid out in *Leading the Way to a Sustainable Future: Priorities for a Global Responsible Banking Sector* (2024).

Response:

The targets for green credit and technology finance loans remain stable: the growth rate shall not be lower than that of other loans across the Bank. In 2025, green credit increased by 68.55% and technology finance credit increased by 44.55%, both exceeding the growth rate of total loans. The Bank continues to adhere to the relevant organizational system, institutional development, and product management.

On top of these targets: the Bank added several important internal documents to ensure the smooth implementation of green finance. These include:

- The Rules of Procedure for the Board Strategic and ESG Committee of Xiamen Bank Co., Ltd. clarify the core responsibilities of this committee in sustainable finance and green finance: responsible for studying and discussing strategic planning required by regulatory policies including green finance development and ESG, and regularly supervising and evaluating the implementation of relevant strategies.
- The indicators of the ESG Risk Management System Gap Improvement Plan of Xiamen Bank Co., Ltd. cover five major areas: top-level design, process management, supporting management, self-performance, and capacity building. In terms of top-level design, it requires the Board of Directors to approve the green finance strategy and supervise its implementation, while senior management is responsible for target decomposition and resource allocation. Process management covers full-process control, including formulating green credit policies, conducting ESG risk classification of clients, carrying out due diligence, implementing differentiated authorization in review and approval, constraining high-risk clients through contract terms, and strict post-lending management and stress testing. Supporting management involves incorporating green finance into the assessment and evaluation system, conducting internal control inspections and audits, and disclosing environmental information as required. Self-performance emphasizes promoting green operations, protecting consumer rights, safeguarding employee rights, and fulfilling social responsibilities. Capacity building focuses on cultivating professional talent and exploring green finance product innovation.
- The Green Credit Identification and Management Measures of Xiamen Bank Co., Ltd. are based on the 2025 Green Project Catalogue, covering on-balance-sheet corporate and retail credit. They emphasize departmental responsibilities, authenticity of materials, post-lending management, and digital system construction to ensure accurate identification of green credit and prevent greenwashing risks.

Principle 3:
Clients & Customers

We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

Client and Customer Engagement

Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities. It should include information on the client engagement strategy including but not limited to the impact areas identified / targets set, awareness raising activities with clients and customers, relevant policies and processes, actions planned/implemented to support clients' transition, selected indicators on client engagement and, where possible, the impacts achieved.

Links & references
Xiamen Bank Co., Ltd. 2025 Sustainability (ESG) Report

Response:

In terms of green finance, as of the end of 2025, the Bank's green loan balance was RMB 20.578 billion, an increase of RMB 8.369 billion from the beginning of the year. The Bank newly issued RMB 3 billion in green financial bonds, mainly invested in green buildings, new energy vehicles, etc.

In terms of technology finance, as of the end of 2025, the balance of technology loans (including discounted bills) was RMB 26.191 billion, an increase of RMB 8.073 billion from the beginning of the year. The cumulative issuance of technology innovation financial bonds during the year was RMB 1 billion; the cumulative underwriting of technology innovation bonds was RMB 360 million; and the balance of investments in technology innovation bonds was RMB 1.662 billion.

For cases on green finance and technology products and services, please refer to the Xiamen Bank Co., Ltd. 2025 Sustainability (ESG) Report: Environmental — Climate and Environmental Impact of Investment and Financing — Green Credit Cases; Social — Serving the Real Economy — Technology Finance Products and Services Innovation.

Key innovative pilot projects include:

- **Carbon Emission Rights Pledge Loan under the 'Blue Finance Standard'**: In 2025, Quanzhou Branch of Xiamen Bank granted the Bank's first carbon emission rights pledge loan to a Taiwan-funded enterprise in Shishi that complies with the 'Blue Finance Standard,' amounting to RMB 1 million. This marks an important breakthrough in cross-strait financial cooperation in innovative green finance. The project enterprise actively responds to international environmental protection standards, proactively promotes green production, and enhances international market competitiveness by reducing carbon emissions. The loan application to the Bank was for production expansion, in compliance with the People's Bank of China Blue Finance Standard purpose '3.3.6 Marine Drugs and Biological Products Manufacturing.' Xiamen Bank relied on the Strait Equity Exchange to conduct professional assessment of the Taiwan-funded enterprise's marine carbon emission assets, and completed the pledge registration at the Strait Environment Exchange and the Chattel Financing Unified Registration and Publicity System of the People's Bank of China Credit Reference Center.
- **First Ecological Compensation Rights Mortgage Loan**: One corporate client in Guangze County, Fujian Province launched a systematic restoration project for 82 rivers in Guangze County with a total length of 463 kilometers. Through measures such as ecological revetment construction, intelligent supervision, and continuous dredging, it strives to improve the flood prevention and drainage system, enhance watershed water quality, restore riverbank ecology, and improve the living environment, addressing the prominent issues of weak flood prevention capacity and degraded ecological functions commonly faced by rivers. As project returns, the enterprise will obtain a 30-year ecological compensation right for the ecological protection and restoration project of 82 rivers including the Guangze section of Daqian Stream. This ecological compensation right is designed based on market-oriented mechanisms, relying on the large amount of sand and gravel contained in river dredging waste that can be utilized as resources, forming a sustainable commercial return path.

After gaining an in-depth understanding of the enterprise's financing needs, Xiamen Bank proactively engaged, implemented targeted measures, and innovatively included ecological compensation rights in the guarantee scope. Upon assessment, the value of this portion of ecological compensation rights was RMB 152 million. After completing the mortgage registration through the China Registration Network, Xiamen Bank efficiently completed the approval and disbursement of the nation's first ecological compensation rights mortgage loan, providing timely and strong financial guarantee for the smooth progress of the project.

In other topics corresponding to the five priorities of financial work:

- **[Pension Finance]** Actively responding to the national strategy on addressing population aging, the Bank anchors its position as a 'pension finance host bank,' incorporates pension finance into strategic planning, and establishes a special working mechanism. On the product side, as one of the first city commercial banks and rural commercial banks in the province to launch agency sales of commercial pension business, as of the end of December 2025, the cumulative sales amount of the Bank was RMB 92.48 million; it innovated the 'E-Second Business Loan' by relaxing the entry age to 65, and as of the end of December 2025, the loan balance was RMB 5.6492 million. On the service side, all 123 outlets have completed age-friendly renovation, 12 pension finance featured branches have been designated, elderly-exclusive customer service channels and Minnan dialect services have been opened, and appointment-based door-to-door services are provided for elderly and disabled seniors. Online, the Bank optimized the large-font version of online banking and age-friendly functions of mobile banking to meet the diverse needs of elderly customers in urban and rural areas. On the rights protection side, the Bank built an 'online + offline' publicity matrix, continuously carried out pension finance themed education, and strengthened the financial security defense line for elderly customers.
- **[Inclusive Finance — Serving New Citizens]** The Inclusive Finance Department formulated and issued the Special Management Measures for Credit to New Citizen Customer Groups of Xiamen Bank Co., Ltd. in 2023. The special products include: New Citizen Quick E-Loan, New Citizen Housing Ease, and New Citizen Consumption Ease, further strengthening credit support for new citizens' entrepreneurship, housing, and consumption, and improving the accessibility, convenience, and well-being of financial services for new citizens. As of the end of 2025, loans totaling RMB 16.404 billion were issued to 30,526 new citizens. Both mobile banking and all outlets under the Bank's jurisdiction have established exclusive zones for new citizens, printed service manuals, and carried out regular financial education through WeChat public accounts, community entry, and enterprise entry, helping new citizens integrate into local life.

Business Opportunities

Describe what strategic business opportunities in relation to the increase of positive and the reduction of negative impacts your bank has identified and/or how your bank has developed these in the reporting period. Provide information on sustainability-related products and services and frameworks in place that support the transition needs of clients, size of the sustainable finance portfolio in USD or local currency and/or as a % of your bank's portfolio, and which SDGs or impact areas your bank is striving to make a positive impact on.

* Provide information on the sustainable finance frameworks/standards/taxonomies used to label sustainable finance volumes

Links & references

Xiamen Bank Co., Ltd. 2025 Sustainability (ESG) Report

Response:

In terms of green finance, on the basis of existing green credit products such as the 'Energy Conservation and Emission Reduction Loan' and 'Photovoltaic Loan,' the Bank plans to add products such as sustainability-linked loans, environmental rights loans, transition loans, and biodiversity loans. In terms of technology finance, on the basis of products adapted to the full life cycle of technology enterprises, the Bank plans to launch the 'Technology Enterprise Special Loan Product.'

Principle 5:
Governance & Culture

We will implement our commitment to these Principles through effective governance and a culture of responsible banking.

Promoting a Culture of Responsible Banking

Describe the initiatives and measures of your bank to foster a culture of responsible banking among its employees (e.g., capacity building, learning & development, sustainability training for relevant teams, inclusion in remuneration structures and performance management and leadership communication, amongst others).

Response:

In terms of employee and talent development, the Bank was honored with Zhaopin 'Top 10 Best Employers in Xiamen of China,' reflecting its high regard for employee rights and growth. In terms of social responsibility and inclusiveness, it received Nowcoder 'Most Socially Responsible Campus Recruitment Employer,' demonstrating its firm commitment to youth employment and fair opportunities. In terms of governance and innovative practices, it won the Nowcoder 'AI Recruitment Practice Pioneer Award,' highlighting its leading initiatives in promoting technology for good and ethical governance in the recruitment process.

Employee training on sustainable finance focuses on the two targets. For green finance, multi-level and multi-angle series trainings were carried out. In terms of content, they included interpretation of macro policies such as green finance development outlooks and indicator systems, as well as practical training on specific projects such as photovoltaics, green buildings, and municipal replacement, and new statistical scopes. In terms of format, they combined case teaching and system usage explanations, deeply analyzing approval cases, main risk points, and marketing essentials of green finance, aiming to comprehensively enhance the professional capabilities of corporate marketing personnel and specialists in the green finance field. This series of trainings cumulatively covered approximately 2,100 participants. For technology finance, training focused on the promotion and application of the latest policies, introduction of new products, and analysis of marketing essentials. At the same time, training also combined general industry analysis methods with extended business opportunities such as pension industry finance, broadening the horizons of marketing personnel. In addition, specialized training on technology loans under the PBOC statistical scope was conducted for specific positions to ensure accurate policy implementation. This series of trainings cumulatively covered approximately 700 participants.

Risk and Due Diligence Processes

Describe what processes your bank has installed to identify and manage environmental and social risks associated with your bank's portfolio. This can include aspects such as identification of significant/salient risks, due diligence processes, environmental and social risks mitigation and definition of action plans, monitoring and reporting on risks and any existing grievance mechanism, as well as the governance structures your bank has in place to oversee these risks.

Links & references
Xiamen Bank Co., Ltd. 2024 Sustainability (ESG) Report: Climate Risk and Opportunity Analysis P26-32

Response:

Xiamen Bank issued the Implementation Plan for Addressing Climate Risks and Opportunities of Xiamen Bank Co., Ltd. Based on the previously identified risks and opportunities, it added a complete work background and international and domestic work basis, and defined compliance benchmarking standards. It added governance-level implementation plans, a full-process risk management system, and at the indicators and targets level, clarified requirements for target setting, environmental disclosure, and tracking assessment. Implementation departments and timelines were also added for all initiatives.