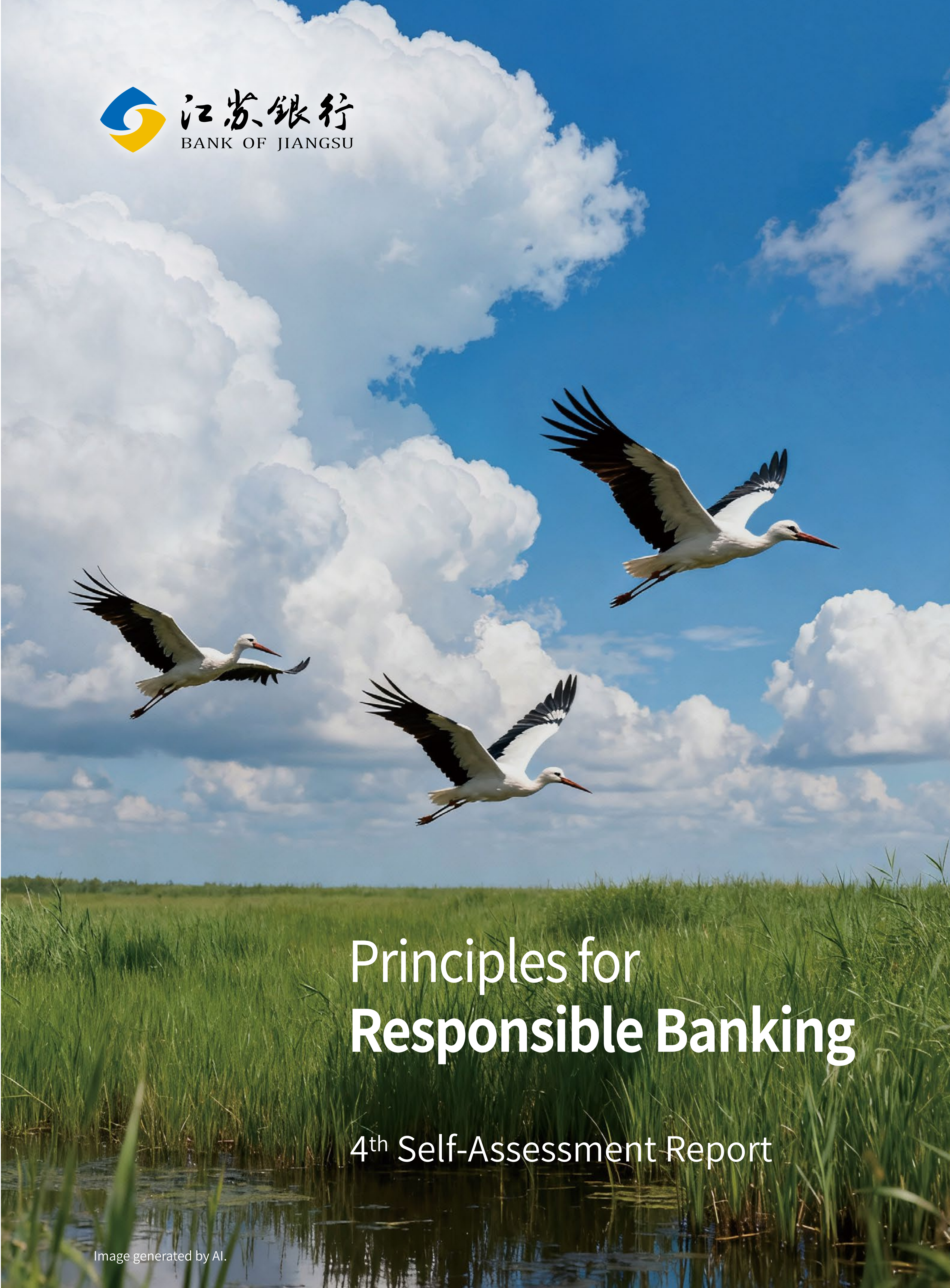

江苏银行
BANK OF JIANGSU

Principles for **Responsible Banking**

4th Self-Assessment Report

Image generated by AI.

Principle 1

Alignment

Briefly describe your bank's sustainability strategy, and which international, regional or national frameworks and UN Sustainable Development Goals it aims to align with. Note any changes in the reporting year.

1. Strategic Response to National Policy

In 2025, China's submission of its updated 2035 Nationally Determined Contribution (NDC) intensified the mandate for renewable energy expansion and deep decarbonisation. This policy upshift, coupled with China's 15th Five-Year Plan (2026–2030), constituted the macro-level policy framework for the strategic evolution of Bank of Jiangsu (BoJ) in the coming years. Accordingly, a dedicated pillar, Implementing ESG Strategy and Advancing Sustainable Development, was added to BoJ's latest Strategic Plan for 2026–2030 to align its sustainability strategy with the updated macro-level policy framework. The pillar focuses on strengthening ESG governance, integrating ESG into business, and improving overall ESG performance.

To safeguard the strategic alignment, BoJ has put in place a three-tier governance structure for sustainability. At the board level, its Strategy and ESG Committee makes strategic decisions and provides direct oversight of execution and strategic consistency. At the senior management level, sustainability-related affairs are coordinated through the Five-Major-Areas Committee, an internal set-up that manages the Bank's activities in the five major areas of the real economy, i.e. technology finance, green finance, inclusive finance, pension finance and digital finance, as defined and underscored by China's Central Financial Work Conference. This Committee, headed by the Bank's President, leads five working groups, each corresponding to one of the five major areas. The Green Finance Working Group is responsible for translating the Committee's strategic decisions on green finance and PRB into concrete work arrangements. It brings together relevant Head Office departments and subsidiaries to undertake PRB implementation, sustainable finance development, ESG integration and ESG risk management. At the operational level, the Green Finance Department takes the leading role and works with business, credit, risk, legal and compliance functions.

Since adoption, BoJ has gradually institutionalised the PRB Impact Analysis as its primary tool to identify the sectors with the greatest impacts on specific SDGs. The Impact Analysis is also used to monitor progress towards the Bank's sustainability targets and support adjustments to its loan portfolio where necessary. In addition, a module is being added to BoJ's green finance online system to facilitate easier and more frequent impact analysis, with close guidance and assistance from UNEP FI.

2. Carbon Neutrality Roadmap

The Bank's Strategic Plan for 2026–2030 calls for its transition towards a 'carbon neutral bank'. BoJ has undertaken Scope 1 and 2 carbon emissions accounting over the past three years and has implemented a dedicated digital function module for operational carbon footprint management. The Bank has also set out a preliminary timetable for achieving operational-level carbon neutrality (i.e. Scope 1 and 2 emissions). A variety of concrete initiatives, e.g. increased procurement of renewable power and replacement of energy-intensive equipment, are proposed to support that timetable. More broadly, green procurement policies and paperless operations will be strengthened and expanded to create a low-carbon culture throughout the Bank.

In 2025, BoJ reported its Scope 3 emissions in the Bank of Jiangsu 2025 Green Finance Report. The disclosure was prepared with reference to the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard as well as relevant domestic and international carbon-accounting methodologies. The accounting made use of the Bank's carbon accounting digital system, which can facilitate measurement of carbon emissions across all 15 Scope 3 categories. However, due to limited availability of data, only four categories (i.e. purchased goods and services, upstream transportation and distribution, business travel, and employee commuting) with total emissions of ca. 14,800 tCO_2e were included for reporting in 2025. The same system also facilitated measurement of financed emissions, covering more than 20,000 corporate clients and over 1,500 financed projects. The Bank awaits directives from the banking regulator or central bank to publicly report its financed emissions in due course.

3. Pioneering Nature-Positive Finance

BoJ participated in the TNFD pilot scheme instigated and coordinated by China's central bank, the People's Bank of China (PBoC), in 2025. It undertook nature-related dependency and impact assessments on its loan portfolio across the top five sectors by exposure as well as the agriculture, forestry, and fisheries sectors with high nature-related footprints. The Bank also trialled the LEAP methodology for comparative analysis of nature-related impacts and risks. Detailed findings can be found in the Bank's inaugural TNFD Report, published as an annex to its 2025 Green Finance Report.

4. Regulatory and Global Recognition

BoJ's commitment to sustainable finance has been widely recognised in the banking sector. It achieved the highest rating of 'Excellence in Green Finance' in the PBoC Assessment in June 2025 (only 5 banks out of 24 directly supervised by PBoC received the highest rating). The Bank was also placed in the highest performance category in the 2025 assessment of green finance by the Jiangsu Branch of China's banking regulator, the National Financial Regulatory Administration (NFRA). In addition, BoJ's PRB implementation was featured in UNEP FI's latest case study series, *Banking on Sustainability: From Principles to Practice*, released in May 2025. All these demonstrate the Bank's commitment to transparency and willingness to share its scalable, impact-driven practices with the global PRB community.

Principle 2

Impact & Target Setting

Briefly describe the bank's most significant impact areas and the steps taken to identify, measure and manage them—including impact analysis results, targets set (including sectors, portfolio coverage, and KPIs), actions taken, and progress against the targets. Where targets have been set, share details of the bank's transition/action plan, and progress made. Explain how the bank addressed interlinkages between impact areas where possible.

In the 2023 PRB Self-Assessment Report, BoJ disclosed two SMART targets on circularity and climate stability, respectively. This report tracks and discloses progress against both targets, as follows.

1. Circularity

1.1 Measurement Approach

In the last reporting cycle, two large resource/water-conservation projects made a material contribution to the Bank's circularity indicators. Since loans to these two projects had been fully repaid in 2024, the Bank reset 2024 as the reference baseline for its circularity targets to avoid distortion and maintained its original targets by eoy 2026. Primary environmental data were collected by relationship managers as part of the due diligence process. Subsequently, the environmental impacts were computed in accordance with the guidance issued by China's NFRA.

1.2 Performance and Progress against Targets

In 2025, BoJ continued to ramp up its efforts to advance its circularity objectives across its corporate lending and capital market businesses. By eoy 2025, it had achieved its target for atmospheric pollutant reduction and remained on track to meet the 2026 milestone for water conservation.

Circularity targets (eoy 2025)	Unit	2024 baseline	2025 result	Progress vs 2024	Status
Increase water savings by 10% by eoy 2026	m^3	4,095,669	4,230,616	+3.3%	On track
10% reductions in atmospheric pollutants (SO_2, NO_x, PM2.5, VOCs – aggregated) by eoy 2026	tonne	684,833	997,733	+45.7%	Achieved

1.3 Green Bond Environmental Benefits

BoJ disclosed, for the first time, the environmental benefits resulting from its green bond portfolio of RMB 48.9 billion as of 2024, including the Bank's proprietary green bond investments and self-issued green financial instruments. The accounting was made with reference to NAFMII requirements and applicable national green bond standards. A similar assessment of its green loan portfolio by eoy 2025 is currently underway and will be disclosed once completed in the next reporting cycle.

Environmental Indicator	Unit	Equivalent Reduction Achieved as of 2024
Standard coal consumption avoided	tonne	3,365,662.82
GHG emissions avoided	tonne CO_2e	53,410,107.44
SO_2 emissions reduced	tonne	262,784.37
NO_x emissions reduced	tonne	59,932.27
Water saved	tonne	6,278,103.77

1.4 Action Plan

PRB action category	Circularity – Action Plan (2025)
Internal policies and processes	BoJ introduced the *Sector Guideline for Resource Recycling and Circular Utilisation* in 2025 to provide a clear operational mandate. This internal regulatory framework defines the Bank's approach to five high-impact focus areas: (i) secondary-materials recycling and reuse; (ii) bulk industrial solid-waste utilisation; (iii) biomass residue utilisation; (iv) circular industrial park upgrades; and (v) manufacturing renovation/refurbishment. As such, consistent criteria are established for due diligence and evaluation of circularity transactions across all regional branches.
Client engagement	The Guideline specifies eligibility criteria, documentation requirements, and risk management for circular economy transactions. It also includes a list of enterprises (potential clients) in this field for frontline marketing teams to solicit deals. Moreover, the Bank joined the Jiangsu Association of Circular Economy and assisted it to organise its first engagement event involving enterprises, FIs and other service providers. With support from the Association, BoJ also engaged with 48 industrial parks dedicated to circular economy in Jiangsu Province.
Portfolio composition and financial flows	BoJ's outstanding balance of loans for resource recycling and reutilisation grew by 18.4% year-on-year to RMB 70.2 billion by eoy 2025, accounting for 2.87% of total outstanding green loan portfolio balance. According to the Catalogue of Projects Supported by Green Finance (2025 Edition), jointly issued by the PBoC, the NFRA and the China Securities Regulatory Commission (CSRC) in June 2025, circular industrial park upgrading, secondary material recycling/recovery and water efficiency/reuse/recycling constituted the largest loan exposures of the Bank in the circular economy, as shown below. Top five sub-sectors (by balance share) — Share (%) Circular upgrades of industrial parks — 71.41 Secondary materials recycling and recovery — 9.96 Water efficiency, reuse and recycling — 9.85 Waste resource recovery — 3.35 Resource recovery from mining and mineral processing residues — 1.83
Advocacy and partnerships	BoJ paid particular attention to SMEs in related sectors. It blazed a trail with a risk-sharing credit facility launched in collaboration with the Jiangsu Provincial Department of Ecology and Environment. By the end of 2025, cumulative lending under the facility had exceeded RMB 10 billion, ranking first in Jiangsu Province. In addition, the Bank leveraged its membership in the Jiangsu Association of Circular Economy to remain responsive to emerging sectoral changes and address the most pressing bottlenecks in financing the associated deals.

2. Climate Stability

2.1 Measurement Approach

In 2025, the Bank continued to track performance against two core climate targets established in 2023:

- Target 1: Avoided Emissions. Progress is measured against the Bank's green corporate loan portfolio, adhering to the methodological scope and statistical protocols codified by the NFRA green finance reporting framework. Emission reductions are reported as avoided emissions attributable to eligible transactions.
- Target 2: Financed-Emissions Intensity. Based on a PCAF-aligned approach, the Bank measures and monitors financed emissions intensity across eight high-impact sectors annually. The reporting scope is currently limited to corporate loans to ensure consistency with NFRA statistical boundaries. In 2025, BoJ put in place a digital Carbon Accounting Management System to facilitate more efficient and accurate measurement and reporting of Scope 3 emissions (all 15 categories). By eoy 2025, this system had integrated financed-emissions profiles for more than 20,000 corporate clients and over 1,500 financed projects, covering approximately 51% of the Bank's corporate loan portfolio and 79% of its exposure to the eight high-emission sectors.

2.2 Progress (baseline: 2023)

Climate targets (eoy 2025)	Unit	2023 baseline	2024 result	2025 result	Progress vs 2023 (2024)	Progress vs 2023 (2025)	Status
1. Deliver a 50% reduction in CO_2e emissions from BoJ's green corporate loan portfolio (reported as avoided emissions)	tCO_2e avoided	4,994,800	5,623,563	6,137,727	+12.6%	+23%	On track
2. Achieve an 8% decrease in financed-emissions intensity across eight high-emission industries (electricity, petrochemicals, chemicals, building materials, steel, non-ferrous metals, pulp & paper, aviation)	tCO_2e per RMB million	3.84	2.41	Pending; expected by end of August 2026	-37%	Pending	Achieved

2.3 Action Plan

PRB action category	Climate-Action Plan (2025)
Internal policies and processes	**1. Strategic Steering and Credit Allocation** BoJ sought to mobilise more capital towards green and transition activities through its Credit Allocation Guideline (2025 Edition) with a dedicated chapter on green finance and transition finance. In the Guideline, priority was accorded to energy transition, low-carbon upgrading, green infrastructure retrofits, and clean energy deployment. The Guideline therefore provides a consistent internal framework for BoJ's marketing teams to originate and execute transactions in green and transition finance. **2. Governance and Cross-departmental Coordination** In March 2025, the General Office of the State Council issued guidelines to accelerate efforts to build China into a country with a strong financial sector and promote development in five major areas, namely, technology finance, green finance, inclusive finance, pension finance and digital finance. Accordingly, BoJ put in place a Five-Major-Areas Committee framework in the same year as the governance mechanism for activities in those areas. The Green Finance Committee convenes 31 Head Office departments on a quarterly basis to discuss and make decisions on related affairs (including PRB and ESG). The Department of Green Finance serves as the secretariat of this committee, in addition to its research and marketing responsibilities. A total of four plenary meetings were held in 2025. Key topics discussed at the meetings included upgrades to the ESG rating model, ESG risk early-warning indicators, physical climate risk stress testing, etc.
Client engagement	**1. Upgraded ESG Rating Methodology for Corporate Clients** The ESG rating model for corporate clients was optimised with key updates as follows: ● Weighting: The weight of the Environmental (E) pillar was increased to 40%, prioritising metrics such as carbon intensity, environmental expenditure, and pollutant discharge. ● Expanded coverage: The rating process has been automated via the Bank's digital system and has therefore become more scalable, with more than 65,000 corporate clients now rated, compared with 14,000 last year. **2. Performance-Linked Pricing Incentives** BoJ has introduced a range of facilities that link pricing to the client's decarbonisation performance. Clients are closely engaged when applying for these facilities. ● Carbon-footprint-linked loan facilities: tracking clients' emission profile and linking pricing to reductions. ● Carbon-assets-collateralised loan or debt facilities: China Emission Allowances (CEA) and Chinese Certified Emission Reductions (CCER) can be pledged as collateral for loan and debt facilities. ● Capital market instruments: BoJ supported issuers in structuring NAFMII-labelled sustainability-linked instruments and carbon-neutrality bonds, ensuring rigorous KPI design and ongoing impact disclosure.

<table>
<tr><th>PRB action category</th><th>Climate-Action Plan (2025)</th></tr>
<tr><td>Portfolio composition and financial flows</td><td>
NFRA issued a standard for designating climate-related loans in 2020. In accordance with this standard, BoJ's climate-related loan portfolio expanded by 29% year-on-year in 2025. The Bank's loans to the eight high-emission sectors, as defined under the Industrial Classification for National Economic Activities in China (GB/T 4754-2017), accounted for 2.54% of its total loan portfolio by eoy 2025.
<table>
<tr><th>High-emission industries</th><th>Share of total loans (2025)</th></tr>
<tr><td>Electricity</td><td>0.44%</td></tr>
<tr><td>Petrochemicals</td><td>0.31%</td></tr>
<tr><td>Chemicals</td><td>0.75%</td></tr>
<tr><td>Building materials</td><td>0.07%</td></tr>
<tr><td>Steel</td><td>0.56%</td></tr>
<tr><td>Non-ferrous metals</td><td>0.08%</td></tr>
<tr><td>Pulp & paper</td><td>0.12%</td></tr>
<tr><td>Aviation</td><td>0.20%</td></tr>
<tr><td>Total (8 high-emission industries)</td><td>2.54%</td></tr>
</table>
</td></tr>
<tr><td>Advocacy and partnerships</td><td>
BoJ leverages its strategic partnerships at the provincial, regional, and international levels to catalyse the growth of climate finance.
1. Provincial Pioneer
BoJ maintains a robust collaborative partnership with the Jiangsu Provincial Development and Reform Commission (PDRC). The PDRC launched the Jiangsu Product Carbon Footprint Public Service Platform in 2024, which provides carbon footprint measurement services to manufacturers. BoJ was the first FI invited to join this platform as its recommended financier, supporting the effective management of risks arising from carbon tariffs (e.g. CBAM) and financial product innovation.
In addition, BoJ partnered with the Wuxi Branch of PBoC and developed a transition finance taxonomy for the textile sector in Wuxi, a city in Jiangsu Province renowned for its long-standing textile industry. It also joined forces with the Jiangsu Branch of PBoC and the Jiangsu Department of Ecology and Environment to host the Green and Transition Finance Coordination Conference, a province-wide event that convened regulators, banks and corporates to accelerate the delivery of green and transition projects.
2. Regional Leadership
BoJ also played a pivotal role beyond its home province in the Yangtze River Delta as the chair of the ESG Alliance of the G60 Science and Technology Innovation Corridor. The G60 is a motorway running through nine cities across the Delta, and the Corridor represents a Shanghai-centred regional network of high-tech enterprises. This leadership role enabled BoJ to instigate a variety of initiatives to increase the ESG capacity of the regional business network. Furthermore, BoJ launched two loan products, G60 Sci-Tech Loan and G60 Green Loan for SMEs, to cater for borrowers with ESG aspirations.
3. International Engagement
BoJ has been a founding member of the UK-China Green Finance Taskforce since 2018. In 2025, the Taskforce created two new work streams on transition finance and nature-positive finance, respectively. BoJ joined both work streams, and co-led a research project with the London Stock Exchange Group, Standards and Incentives for Transition Finance, which seeks to gather and collate best practices globally to provide insights and recommendations for scaling up transition finance.
</td></tr>
</table>

3. Action on Emerging Sustainability Priorities

In October 2024, UNEP FI published a report, Leading the Way to a Sustainable Future – Priorities for a Global Responsible Banking Sector, and established four interrelated priorities (Climate, Nature, Healthy and Inclusive Economies, and Human Rights) for the global banking sector. This report was the major output from the PRB 2030 Core Group convened by UNEP FI and co-chaired by the Bank of Jiangsu. Since then, the Bank has been making every effort to incorporate the four priorities into its PRB implementation.

3.1 Nature and Biodiversity: Pioneering Nature-Related Disclosure

In 2025, BoJ was recommended by PBoC to participate in its TNFD pilot scheme. As such, the Bank conducted its first trial assessment of the nature-related impacts and dependencies on its loan portfolio in line with the TNFD framework. The assessment covered its corporate loans in the top five sectors by credit exposure, as well as the agriculture, forestry, and fisheries sectors which are highly sensitive to nature. A representative project finance transaction was selected to apply the LEAP (Locate, Evaluate, Assess, Prepare) analytical framework, using geospatial and site-specific data to pinpoint material nature-related risks. More details can be found in the TNFD report issued publicly as an annex to the Bank's 2025 Green Finance Report.

The Bank was also involved in the consultation on the Biodiversity Finance Taxonomy created by PBoC in 2025. It leveraged this early opportunity to establish an initial position in nature-positive finance.

3.2 Human Rights: Strengthening Social Due Diligence

BoJ has institutionalised the protection of labour rights and workplace integrity by embedding Social (S) indicators directly into its credit workflow.

- Strengthened S-pillar: metrics on occupational health and social responsibility certifications were added as new indicators to the upgraded corporate ESG rating framework.
- Enhanced integration: the above indicators are now mandatory for due diligence and credit approval. Escalated monitoring and remediation measures will follow if any relevant issues are identified.

3.3 Financial Health: Fostering Client Resilience and Inclusion

In 2025, BoJ began to shift its approach to inclusive finance for SMEs, from scale-centred to impact-oriented. The performance of the Bank's relationship managers (i.e. marketing officers) was no longer evaluated solely on loan growth, but also against inclusion-related KPIs.

Key performance indicators included:

First-time borrower outreach: marketing officers were evaluated according to the number of new borrowers brought in, thereby encouraging outreach to unbanked SMEs.

Unsecured loans: the provision of unsecured loans was promoted with greater focus on cash flows generated by SMEs rather than collateral. The liquidity and stability of cash flows became critical metrics.

As such, the Bank not only broadened access to inclusive finance, but also increased the degree of alignment of business incentives with its overall sustainability objectives.

BoJ went one step further by introducing an innovative loan facility that can be renewed without full repayment of principal. Thanks to the proprietary model, marketing officers could make real-time, data-driven assessments of whether an SME was eligible for this facility and could revolve the credit line. This significantly reduced financial and time costs for SMEs.

Principle 3

Clients & Customers

Briefly describe how the bank works responsibly with clients and customers in relation to significant impacts, including products and services offered, internal policies and processes and engagement to implement targets/action plans/transition plans to encourage sustainable practices/economic activities. Note any changes in the reporting year.

1. Corporate Client Engagement for Transition

BoJ places sustainability at the core of its corporate lending business strategy. In 2025, the Bank transitioned from general engagement to a rigorous, data-driven approach that aligns client operations with national decarbonisation pathways.

1.1 ESG Rating Methodology Upgrading

To enhance the granularity and precision of risk identification, BoJ launched an upgraded corporate ESG risk rating model in 2025, with key features as follows:

- Refined rating framework: the Bank optimised its rating methodology, distilling a baseline of 92 indicators into a focused matrix of 27 core and 22 supplementary indicators. This allows for more precise rating differentiation across a growing number of samples (i.e. increased coverage of clients).
- Improved data: an increasing proportion of data is now sourced from credible third parties via APIs, leaving fewer data points requiring manual input by marketing officers. Both data quality and efficiency have been considerably improved.
- Optimised weighting: based on the results of previous ratings, the weights of the three pillars were optimised in order to enhance the sensitivity of the rating as well as to respond to more pressing climate mandates in the coming years.
- Expanded coverage: the upgrade resulted in enhanced rating capacity, expanding coverage from 14,000 to over 65,000 corporate clients in the reporting year.

1.2 Transition Finance Exploration

BoJ was one of the few Chinese banks to embark on transition finance as early as December 2022 when it officially launched its Transition Finance Framework. As a pioneer and contributor, the Bank has closely followed PBoC's initiative on transition finance over the past three years. Its endeavours in transition finance have focused on two levels.

- National level: BoJ has been actively implementing PBoC's activity-based sectoral transition finance taxonomies. PBoC has developed a total of 11 sectoral taxonomies, although they have not yet been officially released. The Bank has already financed transactions in three high-emission sectors: agriculture, construction materials and shipping, totalling RMB 1.1 billion. The Bank was also involved in developing the national taxonomy standard for the chemical sector.

- Regional level: BoJ has applied the Shanghai transition finance taxonomy for aviation to an RMB 150 million loan transaction provided to the Shanghai-based Juneyao Airlines Co., Ltd. This transaction also featured just transition, incorporating terms mandating capacity building and reskilling for affected employees into the loan agreement. In its home province of Jiangsu, BoJ has supported transition finance transactions in accordance with the Jiangsu provincial taxonomy for steel, chemical, construction materials, pulp & paper, and printing & dyeing, with funds totalling RMB 3.3 billion. In addition, the Bank contributed to the development of provincial sectoral taxonomies and led the creation of the *Wuxi Textile Transition Finance Activity Catalogue* (Wuxi is a major municipal hub for the textile industry in Jiangsu Province).

1.3 Pioneering Transition Plans

In line with the G20 Transition Finance Framework, all transition finance transactions require borrowers to put in place action or transition plans. BoJ has undertaken this challenging task as it implemented national and provincial sector taxonomies.

- Decarbonisation roadmap: establish a holistic decarbonisation strategy with actionable steps to successfully deliver outcomes on time and on budget.
- Measurable milestones: set specific targets for phased carbon emissions intensity improvement and reductions in absolute terms.
- Rigorous monitoring: track progress against milestones to ensure the transition plan remains credible, and include provisions for corrective action where necessary.

1.4 International Peer Learning

In 2025, BoJ participated in the UNEP FI Just Transition Pilot Programme. This provided a useful international forum for peers to exchange good practices on just transition. BoJ contributed to all the sessions and presented a concrete case featuring its approach to transition finance for SMEs utilising its digital expertise. The programme is expected to produce a final report in 2026.

2. SME Engagement for Deeper Market Penetration

BoJ has rolled out a 'grid-based' marketing model to better serve long-tail segments such as first-time borrowers, farmers, and individual entrepreneurs. Furthermore, BoJ developed proprietary risk models in order to extend financing services to SMEs with less favourable credit profiles by leveraging multi-source data, including PBoC credit reports, the Jiangsu Agriculture Cloud, Jiangsu People's Insurance, and the Market Supervision Administration, whilst maintaining credible risk control. As such, the Bank was able to enhance accessibility and overall service quality for the underserved businesses and customers.

BoJ kept refining its multi-dimensional engagement with SMEs. It actively sought to deepen collaboration with local authorities, industrial parks, and e-commerce platforms to jointly empower SMEs and technology-driven enterprises. In addition, by targeting key counties and townships and partnering with community 'gatekeepers', the Bank was able to reach the grassroots level and build scalable, scenario-based business relationships.

3. Promoting Sustainable Consumption

BoJ sought to drive sustainable consumption using its green retail offerings and digital approaches:

- Low-Carbon Credit Card: Since 2021, BoJ has been collaborating with China UnionPay and Shanghai Environment and Energy Exchange to issue a so-called low-carbon credit card. This is essentially a platinum-class credit card with a credit limit of RMB 300,000 and a green consumption points reward mechanism. The Bank had issued 408,000 cards cumulatively by eoy 2025.
- Electric Vehicle Financing: BoJ expanded its support for the green automotive industry through targeted marketing campaigns with major electric vehicle (EV) makers (e.g. Leapmotor, Arcfox), partnerships with internet platforms (e.g. WeBank and Yixin), and dedicated EV credit campaigns. By eoy 2025, outstanding EV loans facilitated through platform partnerships exceeded RMB 2 billion.

Principle 4

Stakeholders

Briefly describe how the bank consults, engages and collaborates/partners with relevant stakeholders for the purpose of implementing the Principles. This could include understanding impacts, setting ambitious targets, advocating for enabling regulatory/policy environments, and creating partner- ships that contribute to addressing significant impacts. Note any changes in the reporting year.

BoJ placed great importance on stakeholder engagement across international, national and regional levels, and endeavoured to be an active partner and contributor to sustainable finance ecosystems at all levels.

1. Collaboration with Multilateral Organisations

- **UNEP FI**: BoJ sought to fulfil its duty as the Central and East Asian Representative on the UNEP FI Banking Board. It was deeply involved in PRB governance and global outreach. It brought particular insights and perspectives from the region into key discussions such as the transformation of net-zero alliances. It sponsored and co-hosted the UNEP FI China Workshop on nature finance and environmental and social risk management in Beijing in December 2025. The Bank also contributed to the 2025 UNEP FI Regional Roundtable Asia Pacific held on 19–20 June 2025 in Suzhou, China.
- **UK-China Green Finance Taskforce**: BoJ has been a core member of the UK-China Green Finance Taskforce under the UK-China Economic and Financial Dialogue framework. In 2025, the Bank joined the Chinese delegation to the United Kingdom for the 7th meeting of the Taskforce. It participated in the two newly established work streams on transition finance and nature finance, respectively. Under the transition finance work stream, BoJ co-led a research project, *Standards and Incentives for Transition Finance*, with the London Stock Exchange Group, which aimed to review international practices and develop practical recommendations for scaling up transition finance.
- **Asian Infrastructure Investment Bank (AIIB)**: The Bank signed a Letter of Intent to borrow funds from AIIB on a non-sovereign (unsecured) basis to finance nature-positive projects under AIIB's Nature Finance Accelerator Programme in June 2025. This facility is expected to align with the MDB Common Nature Finance Taxonomy and the stringent environmental and social (E&S) criteria of AIIB. A training workshop for all relevant business lines of BoJ was held in November 2025, with experts from the Beijing-based Institute of Finance and Sustainability and AIIB.

2. Contribution to National and Provincial Policy Initiatives

- **MIIT**: China's Ministry of Industry and Information Technology (MIIT) and PBoC jointly issued the Notice on Leveraging Green Finance Policies to Support the Development of Green Factories in December 2025. BoJ was selected by MIIT as its partner to support this initiative, and BoJ's financial solutions for green factories were presented on MIIT's website and through a variety of events.

- **JS-DRC**: Jiangsu Province launched the Product Carbon Footprint Public Service Platform in response to escalated carbon tariffs such as CBAM. BoJ was the first commercial bank to launch its transition finance solutions on this platform.

3. In-depth Integration into Local Sustainable Development

- **Green Finance Reform Pilot Zones**: BoJ signed agreements with all 12 provincial green finance pilot zones in its home province of Jiangsu. It has developed 21 specific measures to provide comprehensive solutions to assist local authorities to meet their objectives. In addition, the Bank contributed to the efforts by Wuxi to apply for the national green finance reform pilot scheme. In particular, it developed, together with the Wuxi Branch of PBoC and the Wuxi Bureau of Industry and Information Technology, the Wuxi Textile Transition Finance Taxonomy.

- **Yangtze River Delta G60 Corridor**: As the chair of the G60 ESG Development Alliance, BoJ partnered with the G60 Joint Office to deploy the G60 Green Enterprise Loan, an integrated financial solution designed to empower the green transition of the region's technology-driven industrial base.

4. Leadership in Professional Networks

- **China Green Finance Committee (CGFC)**: As a key member of the PBoC-backed CGFC, BoJ has been actively contributing to China's green finance agenda. It led two research themes, Biodiversity Performance Evaluation for Banking Institutions and Product Carbon Footprints in the Financial Sector, in 2025. The resulting reports were officially released at the CGFC annual conference.

- **Jiangsu Banking Association**: BoJ began its second term as the chair of the Jiangsu Green Finance Committee backed by the Jiangsu Branch of the NFRA (the provincial banking regulator). It leveraged this position to help shape the provincial agenda on green finance and engage the banking regulator on a regular basis. In 2025, it assisted the regulator in undertaking the evaluation of green finance performance across 33 banking institutions in Jiangsu.

For broader stakeholder engagement with investors, employees, suppliers, customers and communities, please refer to the 2025 Bank of Jiangsu Annual Report, particularly *Section IV Corporate Governance (Employees of the Parent Company and Major Subsidiaries; Information Disclosure and Investor Relations)* and *Section V Environmental and Social Responsibility (Environmental Information; Fulfilment of Social Responsibilities)*.

Principle 5

Governance & Culture

Briefly describe the key governance structures in place (Board and Executive level) and related accountability mechanisms to implement the Principles. This could include how governance supports your bank's management of significant impacts and risks, including target implementation and monitoring of action/transition plans. In addition, briefly describe how a culture of responsible banking is driven internally (e.g. via employee learning & development). Note any changes or progress in the reporting period.

1. Governance Structure

In 2025, BoJ maintained a robust governance framework to embed PRB across all levels of operation. The Bank streamlined its approach around two primary dimensions: strategic direction at Head Office and operational steering at branch level.

1.1 Strategic Direction

BoJ ensures top-down accountability by aligning Board-level oversight with executive performance incentives:

- **Board Stewardship**: The Board Strategy and ESG Committee directs the Bank's sustainability agenda. In 2025, the Board expanded its mandate to include formal oversight of nature-related financial risks and climate materiality, ensuring these factors are integrated into the Bank's overall risk management framework.
- **Guided Execution**: Senior management coordinates sustainability through the Five-Major-Areas Committee, which oversees all of the Bank's sustainable finance-related affairs.
- **Remuneration and Strategic Accountability**: BoJ revised its Senior Management Remuneration Assessment Policy, which now links executive compensation directly to a suite of Social Responsibility Indicators, holding management accountable for performance in green and inclusive lending, consumer protection, and corporate culture.

1.2 Operational Steering

- **Branch-Level Green Finance Committees**: All Tier-1 branches have established dedicated committees to coordinate all green finance activities and support the smooth implementation of Head Office directives.
- **ESG Officers**: as part of its efforts to further embed ESG practices, BoJ established ESG Officer roles in four key Tier-1 branches (Hangzhou, Shenzhen, Beijing, and Shanghai). Under the guidance of the Green Finance Department at Head Office, these officers act as focal points at the branch level to ensure ESG principles are effectively integrated into business operations. They also support local stakeholder engagement through research assignments or events with local stakeholders.

2. Culture and Learning

2.1 Low-carbon Operating Culture

BoJ's Strategic Plan 2026–2030 emphasises sustainable finance as a core pillar for long-term value creation. The Plan sets out the Bank's ambition to move towards operational-level carbon neutrality (i.e. Scope 1 and 2), and therefore demands the cultivation of a low-carbon and high-efficiency operational culture. To support this objective, the Bank has introduced a range of measures, such as energy-efficient office protocols and subsidised green commuting.

2.2 Sector Expertise

In 2025, BoJ launched the Industry Expert Advisor Programme to strengthen sector-specific capabilities for sustainable finance and ESG risk management. The programme brought in external expertise from government agencies, research institutes and leading enterprises, and made such expertise available to internal departments through expert roundtables and an online advisory platform. This helped frontline relationship managers and risk officers better understand sector trends, technology advancement, transition feasibility and client-specific risks, thereby improving both credit assessment and client engagement. During the year, the Bank convened nine expert roundtables focused on high-growth, high-impact sectors, including hydrogen energy, power batteries, bio-pharmaceuticals, and the low-altitude economy.

2.3 International Learning

The Bank views participation in global work streams as an important channel for internalising international standards. In 2025, the Bank significantly expanded its involvement in UNEP FI PRB Working Groups, joining initiatives focused on climate adaptation, nature impact, circular economy, and just transition. Insights gained and advanced methodologies learned from this involvement are disseminated internally through the Green Finance Lecture Series facilitated by the Green Finance Department.

2.4 Staff Training and Professional Development

BoJ maintains a comprehensive learning ecosystem to ensure systemic sustainability awareness at all levels of the organisation. The curriculum includes mandatory PRB and ESG orientation for all new employees, supplemented by a library of over 50 sustainability e-courses. Beyond internal resources, the Bank actively encourages and supports staff in obtaining external professional ESG certifications. This commitment to continuous professional development ensures that the Bank's talent pool remains updated with evolving global standards and technical advancement in the field of responsible banking.

For further detail, please refer to the BoJ *2025 Green Finance Report*, Section 3 on frontier research, talent development and low-carbon operations, and Section 5 on international exchange.

Principle 6

Transparency & Accountability

Provide reference to additional relevant reports, if not listed as references with P1–P5.

Briefly note whether/where assurance of sustain-ability information has been undertaken (optional).

BoJ has established a sustainability disclosure system consisting of three main reports: the Annual Report, the ESG Report and the Green Finance Report. Together, these reports provide stakeholders with information on the Bank's business performance, ESG governance, green finance development, risk management and sustainability-related impacts. They are prepared with reference to the ISSB S1 and S2 standards, the Ministry of Finance's sustainability disclosure framework and the regulatory requirements of relevant stock exchanges.

In 2025, BoJ published its first standalone TNFD report as an annex to its 2025 Green Finance Report. The report sets out the Bank's ENCORE-based portfolio assessment, pilot LEAP analysis and preliminary efforts to manage these identified nature-related risks.

BoJ maintains internal review procedures across its suite of sustainability disclosure reports to improve consistency and data reliability. The Bank also provides English versions of the above-mentioned reports where relevant to support communication with international stakeholders. These publications are publicly accessible through the Announcements section of the Bank's English website: https://www.jsbchina.cn/ENNEW/about/announcement/index.html?flag=0.

In addition to formal disclosure, BoJ shares implementation experience through external case studies and case compilations. In 2025, BoJ's PRB implementation practice was featured in UNEP FI's case study series, Banking on Sustainability: From Principles to Practice. The Bank also contributed green finance and sustainable finance cases to several publications by PBoC and research institutions, supporting peer learning and knowledge exchange.

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