Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch

Sustainable Bond Framework

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1. Introduction

1.1. Introduction of Shanghai Pudong Development Bank Co., Ltd.

The establishment of Shanghai Pudong Development Bank Co., Ltd. ("SPDB" or the "Group"), was approved by the People's Bank of China on August 28, 1992. SPDB started business on January 9, 1993. As a nationwide joint-stock commercial bank based in Shanghai, it was listed on the Shanghai Stock Exchange in 1999 (Stock Code: 600000). Through expanded scale and enhanced capabilities, SPDB strengthened its foundation for serving the real economy. By the end of 2025, the Group's total assets exceeded RMB10 trillion, representing growth of more than 6%.

Being committed to its core value of "holding to integrity and striving for excellence", SPDB has made relentless efforts in expanding its capital base and strengthening its business through financial innovation. It has established 42 tier-one branches with over 1,700 outlets, including domestic branches covering all provincial regions of the Chinese Mainland, and overseas branches in Hong Kong SAR, Singapore and London. The number of staff has exceeded 62,000. SPDB has developed an operation and service pattern that fits its positioning as a national and international commercial bank. In recent years, it has steadily advanced its group-based development and built an integrated operation pattern covering such business areas as trust, wealth management, asset management, financial leasing, overseas investment banking, rural banking, and money brokerage.

In 2026, SPDB was ranked 9th among all the Chinese-funded banks included in the "Top 500 Global Banking Brands in 2026" by Brand Finance. In August 2025, SPDB was ranked 309th among the "Fortune Global 500" by Fortune, ranked 8th among all the Chinese-funded banks on the list, demonstrating its sound competitiveness. In July 2025, according to The Banker's "Top 1000 World Banks", in terms of tier 1 capital, SPDB was ranked 19th worldwide and 10th among Chinese-funded banks. In June 2025, SPDB was ranked 141st globally, and 10th among the Chinese-funded banks on the "Forbes Global 2000" by Forbes. Furthermore, SPDB obtained investment grade ratings or higher from Fitch Ratings, Standard & Poor's Global Ratings and Moody's Investors Service. These ratings reflect the Group's consistent execution of its business strategy and solid financial performance over the years.

While deeply committed to financial services, SPDB also thoroughly practices the sustainable development philosophy by taking the initiative in shouldering corporate social responsibility. The Group's MSCI ESG rating was upgraded from "A" to "AA" in 2025.

1.2. Introduction of Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch

Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch ("SPDBHK" or the "Bank") became the 149th licensed bank in Hong Kong when it obtained a license from the Hong Kong Monetary Authority on May 16, 2011. On June 8, 2011, SPDBHK officially began operations, which marked SPDB's first oversea branch.

SPDBHK strives to become a top-class platform for cross-border services, product innovation and integrated operations based on its foothold in Hong Kong, one of the key international financial centers, and in alignment of Shanghai's objectives of becoming a global finance, shipping and trade center. SPDBHK provides full commercial banking services including corporate financing, private banking, cash management and treasury services.

From the spirit of its “Forward Thinking, Values-Driven” approach, SPDBHK has dedicated itself to not only providing advanced financial services but also promoting corporate social responsibility. SPDBHK has actively hosted and participated in many charitable activities, and adopted the principles of “dedication, mutual assistance, humanity, and progress.”

1.3. Sustainable Development Management at SPDB

1.3.1. Sustainable Development Strategy

Adhering to its core values of "stick to integrity and strive for excellence" and its mission of "Finance creates value for a better life", SPDB actively responds to China’s “dual-carbon” goals to peak carbon emissions by 2030 and achieve carbon neutrality by 2060, continuously optimizes its sustainable development management system and deepens the integration of environmental, social and governance (“ESG”) factors into its operations, works hand in hand with stakeholders to promote sustainable development innovation, constantly enhancing the capabilities and effectiveness of sustainable development management.

SPDB is leveraging its professional strengths in finance to build the Group’s distinctive competitive edge in sustainable development, proactively undertaking economic, social and environmental responsibilities to promote sustainable development for both SPDB and its stakeholders. Centering on the vision of "develop ourselves into a first-class joint-stock commercial bank with international competitiveness in all respects", SPDB strives to deeply integrate sustainable development concepts into its corporate strategy, and continuously promotes the organic integration of ESG factors with corporate governance, business management, and risk control.

1.3.2. Sustainability Governance System

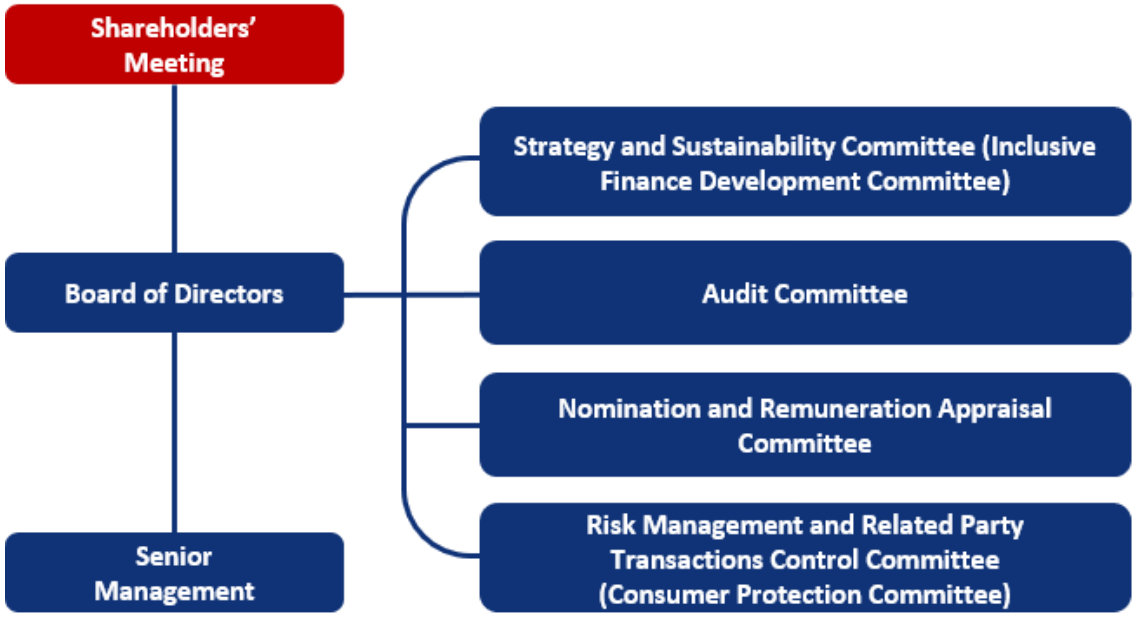
SPDB has established a top-down ESG governance structure with clear responsibilities and authorities. In 2025, SPDB advanced its ESG management, continuously strengthening governance foundation, promoting standardized and systematic ESG management, and continuously enhancing sustainable development capabilities. The Group formulated and implemented the *SPD Bank ESG Promotion Work Plan*, established the SPDB ESG Promotion Committee, developed specific goals and indicators for Bank-wide ESG improvement, optimized the top-level design of ESG management, implemented comprehensive responsibilities, and systematically deepened its ESG management framework.

In addition, the Group also formulated ESG risk management measures and procedures to incorporate ESG risk management of credit clients into its comprehensive risk management system, and conducted climate risk stress testing to steadily promote the carbon emission accounting management of its green operations as well as investment and financing activities. The Group has incorporated its ESG work plan into its "15th Five-Year Plan" Strategic Planning System for coordinated planning and arrangement.

In 2026, the Group will make efforts to ensure the effective implementation of the *SPD Bank ESG Promotion Work Plan*, to ensure steady progress toward various goals and targets. A regular reporting mechanism has been established to strengthen process management and performance evaluation, so as to ensure the efficient operation of relevant mechanisms. SPDB also conducted targeted research on ESG,

Green Finance, and strategic transformation in key areas to empower the high-quality development of the SPDB.

SPDB Corporate Governance Structure



At the decision-making level, the Board of Directors ("BoDs") and its committees coordinate the formulation of the sustainability strategy and oversee the implementation of the strategy. The BoDs makes decisions on SPDB's strategic planning and fundamental management systems related to sustainable development, reviews proposals related to sustainable development, and effectively fulfills the management responsibilities of the BoDs in strategic development, social responsibility, risk internal control, consumer rights protection, and digital technology.

At the management level, multiple specialized committees are established to promote the integration of sustainability requirements into all aspects and processes of corporate management.

The implementation level is responsible for implementing specific environmental, social, and governance initiatives throughout the Company and ensuring the effective advancement of various measures.

1.3.3. SPDB's Commitment and Strategy in Green Finance

SPDB actively responds to the national "Dual-carbon" goals, continuously deepening ESG practices, making every effort to advance the green finance priority of the financial sector. With its proprietary green finance brand, "SPDB Green Creation", the Group continuously promotes the deep integration of green finance with support for the real economy.

SPDB has been actively expanding green credit business and supporting the environmental protection industry. As the first bank in China to issue a corporate social responsibility report since 2006, SPDB officially started to disburse green loans in 2008 and has since enhanced credit-granting towards the low-

carbon and circular economy. As of the end of 2025, SPDB's green credit balance has exceeded RMB 707 billion[1], representing a year-on-year increase of 23.95%.

SPDB has established a trinity green finance development framework, comprising of green finance business, ESG risk management, and green bank construction. It continuously enriches green finance products and services, expands the scale of green finance business, and intensifies the support for key areas such as energy-saving and carbon-reduction industries, environmental protection industries, and resource recycling industries. The Group also continuously strengthens its ESG risk management system, and constantly enhances its market competitiveness and brand influence on green finance.

1.3.4. SPDB's Green Finance Management and Policies

SPDB has established a robust ESG risk management system covering all credit (including corporate and project finance) and investment banking operations. By establishing policy system including the *SPD Bank Environmental, Social and Governance Risk Management Measures* and the *SPD Bank Environmental, Social and Governance Risk Management Operating Procedures*, the Group specifies the overall principles, responsibilities and authorities, ESG risk classification management, investment and financing business process management, internal control management and information disclosure, and clarifies the ESG risk management requirements for different clients and businesses. The Group has incorporated ESG risk management of credit customers into comprehensive risk management system, effectively identifying, monitoring and preventing ESG risks in investment and financing business processes.

Specifically, SPDB is embedding ESG risk management requirements into credit business processes, taking ESG risk factors into consideration in credit stages such as pre-loan due diligence, credit review and approval, contract management, fund issuing management, and post-loan management. Meanwhile, the Group constantly aims to optimize environmental and social risk management and control standards to improve our capacity to tackle environmental and social risks.

SPDB has integrated ESG throughout its business development and operational management, establishing a comprehensive framework that encompasses ESG risk control, green finance, low-carbon operations, and ecological protection. By vigorously supporting the energy structure transition, systematically strengthening climate risk control, and continuously innovating green finance products, SPDB is transforming the Group's sustainability commitment into concrete results.

[1] Calculated by the standards implemented by the People's Bank of China in 2025.

2. Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch Sustainable Bond Framework

SPDB Head Office has developed its Green Bond Framework[2] under which it intends to issue green bonds and use the proceeds to finance and refinance, in whole or in part, existing and future projects that will promote energy conservation and emission reduction in China.

In the spirit of SPDB's Green Bond Framework, SPDBHK has established the Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch Sustainable Bond Framework (the "Framework") to define the eligibility criteria, governance structures, and operational processes under which SPDBHK intends to issue Green, Social and Sustainability Bonds (collectively, "Sustainable Bonds"), to finance and/or refinance eligible green and/or social projects falling under the Framework.

Under the Framework, SPDBHK may issue Sustainable Bonds in the following labels:

- Green: To finance and/or refinance eligible green projects falling under the Eligible Green Categories of the Framework.
- Social: To finance and/or refinance eligible social projects falling under the Eligible Social Categories of the Framework.
- Sustainability: To finance and/or refinance eligible green and social projects falling under both the Eligible Green Categories and the Eligible Social Categories of the Framework.

Depending on the bond label, each Sustainable Bond and its use of proceeds will align with the following sustainable finance principles (collectively, "Principles") accordingly, including:

- The Green Bond Principles ("GBP") 2025[3], published by the International Capital Market Association ("ICMA");
- The Social Bond Principles ("SBP") 2025[4], published by the ICMA;
- The Sustainability Bond Guidelines ("SBG") 2021[5], published by the ICMA.

Where applicable, reference shall be made to the domestic and international environmental taxonomies, including but not limited to:

- China Green Finance Endorsed Project Catalogue (2025 Edition)[6] published by the People's Bank of China ("PBOC"), the National Financial Regulatory Administration ("NFRA") and the China Securities Regulatory Commission ("CSRC");
- Hong Kong Taxonomy for Sustainable Finance (Phase 2A)[7];

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[2] SPDB Green Bond Framework, https://www.spdb.com.cn/home/sygg/201910/P020191018593735164818.pdf

[3] ICMA Green Bond Principles, June 2025: https://www.icmagroup.org/assets/documents/Sustainable-finance/2025-updates/Green-Bond-Principles-GBP-June-2025.pdf

[4] ICMA Social Bond Principles, June 2025: https://www.icmagroup.org/assets/documents/Sustainable-finance/2025-updates/Social-Bond-Principles-SBP-June-2025.pdf

[5] ICMA Sustainability Bond Guidelines, June 2021: https://www.icmagroup.org/assets/documents/Sustainable-finance/2021-updates/Sustainability-Bond-Guidelines-June-2021-140621.pdf

[6] Green Finance Endorsed Project Catalogue (2025 Edition): https://www.pbc.gov.cn/en/3688006/3995557/2025112114583967269/index.html

[7] Hong Kong Taxonomy for Sustainable Finance (Phase 2A): https://brdr.hkma.gov.hk/eng/doc-ldg/docId/getPdf/20260122-5-EN/Hong%20Kong%20Taxonomy%20for%20Sustainable%20Finance%20(Phase%202A).pdf

- Common Ground Taxonomy[8] ("CGT"), published by the International Platform on Sustainable Finance ("IPSF") in November 2024.

For all Sustainable Bonds issued under the Framework, SPDBHK is committed to aligning with the following core components of the Principles:

i. Use of Proceeds;

ii. Process of Project Evaluation and Selection;

iii. Management of Proceeds; and

iv. Reporting.

2.1. Use of Proceeds

For each Sustainable Bond issued under this Framework, an amount equivalent to the net proceeds will be fully allocated to finance and/or refinance Eligible Green and/or Social Projects that meet the Eligibility Criteria defined under the respective categories below.

For refinancing purposes, Eligible Green and/or Social Projects shall be subject to a lookback period of no longer than 24 months prior to the date of issuance.

2.1.1. Eligible Green Categories

Eligible Green Categories	Eligibility Criteria	Contribution to Environmental Objectives and UN SDGs[9]
Clean Transportation	Construction, maintenance, research and development of zero direct (tailpipe) CO2 emission (i.e. electric and green hydrogen) transportation facilities and infrastructure, including: - Electric or green hydrogen powered vehicles - Electric rail transportation projects, including railway, rail trams, and metros - Bus rapid transit systems (BRT) Manufacture of key assets, systems, and components dedicated to zero direct emission vehicles and vessels	Climate change mitigation 

[8] Common Ground Taxonomy 2024: http://www.greenfinance.org.cn/displaynews.php?id=4447

[9] Please refer to the following link for full mapping of the UN SDGs: https://www.icmagroup.org/assets/documents/Sustainable-finance/2023-updates/Green-Social-and-Sustainability-Bonds-A-High-Level-Mapping-to-the-Sustainable-Development-Goals-June-2023-220623.pdf

	Construction, maintenance, research and development of facilities and infrastructure dedicated to the charging of electricity and alternative fuels, including: - Charging stations for electric vehicles and green hydrogen stations	
Clean Transportation (Shipping)	Construction, maintenance, research and development of vessels meeting the following criteria: - Vessels with zero direct (tailpipe) CO2 emissions; or - Until 31 December 2025, vessels that attained all the following thresholds: o Energy Efficiency Design Index (EEDI) value 10% below the International Maritime Organization (IMO) EEDI requirements applicable on 1 April 2022; and o Able to run on zero direct (tailpipe) CO2 emission fuels or on fuels from renewable sources. - From 1 January 2026, vessels that attained all the following thresholds: o Have an attained EEDI value 20 percentage point below the IMO EEDI requirements applicable on 1 April 2022; o Able to run on zero direct (tailpipe) CO2 emission fuels or fuels from renewable sources; and o Able to plug in at berth	Climate change mitigation 
Renewable Energy	Generation, transmission, and production of dedicated components and equipment that facilitate the utilization of renewable energy. Sources of renewable energy include: - Offshore and onshore wind; - Solar; - Tidal; - Large hydropower (complies with either of the following criteria: run-of-river hydropower and no artificial reservoir; OR power density of electricity generation facilities >	Climate change mitigation 

	5W/m2; OR lifecycle GHG emissions below 100g CO2e/kWh); - Biomass (emissions from facilities producing biofuel, solid liquid and gaseous biomass for heating and co-generation <16.0g CO2e/MJ and emissions from facilities producing biofuel for transport <18.8g CO2e/MJ); - Hydrogen (lifecycle emission below 3t CO2e/tH2) Construction, operation, maintenance, upgrade of facilities and infrastructure dedicated to renewable energy. Examples include: - Inverters, electrical grid networks, battery, compressed air and capacitor storage, electricity generating facilities, transmission network, base stations and dedicated infrastructure such as equipment housing infrastructure	
Energy Efficiency	Products and technologies that improve energy efficiency, reducing energy consumption of relevant assets, technologies, products or systems by at least 30%, including: - LED light bulbs, enhanced-performance cooling equipment, lighting enhancement technologies Assets related to improved efficiency in the delivery of bulk energy services, limited to: - Smart grids, energy storage	Climate change mitigation 
Data Centre	The construction, operation, maintenance, or retrofitting of Data Centres that meet one of the two criteria below: 1. Data Centres align with the green eligibility criteria in one of the below Green Taxonomies, if applicable locally: ○ *China Green Finance Endorsed Project Catalogue*	Climate change mitigation 

	(2025 Edition) [10] : at least attain Level 2 Energy Efficiency Standard, Power Usage Effectiveness (PUE) ≤ 1.30 ○ *Prototype of Hong Kong Taxonomy for Sustainable Finance (Phase 2B)* [11] : Data processing, hosting and related activities ○ *ASEAN Taxonomy for Sustainable Finance (Version 4)*[12]: Data processing, hosting and related activities; web portals 2. Data centres are aligned with the below criteria: ○ New and/or existing data centres with design and/or operational PUE below 1.30 and 1.40 in cool climates and warm climates respectively[13] Targeted data centres are expected to meet Climate Neutral Data Center Pact (CNDCP) Water Usage Effectiveness (WUE) standards.	
Sustainable Water and Wastewater Management	Expenditures related to water conservation and sustainable water resource management, such as water reuse and recycling, efficiency and conservation. Technologies and facilities to promote water saving and sustainable water management, with the below thresholds: - Abstraction and treatment of water with net average energy consumption	Natural resource conservation Pollution prevention and control 

[10] China Green Finance Endorsed Project Catalogue (2025 Edition), https://jrj.sh.gov.cn/cmsres/f2/f240b589ac7c4a2a8887be4f783e1acf/f79d291883df843c8d2d59bb5e3aaa40.pdf

[11] Prototype of Hong Kong Taxonomy for Sustainable Finance (Phase 2B), https://brdr.hkma.gov.hk/eng/doc-ldg/docId/getPdf/20260820-4-EN/20260820-4-EN.pdf

[12] ASEAN Taxonomy for Sustainable Finance (Version 4), https://theacmf.org/sustainable-finance/publications/asean-taxonomy-for-sustainable-finance-version-4

[13] Cool climates region are those regions that are at or below cooling degree days from temperature corrected by humidity, measurement of 1500°C days based on for the IEA Weather, Climate and Energy Tracker. Warm climates region are those that are at or above cooling degree day from temperature corrected by humidity, measurement of 1501°C days based on for the IEA Weather, Climate and Energy Tracker.

	of ≤ 0.5 kWh/m3 produced water supply; or - Leakage level: Infrastructure Leakage Level (ILI) ≤1.5 Technologies and infrastructure for wastewater collection, treatment and recycling, for example: - Refurbishment or upgrading of wastewater treatment facilities where a 20% reduction in energy consumption is expected	
Green Buildings	Energy efficiency retrofits for new or existing buildings that have obtained or are expected to obtain at least one of the following green building certification standards: - Chinese Green Building Evaluation Label – 2 Star or above; or - U.S. Leadership in Energy and Environmental Design (LEED) Gold or above; or - U.K. Building Research Establishment Environmental Assessment Method (BREEAM) – Excellent or above; or - Hong Kong Green Building Council BEAM Plus Standards Gold or above; or - EDGE Green Certification - EDGE Certified and above for assets located in developing countries (as per defined by the United Nations), otherwise EDGE Advanced and above.	Climate change mitigation  
Environmentally Sustainable Management of Living Natural Resources and Land Use	Climate-smart agricultural inputs, such as crop bioprotection, drip irrigation or smart closed-loop agricultural production systems Certified sustainable fisheries: - Marine Stewardship Council (MSC) certification or equivalent; - Best Aquaculture Practice (BAP) certified; - Environmentally sustainable fisheries aquaculture certified by Aquaculture Stewardship Council (ASC); - Best Aquaculture Practice (BAP) equivalent certification	Biodiversity Natural resource conservation  

	Certified sustainable forestry: - Environmentally sustainable forestry certified by the Forest Stewardship Council (FSC), Programme for the Endorsement of Forest Certification (PEFC), or equivalent including certification, afforestation or reforestation, and the protection or restoration landscapes	
Pollution Prevention and Control	Construction, operation and maintenance of facilities, systems or equipment for waste management and recycling, including: - Collection, segregation, treatment and processing of all types of waste, with the aim of reusing and minimizing the amount of waste going to landfills or conversion support of waste secondary raw materials Construction, operation and maintenance of Waste-to-Energy projects (i.e. electricity generation with solid waste and sewage sludge) that meets the below thresholds: - 25% waste-to-energy efficiency; and - Life-cycle GHG emissions intensity ≤ 100gCO2e/kWh	Pollution prevention and control  
Terrestrial and Aquatic Biodiversity Conservation	Environmental protection, remediation and restoration of oceans, coastlines, coastal areas and related ecosystems, for example reservoir remediation in coastal areas, establishment of protected areas, vegetation restoration, and construction of coastal erosion prevention facilities Marine biodiversity conservation, for example stock enhancement and marine ranching construction and operation, involving the release of eggs, juveniles or adults of aquatic species into the ocean to protect marine biodiversity, restore or increase population sizes, and improve and optimise the biological community structure of aquatic environments	Biodiversity Natural resource conservation  

	Projects must be located within a marine environment or within 100 kilometres of the coastline	
Climate Change Adaptation	Activities and initiatives that strengthen the adaptation and resilience capabilities of regions to combat climate change and extreme weather, including: - Upgrade of electricity transmission network in area with high flood risk	Climate change adaptation 

2.1.2. Eligible Social Categories

Eligible Social Categories	Eligibility Criteria	Contribution to UN SDGs[14]
Employment Generation through the Provision of Loans to Small and Medium-sized Enterprises	Loans to promote inclusive finance [15] to the target population. Target Population - Specialization, refinement, differentiation and innovation (SRDI) [16] enterprises - Micro and small enterprises[17]; - People in underdeveloped and targeted rural areas and farmers	
Affordable Basic Infrastructure	Loans to provide clean drinking water and sewage treatment for the general public for Tier 2 cities (or lower) in the Chinese Mainland. Target Population - General public in less developed areas in the Chinese Mainland	

[14] Please refer to the following link for full mapping of the UN SDGs: https://www.icmagroup.org/assets/documents/Sustainable-finance/2023-updates/Green-Social-and-Sustainability-Bonds-A-High-Level-Mapping-to-the-Sustainable-Development-Goals-June-2023-220623.pdf

[15] For the definition of "inclusive finance", please refer to 1) the Implementation Opinions of the State Council on Promoting the High-Quality Development of Inclusive Finance (State Council [2023] No.15), for more details, please refer to: https://www.mee.gov.cn/zcwj/gwywj/202310/t20231012_1042898.shtml ; and 2) Notice of the People's Bank of China Decision to Ease Assessment Standard on Inclusive Finance (Yinfa [2018] No.351), for more details, please refer to: https://www.pbc.gov.cn/zhengwugongkai/4081330/4406346/4693549/2025112114423322155/20190121081316126 58.pdf

[16] "Specialization, refinement, differentiation and innovation" enterprises, for details, please refer to: https://jxt.hubei.gov.cn/bmdt/ztzl/zjtx/kpzs/202210/t20221020_4359334.shtml

[17] For "Micro and small enterprises" located in the Mainland China, the definition is given by the China National Development and Reform Commission, Ministry of Industry and Information Technology, Ministry of Commerce and the National Bureau of Statistics. For details, please refer to: https://www.gov.cn/gongbao/content/2012/content_2041870.htm. While SMEs located in Hong Kong are defined as any manufacturing businesses which employ fewer than 100 persons in Hong Kong; or any non-manufacturing businesses which employ fewer than 50 persons in Hong Kong. This definition is given by the Trade and Industry Department of the Hong Kong SAR government. For details, please refer to: https://www.success.tid.gov.hk/english/aboutus/what_are_sme.html

		
Access to Essential Services (Healthcare)	Provide access to essential healthcare services in underdeveloped and targeted rural areas. Target Population - General public in less developed areas in the Chinese Mainland	
Access to Essential Services (Education)	Provide access to essential education services in underdeveloped and targeted rural areas. Target Population - General public in less developed areas in the Chinese Mainland	

2.1.3. Exclusions Criteria

SPDBHK commits that the eligible Green and/or Social Projects under the Framework shall exclude the following sectors:

- Sectors and activities which are prohibited by laws and regulations in China, such as child labor, gambling industry, adult entertainment and corporations which are in association with illegal activities
- Fossil fuel-related assets, such as any efficiency upgrades to clean coal technology;
- Mining and quarrying;
- Nuclear fuels related assets;
- Hazardous chemicals and radioactive substance; and
- Palm oil related assets.

2.2. Process for Project Evaluation and Selection

SPDBHK has established the SPDBHK Sustainable Finance Working Group ("SFWG"), which is responsible for the governing and management of this Framework and the ongoing compliance of all Sustainable Bonds issued under the Framework. The SFWG is composed of senior representatives from the following departments of the Bank:

- Climate Risk Management Committee

Prior to the issuance of each Sustainable Bond, frontline credit departments will identify projects that can be potentially labelled as Eligible Green and/or Social Projects in accordance with the internal Sustainable Financing Guidelines developed by SPDBHK. The preliminary project list will then be submitted to the SFWG. The nominated projects will be reviewed, validated and approved by the SFWG. Once approved by the SFWG as Eligible Green and/or Social Projects, these projects may be earmarked for the allocation of the Sustainable Bond's proceeds.

The SFWG will assess all proposed projects holistically to ensure that all approved projects financed under this Framework deliver net-positive environmental and social impacts for stakeholders and the wider society. As part of the assessment process, the SFWG will consider:

- The environmental or social impact assessments of the projects, including any potential environmental or social risks;
- The alignment of the projects with SPDBHK and the Group's sustainability strategy and policies;
- The projects' compliance with relevant local, national, and international regulatory requirements and market standards.

The proceeds of each Sustainable Bond can be allocated to the financing and/or refinancing of Eligible Green and/or Social Projects. For refinancing purposes, the SFWG will prioritize Eligible Green and/or Social Projects with more recent vintages that closely reflect SPDBHK and the Group's sustainable development strategy.

The SFWG will review the ongoing eligibility of these projects on an annual basis. Should a project be deemed by the SFWG to no longer meet the criteria detailed above, or be subject to postponement, cancelation, or divestment, SPDBHK is committed to reallocating proceeds on a best-efforts basis to ensure that the full amount of proceeds is allocated to eligible projects. Such monitoring will be maintained throughout the tenor of the Sustainable Bonds.

2.3. Management of Proceeds

SPDBHK has established an independent register (the "Register") to record the allocation of the Proceeds. The Proceeds will be deposited in general funding accounts and tracked through a formal internal process to ensure the link of the Proceeds to the Eligible Green and/or Social Categories under the Framework. SPDBHK is committed to fully allocating the Proceeds to Eligible Green and/or Social Projects within 24 months after the issuance of Sustainable Bonds.

The Register will record the following information:

1) **Type of Funding Transaction**:
    - Issuing entity
    - Transaction date, settlement date, and maturity date
    - Coupon or interest rate
    - Currency and principal amount of proceeds
    - Repayment or amortization profile
    - ISIN, if applicable, etc.

2) **Allocation of Use of Proceeds**:
    - Summary of Eligible Green and/or Social Projects to which the proceeds of the Sustainable Bonds have been allocated in accordance with this Framework;
    - Amount of Sustainable Bond's proceeds allocated to each project;
    - The remaining balance of unallocated proceeds;
    - Estimated environmental and/or social impact, as applicable; and
    - Other relevant information such as information of temporary investment for unallocated proceeds.

Pending full allocation, any temporarily unallocated balance of Sustainable Bond proceeds will be invested in accordance with SPDBHK's normal liquidity management policy. Such unallocated proceeds may be held in short-term money market instruments with good credit ratings and market liquidity in the domestic and international markets, or as cash. SPDBHK is committed to ensuring that no unallocated proceeds will be invested in projects falling under the exclusion criteria set in the Use of Proceeds section.

For each issuance under this Framework, SPDBHK will review the Register on an annual basis. SPDBHK also aims to maintain a buffer of Eligible Green and/or Social Projects to ensure timely replacement in case an allocated project is no longer deemed eligible (for example, due to amortization, prepayment, sale, or other disqualifying factors).

2.4. Reporting

On an annual basis until the full allocation of the Sustainable Bond proceeds, and on a timely basis upon any material developments, SPDBHK is committed to publish a post-issuance reporting related to its Sustainable Bonds (the "Report"), providing information on the allocation and environmental and/or social impacts of the Proceeds as follows:

2.4.1. Allocation Reporting

- Aggregate allocation amount within each Eligible Green and/or Social Category, corresponding to the specific UN Sustainable Development Goals (SDGs) supported;
- Geographic distribution of projects with proceeds allocated;
- Amount of unallocated proceeds and their short-term uses / temporary investments;
- Ratio of financing to refinancing; and
- Eligible Green and/or Social Projects examples, subject to confidentiality.

In addition, SPDBHK will confirm that the use of proceeds raised by all Sustainable Bonds is in compliance with the requirements of this Framework.

2.4.2. Impact Reporting

Where possible and subject to data availability and confidentiality, SPDBHK will make best efforts to report on the environmental and/or social impacts of the funded projects, with reference to the relevant

indicators as suggested in the Harmonized Framework for Impact Reporting (2026)[18] and Harmonized Framework for Impact Reporting for Social Bonds (2026)[19] published by the ICMA.

Eligible Green Categories	Indicative Impact Indicators
Clean Transportation	• Annual GHG emissions reduced/avoided (tCO_2 equivalent) • Length of new tracks built (km) • Number of vehicles supported • Annual air pollutants reduced/avoided • Number of EV charging stations and/or green hydrogen stations built
Clean Transportation (Shipping)	• Number and type of eligible vessel(s) financed • Number of zero emission equipment deployed and/or installed capacity (in MWh) • Annual GHG emissions reduced/avoided (tCO_2 equivalent)
Renewable Energy	• Annual renewable energy generation (MWh for electricity) (GJ for other energy) • Annual GHG emissions reduced/avoided (tonnes of CO_2 equivalent) • Capacity of renewable energy plant(s) constructed or rehabilitated (MW)
Energy Efficiency	• Annual energy savings in (MWh for electricity) (GJ for other energy) • Annual GHG emissions reduced/avoided (tonnes of CO_2 equivalent) • Energy storage installed capacity (kW)
Data Centre	• Project design or operating PUE • Project WUE
Sustainable Water and Wastewater Management	• Amount of water saved (m^3) • Amount of wastewater treated (m^3) • Recycled water use (m^3) • Annual amount of water pollution avoided/reduced (m^3)
Green Buildings	• Number and types of green building certifications obtained • Rating level of certifications obtained • Annual GHG emissions reduced/avoided (tCO_2 equivalent)
Environmentally	• Annual GHG emissions reduced/avoided (tCO_2 equivalent)

[18] Harmonised Framework for Impact Reporting, June 2026: https://www.icmagroup.org/sustainable-finance/impact-reporting/green-projects/

[19] Harmonised Framework for Impact Reporting for Social Bonds, June 2026: https://www.icmagroup.org/sustainable-finance/impact-reporting/social-projects/

Sustainable Management of Living Natural Resources and Land Use	• Increase in certified sustainable agricultural land area (ha) • Increase in certified sustainable managed forest area (ha) • Increase in certified sustainable aquaculture (%)
Pollution Prevention and Control	• Waste reduced/avoided (tonnes) • Annual GHG emissions reduced/avoided (tCO_2 equivalent)
Terrestrial and Aquatic Biodiversity Conservation	• Area conserved/restored/sustainably managed (in hectare) • Number of nature conservation/biodiversity facilities constructed
Climate Change Adaptation	• Number and type of adaptation and resilience measures or systems installed • Area benefiting from improved climate resilience and disaster risk management (ha)

Eligible Social Categories	Indicative Impact Indicators
Employment Generation through the Provision of Loans to Small and Medium-sized Enterprises	• Number of loans granted to qualifying Micro and Small Enterprises • Number of employment opportunities created • Number of loans granted
Affordable Basic Infrastructure	• Number of beneficiaries with connection to water supply • Number of new / upgraded affordable basic new infrastructure
Access to Essential Services (Healthcare)	• Number of hospitals/medical centers constructed • Number of individuals/healthcare centers benefited
Access to Essential Services (Education)	• Number of public education infrastructure constructed • Number of students benefited

All post-issuance reports will be made available on SPDBHK's official website.

2.5. External Review

SPDBHK has engaged Hong Kong Quality Assurance Agency (HKQAA) to provide a Second Party Opinion (SPO) on the Framework to assess and confirm the Framework's alignment with the Sustainable Finance Principles. The SPO Report has been published on SPDBHK's official website.

3. Amendments to the Framework

The SFWG will review this Framework on a regular basis, including its alignment with updated versions of the Sustainable Finance Principles as and when they are released, with the aim of adhering to best market practices. Such reviews may result in this Framework being updated and/or amended.

Any updates, if not minor in nature, will be subject to the prior approval of the Bank and a credible external reviewer. Any future updated versions of this Framework will either maintain or improve the current levels of transparency and reporting disclosures, including the corresponding review/verification by an external reviewer. The updated Framework, if any, will be published on SPDB's official website and will replace this Framework.

4. Disclaimer

The information and opinions contained in this Framework are provided as at the date of this document and are subject to change without notice. SPDBHK does not assume any responsibility or obligation to update or revise any such statements, regardless of whether those statements are affected by the results of new information, future events or otherwise.

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