

CIFI Holdings (Group) Co. Ltd. Green Finance Framework



April 2020



onal focus on the following

are noteworthy:

Environmental

- Promote space saving
- Reduce the use of non-recyclable materials
- Minimise the construction period to save water and electricity
- Adapt green construction
- Enhance workforce efficiency

Social

-
- Supported educational development by cumulative charitable donations
- -round talents
- Organized regular medical check-ups and arrange sharing activities and cultural sports for employees

Governance

- Ranked Top 50 Board of Directors at Fortune China
- Ensure comprehensive and timely communication with stakeholders
- Maintain high transparency in corporate governance
- Organize regular director compliance training
- Conduct internal control assessments in a timely manner
- Conduct regular audit monitoring and annual risk assessment

以上]. In 2019,

uildings must reach at least *one-star certification* [绿建一星及²].

2. Framework Overview

could fund projects that deliver positive environmental impacts and foster sustainable practices

GFTs include bonds, loans or other financing structures tailored to contribute to sustainable development by application of the proceeds to Eligible Green Projects as defined in this Framework.

With respect to bonds, bonds issued under this GFF will be in alignment with the 2018 Green Bond Principles (GBP)³ or as they may be subsequently amended.

With respect to loans, loans issued under this GFF will be in alignment with the Loan 2018 Green Loan Principles (GLP)⁴ or as they may be subsequently amended.

Other forms of financing may conform to other sustainable or green finance principles as may have been established at the time of such financing transaction being undertaken.





Each Funding Transaction will adopt (1) Use of Proceeds (2) Project Evaluation and Selection (3) Management of Proceeds and (4) Reporting, as set out in this Framework.

GFTs do not place restriction on the tenor and currency; and can include other terms and conditions including covenants, to reflect the financing strategy and plans of CIFI as well as the outcome of the commercial discussions between the Issuer/Borrower and Manager/Arranger/Lender.

needs.

2.1 Use of Proceeds

The net proceeds of the Green Bonds and Loans will be used to fund or refinance, in whole or in part, new or existing eligible green projects that meet one or more of the following categories of eligibility as recognized in the 2018 GBP **Eligible Green Projects** :

Project Category	UN SDG	Eligible Green Assets and Projects for CIFI	Sample Projects
Green Buildings	 	<ul style="list-style-type: none"> New construction and/or renovation of existing buildings that have or will receive, or Refurbishment and/or tenant engagement initiatives that will reduce building environmental impact in accordance with, any one of the following certification systems⁵: <ul style="list-style-type: none"> U.S. Leadership in Energy and Environmental Design (LEED) minimum certification of Gold; or BEAM Plus minimum certification level of Gold; or BREEAM minimum certification level of Excellent; or BCA Green Mark minimum certification level of Gold; or Chinese Green Building Evaluation Label (GBL) minimum certification level of 2 stars; or Any other green building label, that is an equivalent standard of the above 	Sample of existing green properties ⁶ : <ul style="list-style-type: none"> 旭辉和昌·都会山 (BREEAM, Excellent) 首创旭辉城 (China Green Building Label, 3 stars) 铂悦凤犀台 (China Green Building Label, 3 stars) 常州铂悦天宁 (China Green Building Label, 2 stars) 江阴澄江府 (China Green Building Label, 2 stars)
Clean Transportation		<ul style="list-style-type: none"> Construction and maintenance of infrastructure for electric vehicles and electric vehicle charges 	<ul style="list-style-type: none"> Provision of Electric Vehicle charging facilities Dedicated parking space for electric vehicles
Energy Efficiency		<ul style="list-style-type: none"> Projects relating to adoption of smart technologies and/or systems for tracking, monitoring and managing energy usage in new and existing buildings to ensure achieving certain energy saving 	Investment in raising performance of building fittings and

targets. Such projects shall result in, based on third-party assessment, 10% improvement in energy efficiency when compared to relevant baseline;

- Projects involving the upgrades of facilities/equipment (e.g. cooling system, lift system, lighting system, fresh air supply system of existing development that shall result in, based on third-party assessment, 10% improvement against the original energy consumption

equipment such as air-condition chillers, lift systems, light fittings, glass curtain walls, ventilation and greening technologies that reduce interior heat

2.2 Process for Project Evaluation and Selection

CIFI imposes strict environmental and risk management policy during its normal course of business. The Eligible Green Projects are identified and selected via a process that involves participants from various functional areas. An ESG EWG has been set up, with senior representatives from the below departments:

- Finance;
- Design and architecture;
- Building engineering; and
- Internal audit and risk management;

EWG will meet at least every 12 months to discuss and select eligible green projects according to the Eligible Green Projects definition in Section 2.1 of this Framework. The shortlisted projects will be presented to ESG Committee of CIFI for approval.

EWG will ensure that the selected Eligible Green Project to comply not only with the section of Use of Proceeds but also the environmental guidelines under Green Bond Principles which are applicable within CIFI.

In addition, EWG will be responsible for managing any future updates of the Framework, including

2.3 Management of Proceeds

The net proceeds from each GFT issued will be managed by CIFI finance team and the proceeds of each GFT will be deposited in the general funding accounts.

CIFI will maintain a register to keep track of the use of proceeds for each GFT. The register will contain the following information including:

2.3.1 Type of Funding Transaction:

Key information includes issuer/borrower entity, transaction date, number of transactions, principal amount of proceeds, repayment or amortization profile, maturity date, interest or coupon, and the ISIN number in case of bond transaction.

2.3.2 Allocation of Use of Proceeds:

- Name and description of Eligible Green Projects to which the proceeds of the GFTs have been allocated in accordance with the GFF
- Amount of GFT proceeds allocated to each Eligible Green Project
- The balance of unallocated proceeds
- Information of temporary investment for unallocated proceeds

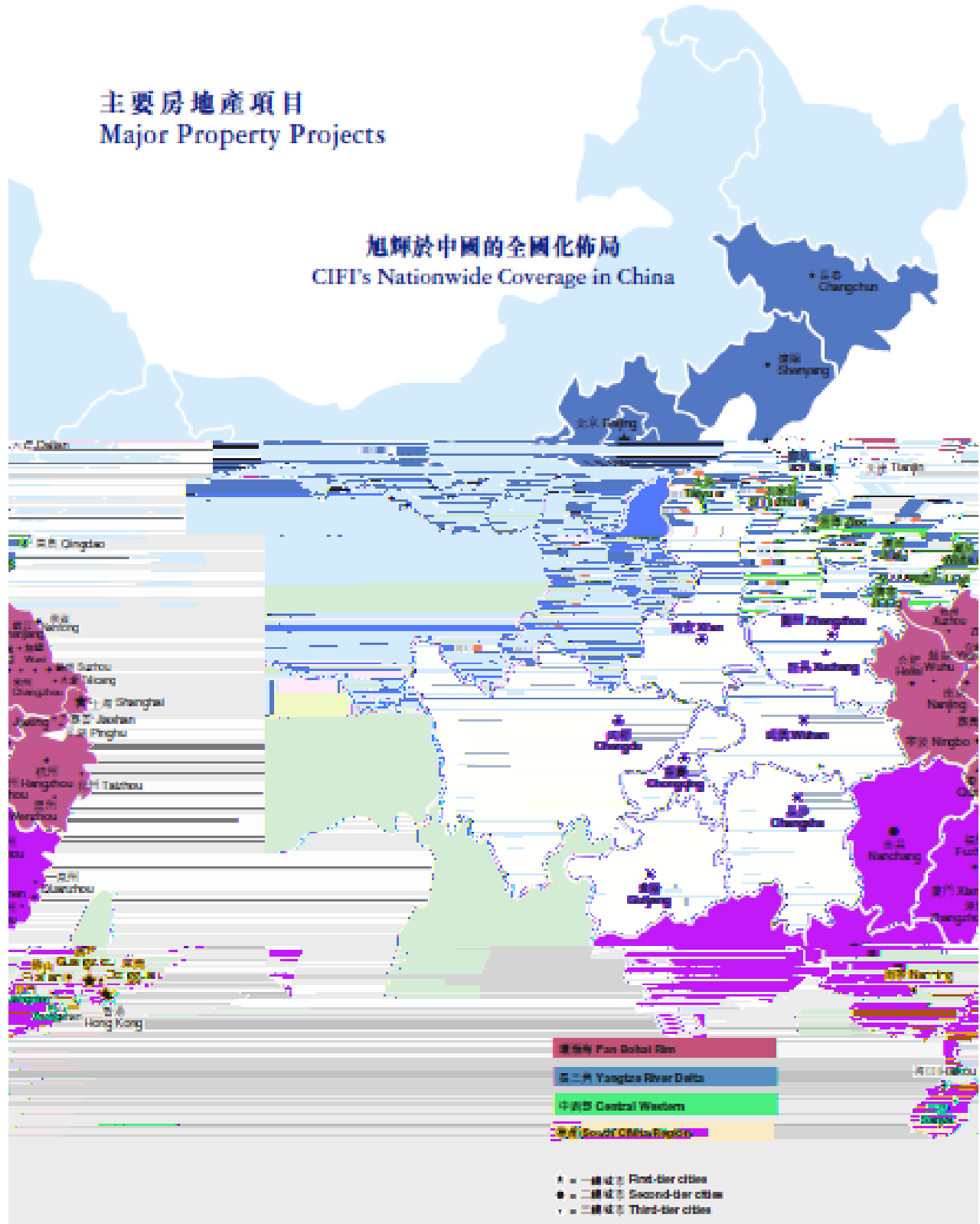
CIFI is committed to allocating all proceeds from the GFT to Eligible Green Projects on a best effort basis within one year

3. External Review

CIFI will engage Sustainalytics to provide an external review on this Framework. External review will cover pre-issuance assurance, post-issuance assurance and assurance report of independent accountants on use of proceeds annually. Opinion from the external reviewer will be available .

Appendix 1 (_____)
Source: CIFI Interim Report 2019

主要房地產項目
Major Property Projects



Buildings with Green Building Related Certifications (2019)

No	Property / Project Name	Green Building Certification
1	旭辉和昌·都会山	BREEAM 4 Stars
2	首创旭辉城	China Green Building Label 3 Stars
3	铂悦凤犀台	China Green Building Label 3 Stars
4	常州铂悦天宁	China Green Building Label 2 Stars
5	江阴澄江府	China Green Building Label 2 Stars
6	苏州铂悦犀湖	China Green Building Label 2 Stars
7	常宁府	China Green Building Label 2 Stars
8	国悦府	China Green Building Label 2 Stars
9	徐州天阙	China Green Building Label 2 Stars
10	南京江山御	China Green Building Label 2 Stars
11	无锡时代城	China Green Building Label 2 Stars
12	无锡藏珑府	China Green Building Label 2 Stars
13	旭辉力高静海府	China Green Building Label 2 Stars
14	公园大道项目	China Green Building Label 2 Stars
15	御璟湖山 2#、4#地块项目	China Green Building Label 2 Stars
16	铂悦凤犀台	China Health Building Label 3 Stars
17	旭辉银城·江山御	China Health Building Label 2 Stars

Appendix 3 (Green Buildings External Certifications)

Building Research Establishment Environmental Assessment Method (“BREEAM”)

longest established method of assessing, rating and certifying the sustainability of buildings, from new construction to in-use and refurbishment. BREEAM does this through third party certification

using scientifically robust standards developed by BRE. For more information, please visit <https://www.breem.com/>