

## Green Bond / Green Bond Programme Information Template

**Issuer name:** Three Gorges Finance II (Cayman Islands) Limited

**Date of completion or of latest update:** 5 June 2017

### GBP component 1: Use of proceeds

Please describe alignment with this GBP component:

All the proceeds of the 2017 Green Bond will be used to fund eligible green projects in the renewable energy category, including the production and transmission of renewable energy, and the manufacturing of renewable energy appliances and products; renewable energy include solar energy, wind energy and biomass energy.

Please provide related online information if available:

### GBP component 2: Process for project evaluation & selection

Please describe alignment with this GBP component:

A list of project nominations, to be initially shortlisted among different project investment proposals, shall be prepared in accordance with the requirements of the Green Bond Guideline in respect of project classification and assessment criteria. The screening principles and criteria shall be strictly followed and compliance of the selected projects with national laws and regulations and CTG's funds management system shall be ensured. The list of nominated projects shall be reviewed in accordance with the requirements of the Green Bond Guideline in respect of project classification and assessment criteria. The reviewed list of nominated projects and materials relating to green bonds shall undergo an internal approval process and will then be submitted to key management personnel for approval.

Please provide related online information if available:

### GBP component 3: Management of proceeds

Please describe alignment with this GBP component:

In terms of management of proceeds, CTG will use a designated account to keep record of the source and use of proceeds, and relevant information shall be maintained and updated on a regular basis. In respect of the allocation of funds, prior to releasing capital to projects, CTG will evaluate, screen and review projects according to the Green Bond Guideline. After release of the fund, allocation of proceeds will

be reviewed by CTG on a regular basis in order to make sure that all proceeds are invested in green projects in accordance with the eligibility criteria set out in the Green Bond Guideline.

So long as its 2017 Green Bond is outstanding, unallocated proceeds shall not be invested in greenhouse gas (GHG) intensive, highly polluting nor energy- intensive projects.

Please provide related online information if available:

#### **GBP component 4: Reporting**

Please describe alignment with this GBP component:

Prior to the issuance, CTG engaged Ernst & Young Hua Ming LLP (“EY”) as a qualified third party to conduct 2017 Green Bond pre-issuance assurance so as to make sure that all proceeds are likely to be invested in green projects and that those projects already nominated have sound environmental and social benefits and meet the eligibility criteria set out in the Green Bond Guideline. CTG has clearly defined the project evaluation and selection process, the proceeds management process and the information disclosure process in the China Three Gorges Corporation 2017 Green Bond Offering Circular.

So long as its 2017 Green Bond is outstanding, CTG will make and keep readily available up-to-date information on the use of the proceeds and the environmental performance of the eligible green projects on an annual basis on its official website ([www.ctg.com.cn/](http://www.ctg.com.cn/)) and through other channels where feasible, such as annual reports or social responsibility report. The following contents will be disclosed annually: 1. a brief description of the eligible green projects to which the 2017 Green Bond proceeds were allocated, and the amount and percentage allocated to each category; 2. the expected environmental impacts of the eligible green projects to which the 2017 Green Bond proceeds have been allocated. CTG will adopt some quantitative performance measures of certain categories, where feasible, and disclose them on an aggregated portfolio basis. The above information will be reviewed by a third party verification body.

Please provide related online information if available:

#### **GBP recommendation: External review**

Please describe the alignment with this recommendation:

CTG has engaged EY to perform limited assurance procedures to confirm the alignment of the 2017 Green Bond with GBP, 2016.

Please provide related online information if available:

#### **Additional information**

Please provide any further information you may deem appropriate: