

## Green Bond Fact Sheet

Hengan Electrical Engineering Co., Ltd			Date: 15-June-2018
Issue date: 04-May-2018 Maturity date: 04-May-2027 Tenor: 9 years			
Issuer Name	Hengan Electrical Engineering Co., Ltd	Amount Issued	CNY400m(USD63m)
Country of risk	China	CBI Database	Included
Issuer Type <sup>1</sup>	ABS	Bond Type	Green Bond
Green Bond Framework		Second party opinion	N/A
Certification Standard	Not certified	Assurance report	CECEP
Certification Verifier	N/A	Green bond rating	AAA
Use of Proceeds			
<input checked="" type="checkbox"/> Energy	<input type="checkbox"/> Solar <input type="checkbox"/> Onshore wind <input type="checkbox"/> Offshore wind <input type="checkbox"/> Geothermal <input checked="" type="checkbox"/> Hydro <input type="checkbox"/> Tidal	<input type="checkbox"/> Biofuels <input type="checkbox"/> Bioenergy <input type="checkbox"/> Waste to energy <input type="checkbox"/> District heating <input type="checkbox"/> Electricity grid	<input type="checkbox"/> Energy storage <input type="checkbox"/> Energy performance <input type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input type="checkbox"/> Buildings	<input type="checkbox"/> Certified Buildings <input type="checkbox"/> HVAC systems <input type="checkbox"/> Energy performance	<input type="checkbox"/> Water performance <input type="checkbox"/> Energy storage/meters <input type="checkbox"/> Other energy related	<input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input type="checkbox"/> Transport	<input type="checkbox"/> Electric vehicles <input type="checkbox"/> Low emission vehicles <input type="checkbox"/> Bus rapid transit <input type="checkbox"/> Passenger trains <input type="checkbox"/> Urban rail	<input type="checkbox"/> Freight rolling stock <input type="checkbox"/> Coach / public bus <input type="checkbox"/> Bicycle infrastructure <input type="checkbox"/> Energy performance	<input type="checkbox"/> Transport logistics <input type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input type="checkbox"/> Water & wastewater	<input type="checkbox"/> Water distribution <input type="checkbox"/> Water treatment <input type="checkbox"/> Wastewater treatment <input type="checkbox"/> Water storage	<input type="checkbox"/> Storm water mgmt <input type="checkbox"/> Desalination plants <input type="checkbox"/> Erosion control <input type="checkbox"/> Energy performance	<input type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience

<input type="checkbox"/> Waste management	<input type="checkbox"/> Recycling <input type="checkbox"/> Waste prevention <input type="checkbox"/> Pollution control	<input type="checkbox"/> Landfill, energy capture <input type="checkbox"/> Energy performance <input type="checkbox"/> Infrastructure	<input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input type="checkbox"/> Land use & agriculture	<input type="checkbox"/> Afforestation/parks <input type="checkbox"/> FSC Forestry <input type="checkbox"/> FSC Cellulose & paper	<input type="checkbox"/> Land remediation <input type="checkbox"/> Energy/water efficiency	<input type="checkbox"/> Sustainable agriculture <input type="checkbox"/> Adaptation & resilience
<input type="checkbox"/> Other	<input type="checkbox"/> Adaptation & resilience	<input type="checkbox"/> CT	<input type="checkbox"/> Industry: process
<b>Issue details</b>			
Reporting			
Company information	Yunnan Hengan Electrical Engineering Co., Ltd is a leading enterprise in the small and medium hydroelectric power industry in Yunnan province, China. It is a subsidiary of Yunnan power grid Co., Ltd.		
Firsts, records and certifications			
Proceeds description	The originators include two subsidiaries of the parent company: Pingbian New Energy and Jinping New Energy Hydropower Development Ltd. The deal is secured by the feed-in tariff receivables of 5 hydropower stations under both companies in the next 9 years. The proceeds are estimated to be used for hydro power generation of Yunnan region. CECEP provided an external review for this deal and disclosed the expected climate impact of the projects to be financed, including the avoidance of 111.1K tce and the reduction of 187.5K tons of CO2.		
Climate Bonds view	In spite of the limited details available due to the deal being a private placement, we believe in its green credentials as both the underlying asset and use of proceeds are green.		
Underwriters			
<b>Deal comments</b>			
Credit Rating	AAA (Pengyuan Credit Rating)		
Pricing summary			
Investors summary			

<http://finance.jrj.com.cn/2018/05/05060324495767.shtml>

<sup>1</sup> Issuer categories: ABS, development bank, financial corporate, government-backed entity, loan, local government, non-financial corporate, sovereign