

## Green Bond Fact Sheet

Chongqing Kangda Environmental Protection Industrial Co.,Ltd			Date: 13-Aug-2018
Issue date: 10-Aug-2018 Maturity date:10-Aug-2033 Tenor: 15 years			
Issuer Name	Chongqing Kangda Environmental Protection Industrial Co.,Ltd	Amount Issued	CNY360m(USD52.7m)
Country of risk	China	CBI Database	Included
Issuer Type <sup>1</sup>	Non-Financial Corporate	Bond Type	ABS
Green Bond Framework	N/A	Second party opinion	CCX (G-1)
Certification Standard	N/A	Assurance report	N/A
Certification Verifier	N/A	Green bond rating	N/A
Use of Proceeds			
<input type="checkbox"/> Energy	<input type="checkbox"/> Solar <input type="checkbox"/> Onshore wind <input type="checkbox"/> Offshore wind <input type="checkbox"/> Geothermal <input 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 checked="" type="checkbox"/> Water & wastewater	<input type="checkbox"/> Water distribution <input type="checkbox"/> Water treatment <input checked="" 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 checked="" 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"/> ICT	<input type="checkbox"/> Industry: process
<b>Issue details</b>			
<b>Reporting</b>			
<b>Company information</b>	<p>Chongqing Kangda Environmental Protection Industrial Co.,Ltd is founded in 1992. It has developed into a wholly foreign-owned enterprise whose main businesses include equity investment, water project investment, municipal engineering construction and environmental production. The company manages nearly 30 holding companies and sewage treatment stations. It has a daily wastewater treatment capacity of 1.28 million tons, and 1 million tons of capacity is under construction.</p>		
<b>Firsts, records and certifications</b>			
<b>Proceeds description</b>	<p>The green ABS is secured on wastewater treatment receivables. More specifically, the deal securitises the next 15 years' worth of receivables from 5 subsidiaries of Chongqing Kangda Environmental Protection Industrial Co., Ltd.</p> <p>The proceeds will be used to construct new and to upgrade existing wastewater treatment stations for its subsidiaries. The investment targets the reduction of local pollution, an improvement in the surrounding environment and a reduction in water usage.</p>		
<b>Climate Bonds view</b>	<p>This is the first green ABS deal in Chongqing, which expands the market. We also favour deals which use green revenues and assets as security to finance investment in green assets: this deal couples refinancing with a commitment to additional green asset financing. We hope to see comprehensive post-issuance reporting and more information being disclosed. As an example it would be helpful to understand how treated water is used and whether recycled water is used for irrigation and industrial purposes rather than treated, potable water.</p>		
<b>Underwriters</b>	Bohai Huijin Securities		
<b>Deal comments</b>			
<b>Credit Rating</b>			
<b>Pricing summary</b>			

Investors summary

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