

24th Aug. 2021

ICBC Carbon Neutrality Green Bond

Pre-Issuance Verification Statement

Limited Assurance Procedure based on Climate Bonds Standard version 3.0

Beijing Zhongcai Green Financing Consultant Ltd.

Scope

Industrial and Commercial Bank of China Ltd. (“ICBC” or “the Issuer”) is considering the issuance of a bond (the Bond) and has submitted the Bond for verification and certification against the Climate Bonds Standard (CBS).

Beijing Zhongcai Green Financing Consultant Ltd. (Zhongcai) has been commissioned by ICBC to provide the pre-issuance verification of the Bond as an independent third-party verifier approved by the Climate Bonds Standard Board. The verification is performed in accordance with the CBS Version 3.0 and the assurance approach is in line with the *International Standard on Assurance Engagements 3000 (ISAE 3000): Assurance Engagements other than Audits or Reviews of Historical Financial Information*.

Work Undertaken

The work undertaken by Zhongcai to form this verification report included:

- Planning and management of the verification.
- Desk review of the Bond and associated documentation provided by the Issuer.
- Assessment of evidences provided by the ICBC against the CBI standard version 3.0.
- Internal quality control on the assurance report and conclusions.
- Provision of Zhongcai’s Limited Assurance Report.

According to the list of Nominated Projects & Assets, the Issuer intends to finance nominated projects and assets falling under the following Sector Criteria of the Climate Bonds Standard:

- Solar (Version 2.1)
- Wind (Version 1.2)
- Low Carbon Transport (Version 2.0)
- Marine Renewables (Version 1.2)

Responsibilities of the Issuer and Zhongcai

The verification statement is based on information provided by the Issuer and the Issuer is responsible for the integrity, accuracy and timeliness of the information. The verification opinions shall not be interpreted as any indication or guarantee for relevant bond investment decisions. In no case may the opinions hereof operate as the interpretation or guarantee for economic performance of bonds, credit rating and actual utilization of the raised fund.

Verification Opinion

Beijing Zhongcai Green Financing Consultant Ltd. (Zhongcai) has performed the Pre-issuance verification of the Bond in accordance with the Climate Bonds Standard Version 3.0 and the *International Standard on Assurance Engagements 3000 (ISAE 3000): Assurance Engagements other than Audits or Reviews of Historical Financial Information*.

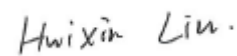
The assurance procedures include documents review, interviews with the management team of the Issuer and communications with relevant people. Based on the limited assurance procedures conducted, nothing has come to our attention that the Bond is not in line with the requirements of the Climate Bonds Standard and the relevant Sector Criteria (Solar Version 2.1, Wind 1.2, Low Carbon Transport Version 2.0 and Marine Renewables Version 1.2).



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Verification Criteria & Findings

Zhongcai has assessed the Bond of ICBC and the nominated projects and assets against criteria and requirements detailed within the Climate Bonds Standard version 3.0:

- Part A: Pre-Issuance Requirements
 1. Use of Proceeds
 2. Process for Evaluation and Selection of Projects & Assets
 3. Management of Proceeds
 4. Reporting Prior to Issuance

- Part C: Eligibility of Projects & Assets
 1. Climate Bonds Initiative Solar Criteria Version 2.1
 2. Climate Bonds Initiative Wind Criteria Version 1.2
 3. Low Carbon Transport Criteria Version 2.0
 4. Marine Renewable Energy Sector Criteria Version 1.2

Part A: Pre-Issuance Requirements

Table 1: Checklist of Pre-Issuance Climate Bonds Standard Requirements

Climate Bonds Standard Requirement	Findings	Requirement Met
1. Use of Proceeds		
1.1 The Issuer shall document the Nominated Projects & Assets which are proposed to be associated with the Bond and which have been assessed as likely to be Eligible Projects & Assets. The Issuer shall establish a list of Nominated Projects & Assets which can be kept UpToDate during the term of the Bond.	The Issuer has provided a list of nominated projects to be financed, which have been assessed as likely to be Eligible Projects & Assets.	✓
1.2 The expected Net Proceeds of the Bond shall be no greater than the Issuer's total investment exposure to the proposed Nominated Projects & Assets, or the relevant proportion of the total Market Value of the proposed Nominated Projects & Assets which are owned or funded by the Issuer.	The expected Net Proceeds of the Bond will be no greater than the Issuer's total investment exposure to the proposed Nominated Projects & Assets.	✓
1.3 Nominated Projects & Assets shall not be nominated to other Certified Climate Bonds, Certified Climate Loans, Certified Climate Debt Instruments, green bonds, green loans or other	The Issuer has confirmed that Selected Projects have never been nominated to other Climate Bonds or that the existing Climate Bond is not	✓

labelled instruments (such as social bonds or SDG bonds) unless it is demonstrated by the Issuer that:	being refinanced via another Climate Bond.	
<p>1.3.1 Distinct portions of the Nominated Projects & Assets are being funded by different Certified Climate Bonds, Certified Climate Loans, Certified Climate Debt Instruments, green bond, green loans or other labelled instruments or;</p>		
<p>1.3.2 The existing Certified Climate Bond, Certified Climate Loan or Certified Climate Debt Instrument is being refinanced via another Certified Climate Bond, Certified Climate Loan or Certified Climate Debt Instrument.</p>		
<p>2. Process for Evaluation and Selection of Projects and Assets</p>		
<p>2.1. The Issuer shall establish, document and maintain a decision-making process which it uses to determine the eligibility of the Nominated Projects & Assets. The decision-making process shall include, without limitation:</p>	<p>The Issuer establishes, documents and maintains its decision-making process in its Green Bond Framework, which includes all the required statements stipulated in the Climate Bonds Standard Requirement in 2.1.</p>	√
<p>2.1.1. A statement on the climate-related objectives of the Bond.</p>		
<p>2.1.2 How the climate-related objectives of the Bond are positioned within the context of the Issuer’s overarching objectives, strategy, policy and/or processes relating to environmental sustainability.</p>		
<p>2.1.3 Issuer’s rationale for issuing the Bond.</p>		
<p>2.1.4 A process to determine whether the Nominated Projects & Assets meet the eligibility requirements specified in Part C of the Climate Bonds Standard.</p>		
<p>2.2 Issuer should include under Clause 2.1 further aspects of the decision-making process, including:</p>	<p>The Issuer has included related eligibility criteria, green standards or certifications referenced and assessment procedure in its Green Bond Framework, as stipulated in the Climate Bonds Standard Requirement in 2.2.</p>	√
<p>2.2.1 Related eligibility criteria, including, if applicable, exclusion criteria or any other process, applied to identify and manage potentially material environmental, social or governance risks associated with the Nominated Projects & Assets.</p>		
<p>2.2.2 Green standards or certifications referenced in the selection of Nominated Projects & Assets.</p>		

<p>2.2.3 The issuer shall assess that all proposed Nominated Projects & Assets to be associated with the Bond meet the documented objectives as stated under Clause 2.1.1 and are likely to conform to the relevant eligibility requirements under Part C of the Climate Bonds Standard.</p>		
<p>3. Management of Proceeds</p>		
<p>3.1 The systems, policies and processes to be used for management of the Net Proceeds shall be documented by the Issuer and disclosed to the Verifier, and shall include arrangements for the following activities:</p>	<p>The Issuer has documented the management of the Net Proceeds in its Green Bond Framework and the relevant documents are disclosed to the Verifier.</p>	<p>✓</p>
<p>3.1.1 The Net Proceeds of the Bond can be credited to a sub- account, moved to a sub-portfolio, or otherwise tracked by the Issuer in an appropriate manner and documented.</p>	<p>According to the Issuer’s Green Bond Framework, a Green Bond sub-account is created for managing and tracking the Net Proceeds of the Bond.</p>	<p>✓</p>
<p>3.1.2 The balance of unallocated Net Proceeds can be managed as per the requirements in Clause 7.3.</p>	<p>This is disclosed in the Green Bond Framework as required in Clause 7.3.</p>	<p>✓</p>
<p>3.1.3 The earmarking process can be used to manage and account for funding to the Nominated Projects & Assets and enables estimation of the share of the Net Proceeds being used for financing and refinancing.</p>	<p>The earmarking process is appropriately managed. The Issuer has transparently communicated to the Verifier the estimated share of refinancing and it is shown in the ANNEX.</p>	<p>✓</p>
<p>4. Reporting Prior To Issuance</p>		
<p>4.1 The Issuer shall prepare a Green Bond Framework and make it publicly available prior to Issuance or at the time of Issuance. The Green Bond Framework shall include, without limitation:</p>	<p>The Issuer has prepared and will disclose its Green Bond Framework.</p>	<p>✓</p>
<p>4.1.1 Confirmation that the Bonds issued under the Green Bond Framework are aligned with the Climate Bonds Standard. This may include statements of alignment with other applicable standards, such as the EU Green Bond Standard, the ASEAN Green Bond Standard, Chinese domestic regulations, Japanese Green Bond Guidelines, etc.</p>	<p>The Issuer has confirmed that the Bond issued under its Green Bond Framework is aligned with the following criteria:</p> <ul style="list-style-type: none"> - ICMA Green Bond Principles - China Green Bond Endorsed Project Catalogue (2021 Edition) - CBI Climate Bonds Standard 	<p>✓</p>

<p>4.1.2 A summary of the expected use of proceeds, as defined under Clause 1.1, and the expected contribution of the relevant sectors or sub-sectors to the rapid transition required to achieve the goals of the Paris Climate Agreement.</p>	<p>The Framework includes a description of the Eligible Projects, as defined under Clause 1.1, and the expected contribution to the rapid transition required to achieve the goals of the Paris Climate Agreement.</p>	<p>✓</p>
<p>4.1.3 A description of the decision-making process, as defined under Clause 2.1, with particular reference to the requirements in Clause 2.1.2.</p>	<p>The Framework includes a description of the decision-making process, as defined under Clause 2.1, with particular reference to the requirements in Clause 2.1.2.</p>	<p>✓</p>
<p>4.1.4 Information on the methodology and assumptions to be used for: confirming, where required by relevant Sector Eligibility Criteria, the characteristics or performance of Nominated Projects & Assets required to conform to the relevant eligibility requirements under Part C of the Climate Bonds Standard; and any other additional impact metrics that the issuer will define.</p>	<p>The Issuer has disclosed in the Green Bond Framework the methodology and assumptions to be used for confirming the characteristics or performance of Nominated Projects & Assets required to conform to the relevant eligibility requirements under Part C of the Climate Bonds Standard.</p>	<p>✓</p>
<p>4.1.5 A summary of the approach to the management of unallocated Net Proceeds in accordance with Clause 3.1.</p>	<p>A summary of the approach to the management of unallocated Net Proceeds is included in the Framework.</p>	<p>✓</p>
<p>4.1.6 The intended approach to providing Update Reports to reaffirm conformance with the Climate Bonds Standard while the Bond remains outstanding.</p>	<p>The Issuer will publish a Green Bond Report annually to provide updates.</p>	<p>✓</p>
<p>4.1.7 The list of proposed Nominated Projects & Assets associated with the Bond and the investment areas, as provided in Clause 9.1, into which the Nominated Projects & Assets fall. Where there are limits on the amount of detail that can be made available about specific Nominated Projects & Assets, information shall be presented on the investment areas which the Nominated Projects & Assets fall into, provided in Clause 9.1, and the Issuer shall provide an explanation of why details on Nominated Projects & Assets is limited.</p>	<p>The issuer will disclose investment areas of Nominated Projects & Assets associated with the Bond in its Annual Green Bond Report. But because of confidentiality a full list may not be published.</p>	<p>✓</p>
<p>4.1.8 Where a proportion of the Net Proceeds are used for refinancing, an estimate of the share of the Net Proceeds used for financing and refinancing, and the relevant Nominated Projects</p>	<p>The Issuer has transparently communicated to the Verifier the estimated share of refinancing and it is shown in the ANNEX.</p>	<p>✓</p>

<p>& Assets or investment areas which may be refinanced. This may also include the expected look-back period for refinanced Nominated Projects & Assets.</p>		
<p>4.2 The Issuer shall include in the Disclosure Documentation:</p>		<p>√</p>
<p>4.2.1 The investment areas, as provided in Clause 9.1, into which the Nominated Projects & Assets fall.</p>	<p>The selected Projects falls in the “Solar”, “Wind”, “Low carbon transport” and “Marine renewable”, classification of Climate Bonds Taxonomy.</p>	<p>√</p>
<p>4.2.2 The intended types of temporary investment instruments for the management of unallocated Net Proceeds in accordance with Clause 7.3.</p>	<p>This is disclosed in the Green Bond Framework</p>	<p>√</p>
<p>4.2.3 The Verifier engaged by the Issuer for the mandatory verification engagements.</p>	<p>The Issuer has commissioned Beijing Zhongcai Green Financing Consultant Ltd. as an independent third-party Verifier approved by the Climate Bonds Standards Board to perform the Pre-Issuance Verification of the Bond.</p>	<p>√</p>
<p>4.2.4 The intended approach to providing Update Reports to reaffirm conformance with the Climate Bonds Standard while the Bond remains outstanding, including the location of the published documents.</p>	<p>The Issuer will publish a Green Bond Report annually on its website to provide updates.</p>	<p>√</p>
<p>4.2.5 The CBI Disclaimer provided in the Certification Agreement.</p>	<p>The Issuer has confirmed in the Certification Agreement that the CBI Disclaimer is going to be included in bond offer document.</p>	<p>√</p>

Part C: Eligibility of Projects & Assets

Technical criteria for Selected Projects & Assets:

1. Solar Criteria Version 2.1

CBI REQUIREMENTS	FACTUAL FINDINGS
1. Technical Criteria for Eligible Projects and Assets: Solar	
<p>Eligible Project & Assets relating to solar energy generation shall be projects or assets that operate or are under construction to operate in one or more of the following activities:</p> <ul style="list-style-type: none"> - Onshore solar electricity generation facilities - Wholly dedicated transmission infrastructure and other supporting infrastructure for onshore solar electricity generation facilities including inverters, transformers, energy storage systems and control systems. - Onshore solar thermal facilities such as solar hot water systems. 	<p>Onshore solar electricity generation facilities and onshore solar thermal facilities are eligible activities.</p>

2. Wind Criteria Version 1.2

CBI REQUIREMENTS	FACTUAL FINDINGS
2. Technical Criteria for Eligible Projects and Assets: Wind	
<p>In general terms, wind energy assets relate to:</p> <ul style="list-style-type: none"> - The establishment, acquisition, expansion, and/or ongoing management of a specified onshore wind energy facility. - The establishment, acquisition, expansion and/or ongoing management of related inputs and infrastructure to support these facilities. <p>These assets are eligible for inclusion in a Certified Climate Bond if they meet:</p> <ul style="list-style-type: none"> - The Mitigation requirement 	<p>Onshore wind energy generation facilities meet the Criteria requirements.</p>

3. Low Carbon Transport Criteria Version 2.0

CBI REQUIREMENTS	FACTUAL FINDINGS
3. Technical Criteria for Eligible Projects and Assets: Low Carbon Transport	

<p>Construction and development, purchase, and/or operation of zero direct emissions urban rail transit lines, for example:</p> <ul style="list-style-type: none"> - Construction of metro or tramway lines - Leasing of metro or subway lines - Network operators operating an urban rail transit network 	<p>Eligible Green Projects falling in this sub- category are eligible for Certification under Low Carbon Transport (Version 2.0).</p>
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4. Marine Renewable Energy Sector Criteria Version 1.2

4.1. Disclosure component:

In the interests of transparency and disclosure, Issuers of Certified Climate Bonds are required to publicly disclose the following in respect to the assets and use of proceeds incorporated in the issuance:

A dedicated website has been created for the Selected Project: <https://doggerbank.com/>.

CBI REQUIREMENTS		
1	Project location and size, including description of marine and coastal ecosystem in proximity to planned installations, noting for example whether located in marine protected areas or vulnerable marine ecosystems	The Dogger Bank Offshore Development Zone, located between 125 and 290km off the east coast of Yorkshire, extends over approximately 8660km ² and water depths range from 18m to 63m.
2	Projected lifespan of the asset/project	35 years
3	Key stakeholders involved, including other users of the area and surrounding area (sea, land or air depending on what is applicable) of the facility(ies)	The engagement of key stakeholders is described in the Environmental Statement (ES) Report.
4	Description of project activities including details on installation, operation and decommissioning activities	Whole description of the project activities is included in the ES Report.
5	Expected/current facility capacity and generation during and after the life of the bond	As reported on the project website, the project will have an installed capacity of up to 3.6GW.
6	Details of where the energy generated is being fed into, and estimated impact on grid mix	The facilities are connected to a single Offshore Substation Platform through 66kV inter-array cables. The Platform connects to the onshore substation through a single 320kV

		<p>export cable. The electricity will subsequently be converted to High-Voltage Alternating Current and connected to the grid via a 400 kV HVAC cable at the existing National Grid Electricity Transmission Creyke Beck substation.</p> <p>The expected impact on the National Grid is ca. 3.6 GW/ca. 75GW (5%).</p>
7	Projected avoided GHG emissions compared to fossil fuel counterfactual (in kgCO _{2e}) using recognised conversion factors	Expected avoided GHG emissions calculated with UK electricity conversion factor (in kg CO _{2e}): 1.27 m tons CO ₂ annually.
8	The planning standards, environmental regulations and other regulations that the project has been required to comply with	The project has been required to comply with the Planning Act 2008 of the Parliament of the United Kingdom, the Environmental Impact Assessment Regulations and other regulations.

4.2. Mitigation Component:

Offshore wind energy generation facilities pass the mitigation component when in compliance with the requirement that Fossil fuel back up can only be used for restart capability and monitoring, operating or resilience measures in the event of no power in the system.

4.3. Adaptation & Resilience Requirements:

Checklist for evaluating the Issuer's Adaptation & Resilience performance in respect of a marine renewable energy facility:

Item	Proof given	Overall assessment
Section 1: The issuer understands the climate related risks and vulnerabilities to the asset/ site		

1.1	<p>Processes are in place (as part of both the asset design and ongoing management) to assess key risks to the assets from a changing climate and its impact on marine conditions</p> <p>These key risks should include the following, plus any others felt to be of concern for the operation of these assets. The risks should be identified and interpreted in terms of the impact on the asset and the related effects for the business – e.g. impact on operating feasibility and schedules and potential system outages, impact on maintenance requirements etc.</p> <p>For all facilities</p> <ul style="list-style-type: none"> • Sea level rise and storm surge • Extreme precipitation and flooding • Increase in geophysical hazards such as earthquakes, tsunamis, volcanic eruptions and landslides • Changes in wind and storm patterns and intensity • Changes in ocean temperature, currents and salinity levels <p>The issuer understands what level of climate change would mean the asset/site is no longer viable, and understands under which climate change scenarios this would happen.</p> <p>These processes and assessments use climate information, modelling and scenarios based on peer reviewed methodologies and literature and considering the variability in modelled scenarios.</p> <p>If a project does not have any climate related risks or vulnerabilities evidence must be given to show how this was determined.</p>	<p>An Environmental Impact Assessments (EIA) process has been conducted to ensure that environmental factors are considered throughout the project and the decision-making process, and that any potential environmental impacts are identified and assessed. As a result of this assessment process, potential measures to avoid or minimise any adverse impacts can be identified.</p> <p>Conclusions of the EIA process has been documented in the project Environmental Statement (ES) report.</p>	Good
Section 2: The issuer understands the improvements and impacts in the larger context (spatially and temporally) beyond the asset/ site. (i.e. the impacts of their own assets and activities on the broader ecosystem and stakeholders in that ecosystem)			
2.1	<p>Processes are in place (as part of both the asset design, ongoing operation and decommissioning) to assess the improvements and impacts the asset has on the resilience of other stakeholders in the system in which it operates</p> <p>These assessments address:</p> <ul style="list-style-type: none"> • Any ways in which renewable energy facilities might affect, both positively and negatively, the climate resilience of other marine users or relevant/local stakeholders/communities • Any ways in which renewable energy facilities improve the adaptation capacity of other marine users or relevant/local stakeholders/communities. <p>e.g. Any potential impacts on other marine stakeholders of a highly dense concentration of renewable energy facilities or associated transmission lines?</p>	<p>The Environmental Statement (ES) report covers all relevant impacts in the larger context.</p>	Good

	<p>e.g. Any potential impacts that renewable energy facilities may have on coastal resilience by taking strength out of the wind, waves, tidal flows, tidal range or by altering sedimentation processes?</p> <p>If a project does not have any impacts beyond the asset/site evidence must be given to show how this was determined.</p>		
Section 3: The issuer has designed and implemented strategies to mitigate and adapt to these climate risks and vulnerabilities			
3.1	<p>An adaptation plan has been designed and is being implemented to address the risks identified in assessments outlined above. All risks identified are being addressed in the design and management of the asset.</p> <p>The issuer has designed or amended asset maintenance plans to ensure that scheduled maintenance is sufficient to cope with the ongoing impacts of climate change and a plan has been established to govern how they approach emergency maintenance needs arising from sudden climate change impacts (e.g. extreme storms)</p> <p>The issuer has remotely controlled or automated shutdown procedures, training, capacity and governance arrangements in place to manage the impacts of exceptional events (such as extreme storms, winds etc.)</p> <p>The issuer has monitoring and reporting systems and processes to identify high risk scenarios.</p> <p>The issuer has contingency plans to address disruptions to operations or loss of the asset and any resulting environmental or social damage.</p> <p>The issuer has processes for feeding risk assessments back into decision making</p> <p>The issuer has a budget allocated to implementing the adaptation plan and has a named member of staff responsible for its implementation.</p> <p>The issuer complies with any existing broader or higher-level adaption plans, such as NAPAs.</p>	<p>The project has adopted a strategic planning process called Zone Appraisal and Planning (ZAP) process to mitigate and adapt to these climate risks and vulnerabilities.</p> <p>The ZAP process assists developers in making informed decisions on the location of their projects offshore by providing a mechanism for the early consideration of environmental, planning and engineering constraints.</p> <p>The information collected in the ZAP process is included in the Zonal Characterisation Document</p>	Good
3.2	<p>Inspections are carried out regularly and there is a maintenance regime in place for future inspections with evidence that this is adhered to.</p>	<p>According to the Environmental Statement of the project, the ZAP process of the project will continue throughout the development phase. The outcome of the initial ZAP and project development processes will inform subsequent ZAP and project development phases.</p>	Good

Section 4: Issuer is pursuing strategies that promote resilience and adaptation across the area in which it operates and beyond			
4.1	<p>Issuer is involved in stakeholder engagement and collaboration (e.g. policy development, consultation, collaboration and active engagement with other marine users)</p> <p>e.g. Engaging in hazard response planning for the area, or recovery planning and operations after severe events</p> <p>e.g. Pursuing potential climate resilience benefits for the local area that could be delivered by the marine renewable energy facility, such as a tidal lagoon providing additional storm surge protection for local towns</p> <p>e.g. Alterations made to day-to-day operating procedures in response to stakeholder engagement</p>	<p>The ZAP process adopted by ZAP is advocated by Marine Management Organisation, which is the government's principal regulator for most activities in English waters.</p> <p>The information and design decisions presented within the project's Environmental Statement have been informed through an extensive programme of consultation, including the provision of Preliminary Environmental Information.</p>	Good
Section 5: Issuer is delivering positive impacts (or no harm) in terms of key sustainability indicators			
5.1	<p>The asset or project does not put in jeopardy endangered or at-risk species or habitats or unduly impact ecosystem services. Where there are possible negative impacts to habitats, species, biodiversity, or ecosystem services, mitigation measures are implemented to offset the negative impacts.</p> <p>E.g. Noise and vibration generated by marine renewable energy arrays may disrupt animals, such as marine mammals, fish, birds, turtles, and invertebrates that rely on sound for navigation and other essential functions. The potential for collision-related injury or mortality of marine animals is a key parameter for impact assessment, particularly for tidal energy projects. Alteration of water circulation, sediment transport, and other physical flows by marine renewable energy devices as well as introduction of new electromagnetic fields (e.g. via suspended or seafloor cables) may negatively impact habitat quality. This might be especially relevant for tidal barrage, but should be considered for all marine renewable arrays.</p> <p>N.B. In many jurisdictions this will be well covered by existing regulatory or licensing requirements, and those can be referenced here if they provide sufficient evidence to cover this requirement.</p>	<p>The Environmental Statement of the project has demonstrated the assessment outcomes of:</p> <ul style="list-style-type: none"> - Marine and coastal ornithology - Marine and intertidal ecology - Fish and shellfish ecology - Marine mammals - Seascape - Landscape - Terrestrial ecology <p>which shows the project does not put in jeopardy endangered or at-risk species or habitats or unduly impact ecosystem services.</p> <p>For example, the discharge of sewage waste will be collected, treated and discharged to sea in accordance with the requirements of MARPOL</p>	Good
5.2	<p>Waste is responsibly dealt with, including appropriate disposal of construction waste and oil- based lubricants, including recycling options where possible. Also, reuse or recycling where possible of equipment after decommissioning.</p>	<p>The Environmental Statement covers all relevant issues in terms of waste disposal. In addition to ensuring that all working practices</p>	Good

	<p>N.B. In many jurisdictions this will be well covered by existing regulatory or licensing requirements, and those can be referenced here if they provide sufficient evidence to cover this requirement.</p>	<p>and vessels adhere to the requirements of the MARPOL Convention Regulations, control measures to be included within a Project Environmental Management and Monitoring Plan (EMMP) will be put in place in order to minimise the risk of a spill as far as possible.</p>	
5.3	<p>The issuer has recognised and listed the potential risks for accidental site contamination either from leakage of hydraulic fluid (or any other potential pollutant) or from wreckage/debris on the sea bed. Demonstrable steps have been taken to minimise these risks and plans have been made for clean-up should a site contamination event occur.</p>	<p>According to the Environmental Statement, the risk of contamination as a result of accidental spillage of material or discharges of waste water is assessed as low due to environmental protection and control measures which will be implemented.</p> <p>Examples of steps include:</p> <ul style="list-style-type: none"> - All use of chemicals and the activity that requires them will consider ways in which a potential pathway from the activity could lead to discharge of the chemical to the sea. Where possible control measures will be implemented to remove this pathway; - All vessels should carry spill kits for dealing with spills on vessel decks; - All vessel personal should be trained in and be familiar with the Project EMMP; - The discharge of sewage waste will be collected, treated and discharged to sea in accordance with the requirements of MARPOL. 	Good
5.4	<p>Decommissioning of the plant is planned in a way that considers the environmental impacts N.B. In many jurisdictions this will be well covered by</p>	<p>The Environmental Statement provides details of the</p>	Good

	existing regulatory or licensing requirements, and those can be referenced here if they provide sufficient evidence to cover this requirement.	decommissioning scenarios for the plant. The environmental impact predicted for the worst case scenario of decommissioning is minor adverse significance.	
5.5	<p>Issuer has plans and processes in place to effectively manage and minimise conflict with other users of the marine and coastal space</p> <p>N.B. In some jurisdictions this will be well covered by existing regulatory or licensing requirements, national or regional marine plans and/ or marine spatial plans, and the application of or conformity with these regulations or plans can be referenced here if they provide sufficient evidence to cover this requirement.</p>	<p>The Environmental Statement includes an analysis of possible impact on other marine users, including users of other renewable energy projects; carbon capture and storage; oil and gas activity; underground coal gasification; aggregate extraction; and subsea cables and pipelines.</p> <p>The project area is crossed by, and is close to, telecommunications cables and pipelines. A separation distance will be maintained to allow for necessary operation and maintenance activity.</p>	Good

Annex. List of the Nominated Projects (Confidential)

Project Type	Project Location	Loan Balance	Currency	Planned Power Generation Capacity	Proportion of Refinancing
Solar Power	Shengping, Anda, Suihua, Heilongjiang, China	178,000,000	USD	400MW	100%
Solar Power	Dubai, United Arab Emirates	242,000,000	USD	700MW CSP and 250MW PV	100%
Wind Power	Puyang, Henan, China	248,000,000	USD	500MW	100%
Marine Renewables	North Sea, UK	23,000,000	USD	1,200MW	None
Low Carbon Transport	Changsha, Hunan, China	966,000,000	USD		100%
Low Carbon Transport	Chengdu, China	804,000,000	USD		100%
Low Carbon Transport	Guangzhou, China	774,000,000	USD		100%
Low Carbon Transport	Beijing, China	727,000,000	USD		100%
Low Carbon Transport	Shengzhen, China	697,000,000	USD		100%
Total Loan Balance		4,659,000,000	USD		-
Expected Net Proceeds of the Bond		No greater than 3,000,000,000	USD		-