

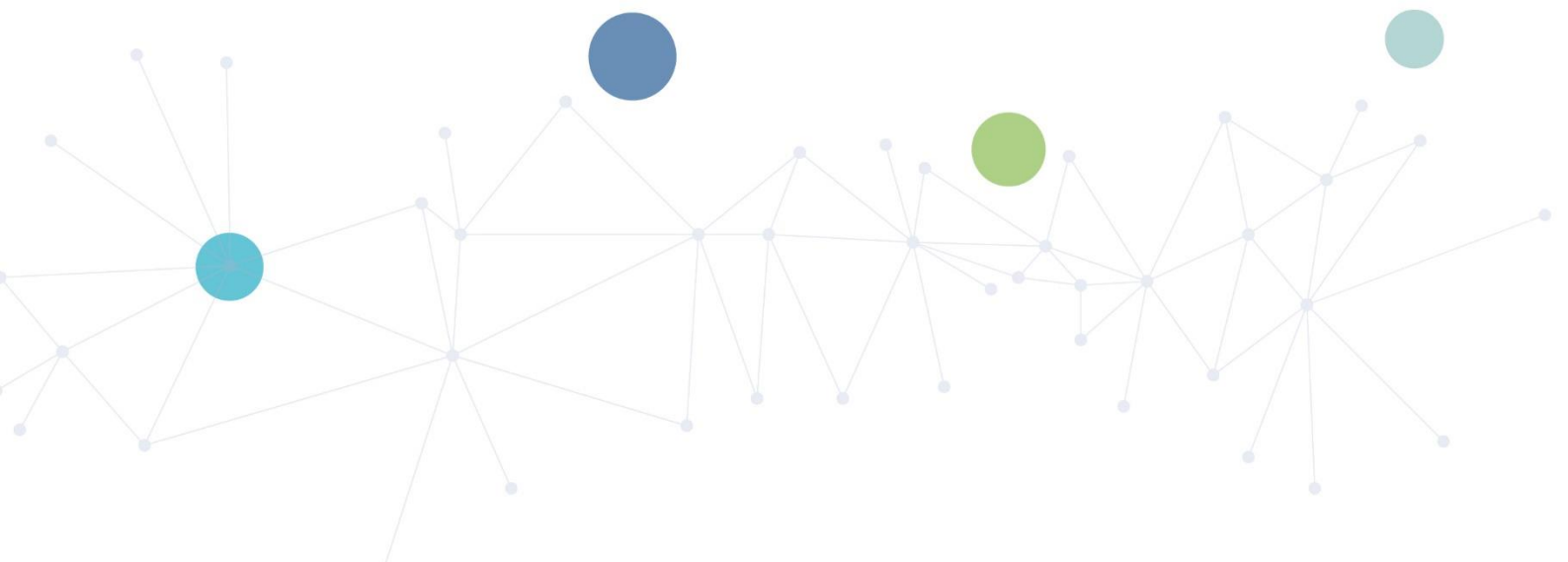
NJPAID Climate Bond

Pre-Issuance Verification Statement



iGreenBank (Beijing) Investment Service Co.,Ltd

March 23, 2020



1. Scope and Objectives

Nanjing Jiangbei New Area Public Assets Investment& Development Co., LTD (“the Issuer” or “NJPAID”) is considering the issuance of a bond (the Bond) and has submitted the Bond for verification and certification against the Climate Bonds Standard (CBS).

iGreenBank (Beijing) Investment Service Co.,Ltd(“iGreenbank”) has been commissioned by NJPAID to provide the pre-issuance verification of the Bond as an independent and approved verifier under the CBS. The verification is performed in accordance with the CBS Version 3 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.

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.

2. Work Undertaken

The verification team has conducted documents review, interviews with the management team of the Issuer and communications with relevant people to verify the consistency with CBS Version 3.

3. The Issuer’s Responsibility

The management of NJPAID has provided the information and data used by iGreenbank during the delivery of this verification. iGreenbank’s statement represents an independent opinion and is intended to inform NJPAID management and other interested stakeholders in the Finance as to whether the established criteria have been met, based on the information provided to us. In our work we have relied on the information and the facts presented to us by NJPAID.

iGreenbank is not responsible for any aspect of the nominated assets referred to in this opinion and cannot be held liable if estimates, findings, opinions, or conclusions are incorrect. Thus, iGreenbank shall not be held liable if any of the information or data provided by NJPAID’s management and used as a basis for this assessment were not correct or complete.

4. Verification Opinion

iGreenbank has performed the Pre-issuance verification of the Bond in accordance with the Climate Bonds Standard Version 3 and the International Standard on Assurance Engagements 3000 (ISAE 3000): Assurance Engagements other than Audits 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 *Water Infrastructure Criteria*.

4.1. Description on the Bond

In accordance with the Green Bond Principles 2018 published by the International Capital Market Association and Climate Bonds Standard (Version 3) published by Climate Bonds Initiative, the Issuer established the Green Bond Framework for NJPAID (the "Framework"), which defined the Use of Proceeds, Project Evaluation and Selection, Management of Proceeds as well as Reporting.

4.2. Use of Proceeds.

In accordance with the Framework, the eligible green assets under the Green Bond Framework comprise financing within the eligible green asset categories of Sustainable Water and Wastewater Management, Low Carbon Building ,Energy Efficiency, which are or have been originated by the various business units of NJPAID.

According to the Prospectus of the Second Non-Public Green Corporate Bonds in 2020 of Nanjing Jiangbei New Area Public Assets Investment& Development co., LTD, the proceeds will be used in following 3 wastewater treatment projects:

- Jiangbei New District, Getang Street, Rural Sewage Treatment Project.
- Jiangbei New District, Pancheng Street, Rural Sewage Treatment Project.
- Jiangbei New District, Changlu Street, Rural Sewage Treatment Project.

4.3. Selection of Projects & Assets

In accordance with the Framework eligible green assets will firstly be identified and proposed by business units of NJPAID, including its subsidiaries and branches. The proposed projects will then be reviewed by Finance and Financing Department of NJPAID. The Finance and Financing Department will review all proposed eligible green assets to determine their compliance with the NJPAID Green Bond Framework for approval as "Eligible Green Asset" and form an eligible green asset list.

The 3 wastewater treatment projects were selected and determined by the NJPAID following the Selection of projects & assets stated in the Framework. The project are compliance with the *Water Infrastructure Criteria* published by Climate Bonds Initiative, and the compliance were demonstrated as follows:

The Nominated Projects & Assets are three rural sewage treatment projects located in Nanjing City, Jiangsu Province, China.

- Mitigation: a negative net GHG emissions is confirmed, according to the GHG emission reduction estimated for the projects (refer to *Emission reduction calculation- NJPAID*).
- Adaptation and Resilience: Reviewed the scorecard of *Water Infrastructure Criteria* finished by the Issuer, Nominated Projects scores are all above 60% in the evaluation of each module (refer to *Scorecard card -NJPAID*).

4.4. Management of Proceeds

Prior to the issuance of a Green Bond, NJPAID will set a plan of the use of the Proceeds and a specific Green Bond account (the Account) and will be established to record the allocation of Green Bond proceeds.

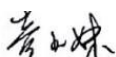
The unallocated proceeds could be temporarily used domestically and/or internationally in money market instruments with good credit rating and market liquidity until they are allocated to eligible green assets.

4.5. Disclosure and Reporting

In accordance with the Framework, the Finance and Financing Department is responsible for Disclosure and Reporting of NJPAID. During the bond tenor, an annual green bond report (the " Green Bond Report") will be published on NJPAID's official website and/or other channels where feasible, which will provide information on the introduction of the project, the allocation of the proceeds and the environmental and impacts of the eligible green assets, the remaining balance and the type of temporary investment of unallocated proceeds etc.

5. Verification Team

The verification team of iGreenBank (Beijing) Investment Service Co.,Ltd

Verification Team: Yumei TONG, 

Technical Review Team : Han ZHANG 