





**Ganzhou Development Investment Holding Group Co., Ltd.**

赣州发展投资控股集团有限责任公司

**Assessment Summary**

CCX Green Finance International Limited (CCXGFI) provided a Second Party Opinion (SPO) on Ganzhou Development Investment Holding Group Co., Ltd. Sustainable Finance Framework, assessing its alignment with the GBP2021 (with 2022 Appendix I), SBP2023, SBG2021, GLP2023 and SLP2023, relevance to the Group’s sustainable development strategy, feasibility of achieving environmental and/or social objectives, and effectiveness in managing environmental and/or social risks. CCXGFI regards the rating of Ganzhou Development Investment Holding Group Co., Ltd. Sustainable Finance Framework as Sf-2[Good].

**Framework Type**

Sustainability Finance

**Company Location**

Jiangxi, China

**Date**

Feb 28, 2025



**Overall Score**

**Alignment**



Green Bond Principles 2021 (with June 2022 Appendix I)
Social Bond Principles 2023
Sustainability Bond Guidelines 2021
Green Loan Principles 2023
Social Loan Principles 2023

Sf-3

Sf-1

Sf-2



**Analysts**

**Alignment**

**Ivy Zhang**

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Moderate

Low

High

**Relevance**

**Quality Review**

High

Low

Moderate

**Zoe Li**

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**Feasibility**

High

Low

Moderate

**Risk Management**

Robust

Ineffective

Adequate

* **Scope of work**

**CCXGFI has provided a SPO on Ganzhou Development Investment Holding Group Co., Ltd. Sustainable Finance Framework (the “Sustainable Finance Framework” or “Framework”) with reference to the following criteria:**

* The alignment with the following principles (the “Principles”):
* GBP2021: Green Bond Principles 2021 (with June 2022 Appendix I) by ICMA
* SBP2023: Social Bond Principles 2023 by ICMA
* SBG2021: Sustainability Bond Guidelines 2021 by ICMA
* GLP2023: Green Loan Principles 2023 by LMA/APLMA/LSTA
* SLP2023: Social Loan Principles 2023 by LMA/APLMA/LSTA
* The relevance to the Group’s sustainable development strategy
* The feasibility of environmental and/or social objectives
* The effectiveness of environmental and/or social risk management
* **Issuer’s Profile**

Ganzhou Development Investment Holding Group Co., Ltd. (hereinafter referred to as “Ganzhou Development Investment” or “the Group”) was formally established in July 1991. The Group is a state-owned enterprise controlled by the Ganzhou SASAC and has been designated by the Ganzhou Municipal Government as the financing and service platform for major projects and industries as well as the state-owned assets investment and operation entity in Ganzhou City. The registered capital of the Group is 1.2 billion yuan. It has been focusing on municipal development in Ganzhou City and developed a diversified business portfolio in recent years. Over the years, the Group has expanded its business into municipal construction, expressway operation, engineering construction, trading, commercial housing sales, property leasing, financial leasing, interest revenue and other businesses. In addition, the Group also engages in other operating activities such as refined oil products sales, property leasing, tourist attractions and hotel catering services, road maintenance, project investment, fund management fee and other miscellaneous services to supplement its principal business segments.

Leveraging on the development of Ganzhou, strong shareholder’s support and its diversified businesses, the Group has undertaken and completed a large number of municipal development projects and played an important role in the infrastructure, urban construction and development of Ganzhou. As of the end of September 2024, the Group’s total assets were 305.45 billion yuan, total liabilities were 193.83 billion yuan, and total shareholders’ equity was 111.62 billion yuan.

Framework Highlight

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| * For Use of Proceeds, the Eligible Green and Social Projects Categories include Sustainable Water and Wastewater Management and Affordable Housing.
* For Project Evaluation and Selection, the Group has set up a reasonable process and built a well-established control structure with different business departments.
* For Management of Proceeds, the Group will maintain a register to keep track of the use of proceeds. The net proceeds will be reallocated to the eligible replacement projects if the designated projects cease to fulfil the criteria. Also, the unallocated proceeds will be temporarily held in cash or cash equivalents, short-term deposits or invested in liquidity funds according to the Group’s short-term deposit guidelines or investment management policies.
* For Reporting, the Group is committed to reporting the allocation of net proceeds annually until they are fully allocated or until the Sustainable Financing Instruments (the“SFIs”) is no longer outstanding.
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| **Relevant UN Sustainable Development Goals (SDGs):** |
| Alt Text-Alt Text-Alt Text- |

* **Alignment with the Principles**

CCXGFI is of the opinion that the Sustainable Finance Framework is credible and impactful and aligns with the four core components of the GBP2021 (with June 2022 Appendix I), SBP2023, SBG2021, GLP2023 and SLP2023.

* **Use of Proceeds**

CCXGFI’s Opinion

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| * CCXGFI has reviewed the Group’s Framework and evaluated the proposed use of proceeds.
* The investments in eligible categories are anticipated to deliver significant social benefits while contributing to the achievement of several UN Sustainable Development Goals, specifically SDGs 1, 6 and 11. Additionally, the Group has identified a list of excluded project types based on the International Finance Corporation’s exclusion list and selected the most pertinent criteria relevant to its operational circumstances and business priorities.
* CCXGFI is of the opinion that the use of proceeds is clearly defined and in good alignment with the relevant requirement of the GBP2021 (with June 2022 Appendix I), SBP2023, SBG2021, GLP2023 and SLP2023.
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The Framework sets out how the Group intends to issue SFIs. The Group will exclusively allocate an amount at least equivalent to the net proceeds of an SFI issued under this Framework to finance or refinance, in whole or in part, new or existing projects which meet the eligibility criteria of the following eligible green and social projects categories, as defined in the Project Category table.

The Group expects the net proceeds of each issuance under this Framework to be fully allocated while the bonds/notes remain outstanding. A maximum of 36 months look-back period would apply for refinanced projects. The proportion of financing and refinancing for the eligible green and social projects will be disclosed in the Group’s allocation report.

The following table summarizes the alignment of the Framework with the Principles’ requirements, detailing the factual findings for each requirement and confirming their alignment.

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| **Principles Requirement** | **Factual Finding** | **Alignment** |
| All designated eligible green/social projects should provide clear environmental or social benefits, which should be assessed and quantified when possible. | Eligible projects listed in the Framework have clear benefits; quantitative data will be disclosed when available. | ü |
| If proceeds are used for refinancing, it is recommended that issuers/borrowers provide an estimate of the financing vs. refinancing share and clarify which projects may be refinanced, including any look-back period. | The net use of proceeds will exclusively finance and/or refinance, in part or in full, projects under the listed categories with a look-back period of no longer than 36 months from the time of issuance, and the Group will provide an estimate of the share of financing vs. refinancing. | ü |
| Green Projects should contribute to environmental objectives recognised by GBP/GLP, and Social Projects should address or mitigate social issues and/or seek to achieve positive outcomes including for, but not limited to, a target population(s) recognised by SBP/SLP. | The eligible green projects listed in the Framework all contribute to environmental objectives in GBP/GLP; the eligible social projects listed in the Framework all contribute to addressing or mitigating a specific social issue and seek to achieve positive social outcomes. | ü |

After CCXGFI’s assessment of the Framework, the following table outlines the technical screening criteria of the eligible projects under each project category, the identified project objectives, and alignment with relevant principles. To enhance robustness, CCXGFI also assessed alignment with the Green Bond Endorsed Projects Catalogue (2021) (GBEPC) as part of the screening process. For details on the GBEPC catalogue and the Framework’s eligible projects, please refer to Appendix II.

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| **Green Project Category** | **Eligible Projects Technical Screening Criteria** | **Identified Objective** | **Alignment** |
| **Sustainable Water and Wastewater Management**Alt Text | * Investments and expenditures related to construction, operation, maintenance or upgrades, of water supply and wastewater related facilities and infrastructures, such as:
* Water supply plants (including water purification plants), pumping stations and associated distribution network to increase efficiency of water distribution, improve water quality and optimize the utilization of water resources
* Drainage pipeline network and sewage treatment plants to reduce pollution
* Flood control activities including construction of weirs
 | * Pollution prevention and control
* Natural resource conservation
 | * GBP2021
* GLP2023
* GBEPC2021 – 5.3.1.1
* GBEPC2021 – 5.4.1.1
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| --- | --- | --- | --- |
| **Social Project Category** | **Eligible Projects Technical Screening Criteria** | **Identified Objective** | **Alignment** |
| **Affordable Housing**Alt Text | * Investments and expenditures in projects that provide affordable housing for the general public and vulnerable groups, including indemnificatory public rental housing &nbsp;construction projects and government-supported affordable housing construction projects. These include urban renewal / old city reconstruction projects to improve the living conditions of residents living in shantytowns, as well as construction of new community agglomeration projects, which are for the purpose of providing affordable housing units for resettled populations
 | * Provide affordable housing to meet the residential needs of low-income families
 | * SBP2023
* SLP2023
* SDGs 11.1
 |

**In any case, this Framework will exclude the following activities from consideration for eligibility:**

* Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international bans, such as pharmaceuticals, pesticides/herbicides, ozone depleting substances, Polychlorinated Biphenyls, wildlife or products regulated under Convention on International Trade in Endangered Species of Wild Fauna and Flora.
* Production or trade in weapons and munitions.
* Production or trade in alcoholic beverages (excluding beer and wine).
* Production or trade in tobacco.
* Gambling, casinos and equivalent enterprises.
* Production or trade in radioactive materials. This does not apply to the purchase of medical equipment, quality control (measurement) equipment and any equipment where IFC considers the radioactive source to be trivial and/or adequately shielded.
* Production or trade in unbonded asbestos fibers. This does not apply to purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20%.
* Drift net fishing in the marine environment using nets in excess of 2.5 km. in length.
* Production, generation or trade in fossil fuel.
* Production or activities involving harmful or exploitative forms of forced labor/harmful child labor.
* **Process for Project Evaluation and Selection**

CCXGFI’s Opinion

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| * CCXGFI has reviewed the Group’s Framework and examined the governance and process for the evaluation and selection of the Eligible Projects.
* The Group has built a well-established control structure with different business departments and set up a reasonable process for project evaluation and selection.
* CCXGFI is of the opinion that the process is formalised and reasonably structured, transparent, relevant and aligned with this component of the GBP2021 (with June 2022 Appendix I), SBP2023, SBG2021, GLP2023 and SLP2023.
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The Group’s Sustainable Finance Working Group (the “SFWG”) consists of senior representatives from various departments, including the Strategic Development Department and Financial Management Department.

The SFWG will meet at least twice a year, with meetings distributed evenly throughout the year. Their responsibilities include ratifying Eligible Projects, conducting environmental and social impact assessments, and ensuring compliance with internal and local regulations.

**The Framework builds a reasonable process for project evaluation and selection, including:**

1. Ratify Eligible Projects, which are initially proposed by the SFWG
2. Conducting an environmental and social responsibility impact assessment for Eligible projects and ensure that projects comply with the Group’s internal environmental and social risk management policies as well as applicable local governmental regulations
3. Undertake regular monitoring of the asset pool to ensure the eligibility of Green or Social Projects with the criteria set out in the Group’s SFF Section Use of Proceeds, whilst replacing any ineligible Green or Social projects with eligible new Green or Social projects
4. Facilitate regular reporting on any Sustainable Financing Instrument issuance in alignment with our Reporting commitments
5. Manage any future updates to this Framework
6. Ensure that the approval of Eligible Projects will follow the Group’s existing credit/loan/investment approval processes
* **Management of Proceeds**

CCXGFI’s Opinion

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| * CCXGFI has reviewed the Group’s Sustainable Finance Framework and the Group’s policies on management of proceeds.
* The Group has clearly defined the rules for the management of proceeds. CCXGFI is of the opinion that they would make a traceable and transparent allocation process which matches the requirements of the GBP2021 (with June 2022 Appendix I), SBP2023, SBG2021, GLP2023 and SLP2023.
* It is recommended that if applicable, the Group could establish a special account instead of depositing proceeds in the general funding accounts and consider engaging external agencies to oversee the management of these funds, thereby showing a stronger signal about the Group’s commitment to sustainability.
 |

The Group intends to allocate an amount equal to the net proceeds of the SFIs over time to finance or refinance the eligible green and social projects, with each transaction’s proceeds deposited into general funding accounts and designated towards these projects.

**The use of proceeds will be maintained in a Sustainability Finance Register, containing following information:**

* Sustainable Financing Instrument details: ISIN (if applicable), Pricing Date, Maturity Date, etc.
* Allocation of Proceeds:
* The Eligible Project List, including for each Eligible Project, the Eligible Project category, project description, project location, total loan amount, the Group’s loan amount, amount disbursed, settled currency, etc.
* Amount of unallocated Proceeds

Any balance of issuance proceeds which are not yet allocated to eligible green and social projects will be held in cash or cash equivalents, short-term deposits or invested in liquidity funds according to the Group’s short-term deposit guidelines or investment management policies, and the Group commits not to invest such unallocated net proceeds to the projects which are subject to exclusions criteria under this Framework.

During the life of the SFIs issued, if the designated projects cease to fulfil the eligibility criteria, the net proceeds will be reallocated to replacement projects that comply with the eligibility criteria as soon as reasonably practicable.

* **Reporting**

CCXGFI’s Opinion

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| * CCXGFI has reviewed the Group’s Framework and examined the reporting mechanism.
* The Group is committed to reporting the allocation of net proceeds annually until full allocation of the net proceeds of any SFI issued, or until the SFI is no longer outstanding and disclosing the impact of financed projects through quantitative indicators defined by ICMA’s handbook where possible.
* CCXGFI is of the opinion that the report disclosure under the Framework aligns with the GBP2021 (with June 2022 Appendix I), SBP2023, SBG2021, GLP2023 and SLP2023. CCXGFI recommends the Group keep reporting until maturity if it is possible.
 |

The Group is committed to providing an allocation report on its Eligible Projects annually with updates continuing until full allocation of the net proceeds of any SFI issued or until the SFI is no longer outstanding. The impact report associated with the Eligible Projects will be disclosed on an annual basis and subject to data availability and confidentiality.

The **Allocation Report** will include the following information where applicable:

* List of Eligible Projects;
* The amount of proceeds allocated to each Eligible Project category;
* When possible, descriptions of the Eligible Projects financed, such as project locations, amount allocated, etc.;
* Selected examples of projects financed;
* Percentage of financing vs. refinancing; and
* Amount of unallocated proceeds.

The **Impact Report** will cover the environmental and social benefits arising from the eligible projects where available, taking reference from the relevant indicators suggested in ICMA’s “Handbook – Harmonized Framework for Impact Reporting (2024)” and “Harmonized Framework for Impact Reporting for Social Bonds (2024)”. The methodology and assumptions used for calculation will be provided subject to the nature of Eligible Projects and the availability of information. For the detailed indicators to be disclosed in the impact report, please refer to Appendix IV.

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| **CCXGFI is of the opinion that the Framework is moderately aligned with the four core components of the Principles.** |

* **Relevance to Group’s Sustainable Development Strategy**

Ganzhou, located in Jiangxi Province, is strategically positioned as a burgeoning economic hub in China. The region’s strategic importance is underscored by its role in facilitating trade and infrastructure development. In China, sustainability in municipal development is guided by policies aimed at reducing carbon emissions and enhancing environmental protection, as articulated in the 14th Five-Year Plan. The Group has integrated sustainability into its strategic framework, emphasizing the importance of sustainable finance to support green projects. Through Sustainable Financing Instruments, the Group demonstrates a commitment to projects such as sustainable water management and affordable housing, reflecting its dedication to sustainable development. The Group’s sustainability strategy aligns with national policies by prioritizing ecological protection and contributing to carbon neutrality goals. The Framework closely aligns with the Group’s sustainability strategy by ensuring that its financing practices support projects that contribute positively to environmental and social outcomes, thereby reinforcing its commitment to sustainable development.

The Group defines Sustainable Water and Wastewater Management, Affordable Housing as eligible green and social project categories. Furthermore, the SFTs issued under the Sustainable Finance Framework contribute to the 3 SDGs, systematically advancing the Group. In particular, the eligible projects are closely related to the Group’s major business activities, and at the same time, the Group’s current development provides overall guidance for the establishment of the Framework. Hence, the outlined Framework is expected to be consistent with Group’s future development, indicating to long run sustainability.

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| **CCXGFI is of the opinion that the Framework is of high relevance with the overall sustainability strategy and initiatives of the Group.** |

* **Feasibility of Environmental and/or Social Objective**

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| **Sustainable Water and Wastewater Management** |  |
| * The 14th Five-Year Plan supports the development of waste and wastewater management infrastructures to promote environmental sustainability, a key component of which is the treatment and recycling of urban wastewater. The Sustainable Water and Wastewater Management projects under the Framework align closely with China’s national policies aimed at sustainable urban development, highlighting the urgency of augmenting water-use efficiency and advocates for the establishment of green finance mechanisms to bolster the sustainable governance of water resources. These projects’ focus on building and upgrading water supply, drainage, and wastewater facilities is consistent with national strategies aiming to achieve clean water and sanitation goals. By integrating these projects within the broader framework of sustainable urban development, the Group supports governmental priorities of reducing environmental impact and fostering sustainable urban infrastructure.
* The Sustainable Water and Wastewater Management projects are expected to yield substantial benefits both environmentally and socially. Environmentally, the projects aim to enhance water quality by reducing pollution through advanced treatment facilities and technologies, aiding in the restoration of ecological equilibria. It is anticipated that the annual volume of treated wastewater and the amount of water pollution avoided will significantly increase, contributing to cleaner water bodies. Socially, the improved infrastructure will enhance the living conditions of the local population by providing safer and cleaner water, ensuring availability and sustainable management of water and sanitation. These benefits not only demonstrate the projects’ alignment with sustainable practices but also highlight the potential to create a healthier urban environment.
* The Group’s efforts in enhancing water supply and wastewater facilities resonate well with China’s national emphasis on integrated water resources management and urban wastewater treatment as outlined by the Ministry of Water Resources, contributing to the national goals of optimizing water resource utilization and reducing pollution. Such alignment not only enhances the credibility of the Group’s projects but also underscores their potential in contributing to broader environmental sustainability goals. The Sustainable Water and Wastewater Management projects aim to support the construction, operation, and maintenance of water supply and wastewater facilities. By enhancing water distribution efficiency and reducing pollution through improved infrastructure, these initiatives are well-positioned to achieve the Group’s environmental objectives. Furthermore, the projects are supported by a robust management process, including feasibility evaluations that assess technical and financial viability, ensuring alignment with industry standards and regulations.
 | Alt Text |
| **Affordable Housing** |  |
| * As urbanization in China progresses at an unprecedented rate, the implementation of affordable housing initiatives has become imperative to addressing the significant environmental and socio-economic challenges that urban areas face. Realizing these objectives necessitates a comprehensive remodeling of housing infrastructure to seamlessly incorporate energy-efficient and sustainable construction methodologies. The Affordable Housing projects under this Framework are consistent with national objectives focusing on providing housing solutions to improve living conditions and contribute to urban renewal and sustainability. This alignment is evident as the projects support the government’s agenda to ensure housing accessibility for low-income families and vulnerable groups, thereby addressing social equity and urban development goals.
* The Affordable Housing projects are expected to yield significant social benefits, crucial for urban development and improving the quality of life for residents. By constructing and upgrading affordable housing units, the projects aim to reduce the housing deficit for low-income families and other vulnerable groups. The anticipated outcomes include an increase in the number of affordable housing units, thereby improving housing accessibility and reducing homelessness. Moreover, the project’s focus on urban renewal and infrastructure development supports enhanced living conditions, fostering community integration and stability.
* The feasibility of the Affordable Housing projects in achieving the Group’s social objectives is supported by their strategic integration with national policies and sustainable finance framework. China’s focus on constructing affordable housing and advancing urban renewal underscores a national commitment to improving living conditions for vulnerable populations. By addressing key social issues such as inadequate housing, the project is well-positioned to contribute to the broader objectives of social equity and sustainable urban development, making it a feasible and impactful initiative. The Group’s projects, which include indemnificatory rental housing and government-supported constructions, are directly in line with these national goals.
 | Alt Text |

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| **CCXGFI is of the opinion that the expected environmental and/or social objectives are moderately feasible.** |

* **Effectiveness of Environmental and/or Social Risk Management**

**Process for Environmental and/or Social Risk Management**

The Group has adopted environmental and social risk management measures to ensure compliance with national laws and regulations on sustainable development governing air and gas pollution, noise emissions, hazardous substances, water and waste discharge, etc.

As the basis for investment decision-making, feasibility study report is a necessary requirement in project investment and is usually conducted by the third-party agent or professional consultant team in the evaluation and selection process. Based on the feasibility reports, the Group can identify and assess the environmental risks or social risks related to the eligible projects.

The environmental and social assessments will be conducted before the investment of each operation project to help the Group identify and manage the sustainability-related risks. It is recommended that the Group continuously monitors for significant environmental and/or social risks throughout the construction and operational process of the financed projects in addition to checking feasibility study reports.

**Environmental and/or Social Risk Identification**

***Environmental Risk***

The eligible projects included in the Framework are mainly realized through the construction of real estate and infrastructure programs. Generally, the Group has identified potential negative environmental impacts during both the construction and operation process, including water pollution, solid wastes, dust and noise.

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| --- | --- | --- | --- | --- |
|  | **Water** | **Wastes** | **Noise** | **Air** |
| **Construction Process** | * Production wastewater
* Domestic sewage
 | * Construction waste
* Workers’ household waste
 | * Construction Machine
 | * Dust from land levelling, excavation, transportation, and the accumulation of soil
 |
| **Operation Process** | * Domestic sewage
 | * Household waste
 | * Machine Transportation
 | * Exhaust emissions
* Dust from transportation
 |

The Group has committed to controlling the environmental risks by doing environmental impact assessments and taking measures according to expert recommendations for each project.

***Social Risk***

Social risks related to mentioned eligible projects are expected to remain at a low level. In particular, the eligible projects would neither have negative impacts on cultures, living habits, employment nor the income of surrounding people. The eligible projects are expected to provide affordable housing for the general public and vulnerable groups, improving living conditions and supporting sustainable community development.

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| **CCXGFI is of the opinion that Group’s environmental and/or social risk management is adequate.** |

**Appendix**

**I – About CCXGFI**

CCX [13-1]Green Finance International Limited (CCXGFI) is a third-party service organization under China Chengxin International Credit Rating Co., Ltd. (CCXI) that specializes in green and sustainable finance-related businesses and focuses on business development in Hong Kong and overseas regions.

In June 2023, CCXGFI was the first to obtain the external review qualification of the Hong Kong Monetary Authority’s Green and Sustainable Finance Funding Program. The services currently provided by CCXGFI include green bond and green loan assessment and certification services, green financial services for financial institutions, comprehensive green financial development services for local governments, ESG reports, ESG ratings and data services.

**II – Associations and standards**

The following outlines the associations and standards applied in the assessment process. To enhance robustness, CCXGFI also incorporated the Green Bond Endorsed Projects Catalogue (2021) (GBEPC), listed below, as part of the screening process.

|  |  |
| --- | --- |
| **Association** | **Standard** |
| * **ICMA -** International Capital Market Association
 | * Green Bond Principles (GBP) 2021 (with June 2022 Appendix I)
* Social Bond Principles (SBP) 2023
* Sustainability Bond Guidelines (SBG) 2021
 |
| * **LMA -** Loan Market Association
* **LSTA -** Loan Syndications and Trading Association
* **APLMA -** Asia Pacific Loan Market Association
 | * Social Loan Principles (SLP) 2023
* Green Loan Principles (GLP) 2023
 |
| * **PBOC -** People’s Bank of China
* **NDRC -** National Development and Reform Commission
* **CSRC -** China Securities Regulatory Commission
 | * Green Bond Endorsed Projects Catalogue (GBEPC) (2021)
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| --- | --- |
| **Catalogue** | **Program** |
| * **GBEPC2021 – 5.3.1.1**
 | * Construction and Operation of Facilities for Sewage Treatment, Recycling, and &nbsp;Sludge Treatment and Disposal
 |
| * **GBEPC2021 – 5.4.1.1**
 | * Construction and Operation of Leakage Control in District Measurement of Urban Water Supply Pipeline Network
 |
| * **SDGs 11.1**
 | * By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums
 |

**III – Methodology**

CCXGFI offers pertinent and forward-thinking environmental, social, and governance (ESG) data, performance assessments and the CCXGFI Green Bond Evaluation Methodology.

The organization establishes a comprehensive indicator system using the Analytic Hierarchy Process (AHP), which encompasses 4 first-level indicators, 9 second-level indicators, 18 third-level indicators, and 33 fourth-level indicators. A judgment matrix is constructed using this method to compare and rank each indicator based on its importance. The single ranking weight is then calculated for each indicator at every level. Subsequently, the total ranking weight is determined by multiplying the single ranking weight by the weight of the previous factor. Finally, the sustainable finance framework’s comprehensive score is obtained by scoring each indicator and multiplying it by the total ranking weight of each indicator.

Analysts employing the scoring methodology, assign an overall score to the sustainable finance Framework and, when compared with the criteria of the CCXGFI Sustainability Assessment, furnish descriptions for one of the subsequent three rating levels.

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| **Level** | **Standard** |
| **Sf-1****Excellent** | * The four core components of the Framework present **high** level of alignment with the Principles
* The relevance of the Framework to Group’s sustainable development strategy is **high**
* The feasibility of environmental and/or social objectives is **high**
* The environmental and/or social risk management is **robust**
 |
| **Sf-2****Good** | * The four core components of the Framework present **moderate** level of alignment with the Principles
* The relevance of the Framework to Group’s sustainable development strategy is **moderate**
* The feasibility of environmental and/or social objectives is **moderate**
* The environmental and/or social risk management is **adequate**
 |
| **Sf-3****Weak** | * The four core components of the Framework present **low** level of alignment with the Principles
* The relevance of the Framework to Group’s sustainable development strategy is **low**
* The feasibility of environmental and/or social objectives is **low**
* The environmental and/or social risk management is **ineffective**
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For more information, please visit: [*https://www.ccxgfi.com/*](https://www.ccxgfi.com/)

**IV – Summary of Eligible Categories’ Details**

* Reporting indicators of impact report

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| --- | --- |
| **Project Category** | **Impact Indicator** |
| **Sustainable Water and Wastewater Management** | * Annual amount of wastewater treated, reused or avoided (m3/a)
* Annual amount of water pollution avoided
* Annual volume of clean drinking water supplied (m3/a)
 |
| **Affordable Housing** | * Number and type of public affordable housing units constructed
* Number of individuals / households benefitted
 |

In preparing this Second Party Opinion, CCX Green Finance International Limited (CCXGFI) has complied with applicable laws, relevant regulations, and internal rules. It has also observed internal workflows and operating standards, fulfilling its duties related to due diligence and integrity. As a result, CCXGFI considers the Opinion to be independently produced, objective, and unbiased.

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The sustainable finance Framework SPO differs from corporate credit ratings, as it does not assess a Group/Company’s financial solvency. The assessment results are independent of corporate credit ratings.

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