

China Minsheng Banking Corp., Ltd., Hong Kong Branch

## China Minsheng Banking Corp., Ltd., Hong Kong Branch



### Green Finance Framework

March 2024

#### 1. Introduction

**China Minsheng Banking Corp., Ltd. (“China Minsheng Bank” or the “Bank”)**, formally established in Beijing in 1996, is China’s first national joint-stock commercial bank that was initiated and established mainly by non-state-owned enterprises (NSOEs). It is a modern financial institution established strictly in accordance with the Company Law and the Commercial Bank Law of the People’s Republic of China.

Since its establishment, along with the rapid development of China’s economy, China Minsheng Bank has been adhering to the mission of “Serving the public, caring about people’s livelihood”, forged ahead with the spirit of pioneering and innovation, and developed into a banking group with commercial bank, financial leasing, fund management, overseas investment bank and other financial licenses.

China Minsheng Bank is listed on the Shanghai Stock Exchange (A shares stock code: 600016) since 2000 and Hong Kong Stock Exchange (H shares stock code: 01988) since 2009. Since its listing, China Minsheng Bank has continuously improved its corporate governance, returned to the service origin and strengthened basic services, expanded basic customer groups, focused on key areas, and optimised its business structure while innovating business models and products and services. It has maintained a steady and positive development momentum.

**China Minsheng Banking Corp., Ltd., Hong Kong Branch (“China Minsheng Bank, Hong Kong Branch”, or “Hong Kong Branch”)** was set up in Hong Kong in March 2012. The Hong Kong Branch is positioned to be the offshore investment and financing platform for the Group<sup>1</sup>, with a strategic goal to become the Group’s offshore platform to provide comprehensive global financial market services to the Group’s overseas customers. The Hong Kong Branch has three key business segments, including corporate banking, financial markets, and wealth management and private banking.

#### 1.1 ESG Management

China Minsheng Bank is committed to establishing a high-level ESG management system, and constantly improved its ESG governance structure, strengthened the implementation of ESG concept and innovated ESG practices to fully integrating ESG into corporate governance and operation management, so as to continuously improve the level of ESG management.

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<sup>1</sup> Group refers to the Bank and its subsidiaries

In 2021, the Bank has applied to join the UN Environment Program Finance Initiative (UNEP FI) and became an official signatory of the Principles for Responsible Banking (the “PRB”) in April 2022, in an aim to further fulfil its social responsibility for sustainable development, promote the transformation and upgrading of operation management and high-quality development, and enhance the corporate value and brand image through actively meeting international standards for sustainable development.

As part of its Five-Year Development Plan (2021-2025), the Bank actively promoted the integration of ESG concept into operation management and constantly improved the level of ESG governance while earnestly performing environmental responsibilities and creating social value.

- In terms of the **environment**, focusing on the core strategy of improving green finance, the Bank has adhered to green development to help achieve the goal of “carbon peak and neutrality”. The Bank has systems in place which pays attention to preventing environmental risks, restricting credit placement to high-polluting and high energy-consuming industries, and is expediting exit from non-productive enterprises. Focusing on energy conservation and emission reduction, clean energy, carbon emissions trading, low-carbon technologies and green living, the Bank built a green financial ecosystem, upgraded the system of green financial products, and continued to increase strategic investment. Meanwhile, the Bank advocated green office, practiced green operation and promoted suppliers to implement environmental and social responsibilities through green procurement.
- In terms of **society**, the Bank strengthened product innovation, increased the application of digital products, and optimised service quality while addressing consumer rights protection, constantly improving customer experience and serving customers attentively. Moreover, the Bank actively undertook social responsibilities, practiced inclusive finance, supported rural revitalisation, and continued to invest in public welfare undertakings with in-depth and refined efforts, while continuously strengthening communication with communities to support their development and thus create social value.
- In terms of **governance**, the Bank complied with relevant national and local laws and regulations, constantly improved its corporate governance operating mechanisms, and actively explored the development of a modern corporate governance system which met regulatory requirements and reflected the Bank’s unique characteristics.

## 1.2 ESG Governance Structure

The Board of Directors of the Bank comprehensively supervises the implementation of ESG policies and plans to improve the sustainable development capabilities of the Bank and reviews the ESG governance structure. It reviews ESG reports regularly, studies and discusses on ESG issues, guides and supervises the management to carry out ESG related works, and continues to Improve the quality of ESG disclosure. The Strategic Development and Customer Rights Protection Committee under the Board of Directors is responsible for reviewing matters related to the performance of social responsibilities in economic, environmental and social and public welfare undertakings, and providing suggestions to the Board of Directors.

The Bank continues to improve the ESG working mechanism to ensure that the business-related ESG risks can be properly managed, and the ESG responsibilities can be effectively fulfilled. The Bank has established a three-level working mechanism of “decision-making – management –

execution”, set up an ESG leadership team with Chairman of the Board as the team leader and the President as the deputy team leader, and founded an ESG working group composed of relevant departments to manage and organise ESG work from three levels of overall planning, coordinated promotion and implementation, respectively.

In the area of Green Finance, China Minsheng Bank has also set up a Minsheng Bank Green Finance Committee at the group level, which is responsible for formulating the bank-wide green finance strategic development plan and goals, guiding and supervising the implementation of green finance work, and assessing the bank's green finance development work. A separate secretarial agency will be responsible for implementing the relevant resolutions of the Board of Directors on the development of green finance.

In 2023, the Bank established the Carbon Peak and Carbon Neutrality Office, in order to implement the major strategic decisions of the CPC Central Committee and the State Council on carbon peak and carbon neutrality, support green, low-carbon and circular economy, strengthen ESG risk management, implement the new development philosophy in a complete, accurate and all-round manner, and further strengthen the organizational leadership and the overall coordination of the works in relation to carbon peak and carbon neutrality. The Office will work in integration with the Green Finance Committee of the Bank.

### **1.3 ESG Risk Management System**

The Bank paid close attention to ESG risk management, and established a whole-process ESG risk management system covering all subsidiaries, operating units, and business types (including investment and financing businesses). The Bank has also established the multi-scope and three-dimensional ESG risk information collection mechanism between the parent bank and its subsidiaries, the Head Office and the branches, and internal collection and external third-parties. The Bank has clarified that in the processes of due diligence, compliance review, credit approval, contract management, fund disbursement, and post-loan management, it shall implement regulatory requirements on ESG risks. The Bank strengthened ESG risk management of proposed credit and investment customers, adhered to the “one-vote veto mechanism” for environmental assessment, continued tracking and monitoring, reinforced dynamic evaluation, risk exposure management and namelist-based management, and responded to changes in their ESG risks with corresponding risk mitigation measures and early-warning handling measures in a timely manner.

The Bank regarded ESG risk management of customers as an important part of due diligence, review and approval, fund disbursement, post-loan management and other stages. The Bank conducted proactive risk management and control, and achieved ESG risks management in the whole process of credit business. The Bank issued the *Administrative Measures on Green Finance*, which clearly proposed to strengthen the whole-process management of green finance, and required to integrate environmental and social risk compliance requirements into the whole-process management of investment and financing.

The aforementioned ESG Management, Development Strategy, Governance Structure and ESG risk management system set at the Bank level applies to the Hong Kong Branch.

### **1.4 Contribution to Sustainable Development**

The Bank implemented the national green development and energy security strategies in a coordinated manner, adhered to the principle of “total volume control and structural adjustment”, and implemented differentiated credit policies and the requirements on the orderly transformation of high-carbon industries. The Bank performed stress tests for industries with high carbon emissions, improved its risk prediction capability and established the risk exposure and responding mechanism in a forward-looking manner. The Bank gradually reduced and withdrew from inefficient and outdated enterprises and production capacity in industries with “high pollution, high energy consumption, and excess capacity”, and moderately increased support for areas such as energy conservation and carbon reduction, industrial upgrading, and safety and efficiency through a “whitelist” approach, so as to steadily promote the green transformation of credit structure and the “dual optimisation” of its customers and assets.

### **Implementing Green Finance**

The Bank profoundly implemented the green concept, promoted the development of green finance and the layout of investment and financing as a whole, and planned the direction of green finance development and business layout from the strategic promotion aspect in accordance with the Five-Year Development Plan for Green Finance of China Minsheng Bank (2021-2025), and actively fulfilled the commitments made in the Common Commitments on Green Credit of China Banking Industry.

Under the Five-Year Development Plan for Green Finance, China Minsheng Bank has laid out strategic vision and objectives, including fulfilling the mission of green development to support the “30/60” goal<sup>2</sup> and building a green and low-carbon bank. In particular, China Minsheng Bank has set qualitative and quantitative goals, including internal targets of increasing its outstanding balance and share of green loans (green credit balance) through to 2025. Besides identifying key focus areas for green finance, China Minsheng Bank has also identified Green featured credit areas, for the promotion of green credit products such as “Photovoltaic Loans”, “Emission Reduction Loans”, “Environmental Protection Loans”, and “Automobile Loans”, as well as areas for development in the area of carbon finance innovation.

The Bank has developed internal Green Finance recognition standards for the tracking and recognition of green finance activities across the Bank’s green finance, investments and other businesses. The Hong Kong Branch has developed its branch-level green finance certification standards, which is in compliance with the requirements of the Head Office’s policy.

In terms of credit policies, the Bank formulated credit policies (that include environmental and social risk management requirements) covering more than 50 key industries, such as energy, transportation, agriculture, forestry, animal husbandry and fishery, mining, oil and gas, raw materials, as well as key areas such as clean energy, clean production, energy conservation and environmental protection, green upgrading of infrastructure, ecological environment, green services, and biodiversity protection.<sup>3</sup> It specifies differentiated credit granting strategies, access criteria and risk control and other relevant requirements to continuously promote green upgrading of the industry and to further help enhance the competitiveness of advanced production capacity.

### **Implementing Green Operation**

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<sup>2</sup> The Commitment of the People’s Republic of China to achieve peak CO2 emissions by 2030 and hit carbon neutrality by 2060

<sup>3</sup> Further information, including details on the Banks credit policies toward segmented industries can be found on the section headed [Environmental, Social and Governance Information](#) on the Company’s official website.

The Bank practiced resource conservation and environmental protection in the whole process of business operation, so as to achieve a balance between economic efficiency, social efficiency and environmental efficiency and realise sustainable development.

### **Practicing Inclusive Finance**

The Bank actively implemented national policies by formulating the Five-Year Development Plan for Inclusive Finance of China Minsheng Bank (2021-2025) to strengthen the strategic deployment of inclusive finance, innovate support measures and increase investments while improving service capacity and facilitating common prosperity. This includes facilitating small business financing for small and micro enterprises.

## **2. Green Finance Framework**

China Minsheng Bank, Hong Kong Branch intends to use this Green Finance Framework (“Framework”) as the basis to issue Green Bonds and Loans (“Green Financing Instruments”), as well as issue Green Deposits.

The Green Financing Instruments and Green Deposits will finance projects that are aligned with the International Capital Market Association (“ICMA”) Green Bond Principles (“GBPs”) 2021 (with June 2022 Appendix 1)<sup>4</sup>; the Loan Market Association (“LMA”) Green Loan Principles (“GLPs”) 2023<sup>5</sup>.

Where relevant, China Minsheng Bank, Hong Kong Branch will endeavour to align projects to appropriate national and international environmental taxonomies, including the Green Bond Endorsed Projects Catalogue (2021 Edition)<sup>6</sup> issued jointly by the People’s Bank of China (“PBoC”), the National Development and Reform Commission (“NDRC”) and the China Securities Regulatory Commission (“CSRC”), as well as the Common Ground Taxonomy - Climate Change Mitigation (Updated), published by the International Platform on Sustainable Finance in June 2022<sup>7</sup> (“Common Ground Taxonomy” or “CGT”).

In aligning with the above principles and guidelines, the China Minsheng Bank, Hong Kong Branch’s Green Finance Framework is presented through the four core components of the GBPs and GLPs as well as their recommendation for external review:

- a) Use of Proceeds
- b) Process for Project Evaluation and Selection
- c) Management of Proceeds
- d) Reporting

Bond(s) issued under this Framework may take the form of public transactions or private placements, in bearer or registered format, and may take the form of senior unsecured or subordinated issuances. Bonds and any loans entered into under this Framework will be standard

<sup>4</sup> In alignment with ICMA Green Bond Principles, June 2021 (with June 2022 Appendix), <https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/>

<sup>5</sup> In alignment with LMA Green Loan Principles, February 2021 (with June 2022 Appendix), <https://www.lsta.org/content/green-loan-principles/>

<sup>6</sup> <http://www.pbc.gov.cn/goutongjiaoliu/113456/113469/4342400/2021091617180089879.pdf>

<sup>7</sup> [https://ec.europa.eu/info/sites/default/files/business\\_economy\\_euro/accounting\\_and\\_taxes/documents/220603-international-platform-sustainable-finance-common-ground-taxonomy-table-activities\\_en.pdf](https://ec.europa.eu/info/sites/default/files/business_economy_euro/accounting_and_taxes/documents/220603-international-platform-sustainable-finance-common-ground-taxonomy-table-activities_en.pdf)

recourse-to-the-issuer obligations and investors will not bear the credit risk of the underlying allocated eligible asset exposures.

## 2.1 Use of Proceeds

China Minsheng Bank, Hong Kong Branch will allocate an amount at least equivalent to the net proceeds of the Green Financing Instruments issued under this Framework to finance and/or re-finance, in whole or in part.

- Projects which meet the eligibility criteria of the following Eligible Green Project categories (“Eligible Green Projects”), as defined as below.
- General corporate purpose loans to “Pure Play Companies”, which are defined as companies that derive over 90% of their revenues from the green eligibility criteria defined below.

A maximum 3-year look-back period would apply for refinanced projects and China Minsheng Bank, Hong Kong Branch expects each issuance under this framework to be fully allocated within 2 years from the date of issuance. The Bank will, where possible, disclose to investors the expected share of financing versus refinancing for any Green Financing Instrument.

### Eligible Green Categories

GBP Category	Eligibility Criteria
Renewable Energy 	Projects related to the generation, dedicated transmission and storage of energy from the following renewable sources (including maintenance and upgrade of such infrastructure and manufacture of dedicated components for renewable energy): <ul style="list-style-type: none"> <li>• Solar (PV and Concentrated Solar Power with a minimum 85% of power generation derived from solar sources)</li> <li>• Wind energy (onshore and offshore)</li> <li>• Hydropower, including run-of-river and pumped storage equipment, with either a power density above 10W/m<sup>2</sup> or GHG emissions below 50gCO<sub>2</sub>e/kWh</li> </ul>
Energy Efficiency 	Projects related to improved efficiency in the delivery of bulk energy services, including smart grids, energy storage systems that manage the intermittency of renewables and district heating/cooling systems that result in 30% energy savings  Projects related to development and implementation of products or technologies that reduce the energy consumption by 30% or more of underlying assets, projects, appliances, products or systems i.e. improved lighting, improved chillers, or reduced power usage in manufacturing operations  Projects related to development and manufacture of energy efficiency technologies including LED lights and smart grid meters  <i>For the avoidance of doubt, improvement activities that result in the lock in of fossil fuel technologies will be excluded</i>
Green Buildings	Projects related to acquisition, development, construction and refurbishment of new or existing commercial or residential buildings that have received, or expect to receive based on its design, construction and operational plans,

	<p>certification according to third-party verified green building standards, such as:</p> <ul style="list-style-type: none"> <li>○ Chinese Green Building Evaluation Standard – minimum certification level of 2 stars; or</li> <li>○ U.S. Leadership in Energy and Environmental Design (LEED) – minimum certification of Gold; or</li> <li>○ BEAM Plus – minimum certification level of Gold; or</li> <li>○ BREEAM – minimum certification level of Excellent; or</li> <li>○ BCA Green Mark – minimum certification level of Gold<sup>PLUS 8</sup></li> </ul>
<p>Sustainable Water and Wastewater Management</p> 	<p>Projects related to construction, operation, maintenance or upgrades, of water collection, treatment, transportation, recycling technologies and related infrastructure, including:</p> <ul style="list-style-type: none"> <li>• Water/rainwater collection pipes and facilities</li> <li>• Water and wastewater treatment plants (WWTP) including sewage and sludge treatment facilities and reuse of treated wastewater as cooling water or irrigation water</li> <li>• Sewer systems and pumping stations</li> <li>• Urban drainage systems and other forms of flood mitigation</li> <li>• Recirculating cooling and irrigation water systems</li> </ul>
<p>Pollution Prevention and Control</p> 	<p>Projects related to design, construction, operation and maintenance of facilities, systems or equipment for waste management and recycling, with the aim of reuse and recovery of secondary raw materials and to minimize the amount of waste going to landfills. This includes:</p> <ul style="list-style-type: none"> <li>• Waste collection, storage and transfer (including waste management vehicles)</li> <li>• Waste sorting, separation and material recovery</li> <li>• Recycling and reuse</li> <li>• Waste-to-energy projects where there is bottom ash recovery</li> </ul>
<p>Clean Transportation</p> 	<p>Projects related to acquisition, operation and maintenance of fully electrified new energy vehicles for passenger, public rail and freight transportation</p> <p>Investments and expenditure into construction, maintenance and renovation of dedicated charging infrastructure for electric vehicles</p> <p>Projects related to investment, construction, development and operation of fully electrified rail transit facilities, as well as expansions, maintenance and upgrades of these infrastructures that result in improved service levels or extended asset lifespan with preserved carrying capacity. This includes:</p> <ul style="list-style-type: none"> <li>• Manufacture, purchase and maintenance of electrified rolling stock (including locomotives, wagons, coaches and all other attachments propelled through such electrified rolling stock, as well as associated equipment) meeting the below criteria</li> <li>• Construction of the related rail transport infrastructure (networks and lines), including lines, tracks and tunnels</li> </ul> <p>Construction of infrastructure that directly supports low carbon transportation (as defined above), such as ground preparation, stations, signalling equipment, network interfaces including passenger access, ancillary</p>

<sup>8</sup> For building stock already in operation and specifically aiming for re-certification (Green Mark In-Operation), Green Mark Gold will be the minimum requirement.

	passenger services, facilities required for the safe, clean and efficient operation of the network, utilities and other enabling infrastructure <i>For avoidance of doubt, infrastructure related to transportation of fossil fuel will be excluded</i>
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### 2.1.1 Exclusions Criteria

In any case, eligible assets/projects exclude the types of activities listed in the International Finance Corporation Exclusion List (2007)<sup>9</sup>:

- 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, PCB's, wildlife or products regulated under CITES
- 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, generation or trade in fossil fuel
- Production or activities involving harmful or exploitative forms of forced labor/harmful child labor

### 2.2 Project Evaluation and Selection Process

The Project Evaluation and Selection Process will ensure that the proceeds of any China Minsheng Bank, Hong Kong Branch Green Financing Instrument are allocated to finance or refinance Eligible Green Projects that meet the criteria and objectives set out above in section 2.1, Use of Proceeds.

China Minsheng Bank, Hong Kong Branch's Green Finance Working Group (the "GFWG") will be responsible for governing and implementing the initiatives set out in the Framework.

The GFWG is comprised of certain Bank management personnel, including but not limited to representatives from the following departments for the selection and evaluation of the Eligible Green Projects: General Administration Department, Asset & Liability and Financial Management Department, Risk Management Department, Corporate Business Management Department, Debt Capital Markets Department, Legal and Compliance Department, Finance Department.

The GFWG will:

- Meet at least two times each year, endeavoured to be distributed evenly throughout the year
- Ratify Eligible Green Projects, which are initially proposed by the constituent team members
- Ensure that all Eligible Green Projects have been assessed in line with China Minsheng Bank, Hong Kong Branch's ESG risk management system and internal green finance recognition standards

<sup>9</sup> [https://www.ifc.org/wps/wcm/connect/topics\\_ext\\_content/ifc\\_external\\_corporate\\_site/sustainability-at-ifc/company-resources/ifcexclusionlist](https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/company-resources/ifcexclusionlist)

- Undertake regular monitoring of the asset pool to ensure the eligibility of Green Projects with the criteria set out above in section 2.1, Use of Proceeds, whilst replacing any ineligible Green Projects with new Eligible Green Projects
- Facilitate regular reporting on any Green issuance in alignment with our Reporting commitments
- Manage any future updates to this Framework
- Ensure that the approval of Eligible Green Projects will follow the Bank's existing loan approval processes

## 2.3 Management of Proceeds

The proceeds of each China Minsheng Bank, Hong Kong Branch's Green Financing Instrument will be deposited in China Minsheng Bank, Hong Kong Branch's general funding accounts and earmarked for allocation by the Asset & Liability and Financial Management Department towards the Eligible Green Projects using the Green Finance Register.

The Green Finance Register will contain the following information:

- I. Green Financing Instrument (Bond/Loan etc.) details: pricing date, maturity date, principal amount of proceeds, coupon, ISIN number, etc.
- II. Allocation of Proceeds:
  - a. The Eligible Green Projects List, including for each Eligible Green Project, the Eligible Green Project category, project description, project location, total loan amount, the Bank's loan amount, amount disbursed, settled currency, etc.
  - b. Amount of unallocated Proceeds

Any proceeds temporarily unallocated will be invested according to the Bank's standard liquidity policy in cash or cash equivalents. For avoidance of doubt, unallocated proceeds would not be invested in any of the sectors / activities included in the Exclusion Criteria as well as any highly polluting, high-carbon emission or resource-intensive projects.

## 2.4 Reporting

On an annual basis, China Minsheng Bank, Hong Kong Branch will publish an allocation report and an impact report on its Eligible Green Projects, as detailed below. This reporting will be updated annually until full allocation of the net proceeds of any Green Financing Instrument issued, or until the Green Financing Instrument is no longer outstanding.

### 2.4.1 Allocation Reporting

- a. List of Eligible Green Projects
- b. The amount of Proceeds allocated to each Eligible Green Project category
- c. When possible, descriptions of the Eligible Green Projects financed, such as project locations, amount allocated, etc.
- d. Share of financing vs. refinancing
- e. Selected examples of projects financed
- f. Amount of unallocated Proceeds

## 2.4.2 Impact Reporting

The Bank will provide reporting on the environmental and social benefits of the Eligible Green Projects. Subject to data availability and confidentiality, impact reporting may cover the following impact reporting metrics listed below, and where available, taking reference from the relevant indicators suggested in the ICMA Harmonized Framework for Impact Reporting<sup>10</sup>. In addition, calculation methodologies and key assumptions will be disclosed.

Eligible Green Project Categories	Impact Reporting Metrics
Renewable Energy	<ul style="list-style-type: none"> <li>Capacity of renewable energy plant(s) constructed or rehabilitated in MW</li> <li>Annual renewable energy generation in MWh/GWh (electricity) and GJ/TJ (other energy)</li> <li>Annual GHG emissions reduced/avoided in tonnes of CO2 equivalent (where possible)</li> </ul>
Energy Efficiency	<ul style="list-style-type: none"> <li>Annual energy savings in MWh (electricity) and GJ/TJ (other energy savings)</li> </ul>
Green Buildings	<ul style="list-style-type: none"> <li>Type of scheme, certification level</li> <li>Energy efficiency gains in MWh or % versus baseline/building code</li> </ul>
Sustainable Water and Wastewater Management	<ul style="list-style-type: none"> <li>Annual reduction in water use in %</li> <li>Annual amount of wastewater treated, reused or avoided before and after the project in m3/a</li> </ul>
Pollution Prevention and Control	<ul style="list-style-type: none"> <li>Waste treated/reduced/avoided (tonnes)</li> <li>Annual GHG emissions reduced/avoided (tonnes of CO2 equivalent)</li> </ul>
Clean Transportation	<ul style="list-style-type: none"> <li>Number and type of clean transportation infrastructure financed</li> <li>Annual GHG emissions reduced/avoided in tonnes of CO2 equivalent</li> </ul>

## 3. External Review

### 3.1 Second Party Opinion

China Minsheng Bank, Hong Kong Branch has appointed Moody's Investor Service ("MIS") to assess this Green Finance Framework and its alignment with the GBPs and GLPs and issue a Second Party Opinion accordingly. In addition, the Bank intends to obtain HKQAA's Pre-Issuance Stage Certification of the green bond issuance under the Green and Sustainable Finance Certification Scheme.

The Second Party Opinion will be made publicly available on the Bank's official website <https://hk.cmbc.com.cn/>.

### 3.2 Post issuance external verification

In order to provide timely and transparent information about the reporting of the funds from Green Financing Instruments issued under this Framework, the Bank intends to engage a third party reviewer to provide an annual assessment on the alignment of the allocation of funds with the Framework's criteria.

## 4. Amendments to this Framework

The GFWG will review this Framework on a regular basis, including its alignment to updated versions of the Principles as and when they are released, with the aim of adhering to best practices in the market. Such review may result in this Framework being updated and amended.

<sup>10</sup> <https://www.icmagroup.org/assets/documents/Regulatory/Green-Bonds/Handbook-Harmonized-Framework-for-Impact-Reporting-December-2020-151220.pdf>

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The updates, if not minor in nature, will be subject to the prior approval of the Bank and MIS. Any future updated version of this Framework that may exist will either keep or improve the current levels of transparency and reporting disclosures, including the corresponding review by an external reviewer. The updated Framework, if any, will be published on our website and will replace this Framework.