中国农业银行 纽约分行
AGRICULTURAL BANK OF CHINA NEW YORK BRANCH

Agricultural Bank of China New York Branch

Green Financing Framework

December 2021

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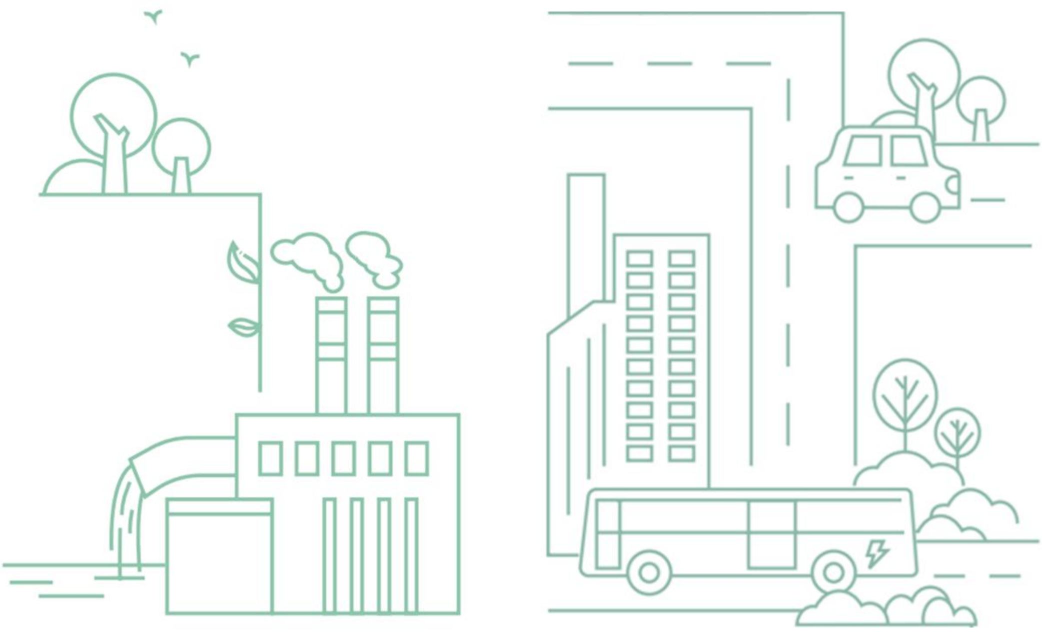

About Agricultural Bank of China ("ABC") and Agricultural Bank of China New York Branch (the "Branch")

As one of the major integrated financial service providers in China, Agricultural Bank of China Limited provides a diverse portfolio of corporate and retail banking products and services for a broad range of customers, and conducts treasury operations and asset management. At the end of 2020, ABC had total assets of RMB 27,205,047 million, and achieved a net profit of RMB 216,400 million. The Bank had a total of 22,938 domestic branch outlets, 13 overseas branches, and 3 overseas representative offices at the end of 2020.

The Agricultural Bank of China New York Branch (the "Branch") has been a great addition to the Bank's overseas business since its opening on Aug 17, 2012. Located at 277 Park Avenue New York, the Branch is engaged in commercial lending, wholesale deposit-taking, trade finance, treasury and other banking services. As ABC's initial operating platform in the United States, the Branch has capitalized on ABC's extensive financial resources, strong global network and solid infrastructure to provide premium financial services to its clients, including multinational corporations and financial institutions.

Overview of the Green Financing Framework

ABC has a long-term commitment to green initiative and the ultimate target of carbon neutrality. ABC is actively engaged in the development of green credits, green innovation, green operation and CSR activities. ABC consistently adhere to the concept of green and sustainable development and deeply implement the Green Finance Department Plan and relevant ESG requirements, striving to grow into a leading bank of green finance. In key areas such as green transportation, clean energy, ecological and environmental protection, ABC continued to increase the grating of green credit, sped up to innovate green bonds, green funds, carbon financing and other products, and continuously improved its green finance service capacities. As one of the premiere overseas branches of ABC, Agricultural Bank of China New York Branch (the "Branch") places a strong focus on developing an internationalized green finance business. The Branch's objective also falls under the ABC wider articulated sustainability objectives as mentioned above. The Green Financing Instruments issued by the Branch under this Framework is a further elaboration of its green strategy, which can help the Branch to raise funds to support its clients' green development plan.

The Green Financing Framework has been developed for the Branch as the guiding document to enter into any financing instruments such as loans, public bonds and private placements, or other debt instruments (e.g., certificate of deposit and commercial paper) (collectively referred to as "Green Financing Instruments") to exclusively finance and / or refinance new or existing Eligible Green Projects as defined below and with strict adherence to:

- The Green Loan Principles 2021 (GLP 2021) published by Loan Market Association (LMA), Asia Pacific Loan Market Association (APLMA) and Loan Syndications and Trading Association (LSTA)
- The Green Bond Principles 2021 (GBP 2021) published by International Capital Market Association (ICMA)

Each of the Green Financing Instruments will follow the core components of the above Principles, Guidelines and Standards:

- Use of Proceeds
- Project Evaluation and Selection
- Management of Proceeds
- Reporting

The Agricultural Bank of China New York Branch (the "Branch") intends to allocate an amount equal to the net proceeds from the issuance of any Green Financing Instruments issued under the Framework, to exclusively finance and / or refinance, in full or in part, of the Eligible Green Projects (as defined below).

With reference to Green, Social and Sustainability Bonds: A High-Level Mapping to the Sustainable Development Goals and Green Project Mapping published by ICMA, the Branch has laid out each Green Projects Category's primary contribution to environmental objective and UN Sustainable Development Goals.

This Framework will be made available to investors, lenders or other relevant parties of the Green Financing Instruments transaction by being embedded in the relevant transaction document, or being published in other channels that are available to the relevant parties.

Use of Proceeds

An amount equal to the net proceeds of the Green Financing Instruments issued under this Framework will be allocated exclusively to eligible green projects in the following categories ("**Eligible Green Projects**"):

- ***Renewable Energy***: Construction, operation and maintenance of power generation plants and manufacturing of equipment and products for renewable energy, such as construction of solar and wind power generation facilities

Primary contribution to environmental objective: climate change mitigation
Primary contribution to UN Sustainable Development Goals ("SDG"): SDG 7- affordable and clean energy

- ***Clean transportation***: Urban electrical vehicle transportation systems (including electric vehicles and charging stations for electrical vehicles) and urban mass transit projects (light rail, subway, bus-rapid transport), such as acquisition of electric vehicles and construction of electric metro transit

Primary contribution to environmental objective: climate change mitigation
Primary contribution to UN Sustainable Development Goals ("SDG"): SDG11 - sustainable cities and communities

- ***Sustainable Water and Wastewater Management***: Wastewater treatment and recycling, comprehensive restoration of river basin and construction of water conservation facility, such as construction of wastewater management facilities

Primary contribution to environmental objective: pollution prevention and control
Primary contribution to UN Sustainable Development Goals ("SDG"): SDG6 - clean water and sanitation

Projects in support of the following activities shall be explicitly excluded from the Eligible Green Projects: fossil fuel-based power generation projects, including clean coal; nuclear related projects; biomass power projects that compete with food sources; and hydro power projects with installed capacity of over 20 megawatts. The Branch will not knowingly allocate the proceeds to projects that do not comply with the relevant national and / or international environmental, social standards, local laws and regulations.

Project Evaluation and Selection

The Branch will follow the procedures below to evaluate and select the Eligible Green Projects:

- *Preliminary Screening*: The Corporate Banking Department of the Branch will propose potential green projects and conduct a preliminary screening of such potential green projects, in accordance with the use of proceeds criteria discussed above to form a preliminary list of projects that will, along with the supporting materials, be submitted to the Branch's Credit Management Department for further review.
- *Review and Approve*: The Credit Management Department of the Branch will review and validate the project materials submitted to it and confirm the Eligible Green Projects list.
- *Update and Maintenance*: The Corporate Banking Department of the Branch shall review the Eligible Green Projects list on an annual basis and determine if any changes are necessary (e.g., in case an Eligible Green Project has amortized, been prepaid, sold or otherwise become ineligible). The Corporate Banking Department will also make updates to the Eligible Green Projects list, including replacement, deletion, or addition of projects, in accordance with the use of proceeds criteria.

The Branch also follows ABC's internal ESG risk management related policies and procedures such as implementing the requirements for environmental and social risk management, taking a differentiated approach based on the level of customers' potential environmental and social risks, and strengthening the screening process to identify, assess and minimize the relevant ESG risks.

The potential environmental and social risks associated with the Eligible Green Projects will be analyzed during the project evaluation and selection process. If there is any significant environmental and social risk identified for the Eligible Green Projects, the Branch will take measures to ensure the risk is properly managed.

In addition, if there is any material environmental and / or social controversy or adverse impact from the Eligible Green Projects identified after the proceeds' allocation, the Branch will undertake relevant analysis and monitoring on the Eligible Green Projects to assess the potential environmental and / or social risk. If the Branch confirms that the project will do significant harm to the environment and / or society, such project will become ineligible for allocation of the Green Financing Instruments proceeds.

Management of Proceeds

The Branch shall establish a separate register to record the source and allocation of proceeds to ensure that an amount equal to the net proceeds of the Green Financing Instruments is allocated to the Eligible Green Projects. The register will contain information on the Green Financing Instruments issuance (including issuance amount, pricing date, and maturity date) and the allocation to the Eligible Green Projects (including the borrower's name, the Eligible Green Project category, project description, the committed instrument amount, the outstanding amount, instrument maturity, the allocated proceeds and other necessary information). The Credit Management Department of the Branch will be responsible for maintaining the separate register.

The Branch will review and update the register on an annual basis. Any proceeds allocated to the Eligible Green Projects that have amortized, been prepaid, sold or otherwise become ineligible shall be reallocated to other Eligible Green Projects. The Branch will match the net proceeds raised from the Green Financing Instruments periodically to the Eligible Green Projects during the time of the relevant outstanding Green Financing Instruments. Subject to the development of Branch's credit assets portfolio and deal pipeline, the Branch intends to fully allocate the net proceeds of each Green Financing Instruments within 24 months after issuance where feasible.

Upon full allocation of the entire amount of the net proceeds of the Green Financing Instruments to the Eligible Green Projects, the unallocated portion will be managed according to the Branch's regular liquidity management practices, including investments in money market instruments with strong investment grade credit ratings and market liquidity, or temporarily invested in Green, Social and Sustainability (GSS) bonds.

For refinancing, the Branch will prioritize the most recent projects if possible. For refinancing of operating expenditure (e.g., maintenance, research and development), 3 years look-back period will be applied.

Reporting

Until full allocation of the proceeds to Eligible Green Projects, the Branch shall provide a Green Financing Report (the "Report") annually, in which includes below defined reporting on allocation and impact information. The Reports will be available on the website of the Branch.

The Report will include information on the aggregated allocated amounts to each Eligible Green Project category, as well as any balance of unallocated proceeds. Subject to confidentiality, the Report may include examples of Eligible Green Projects that the proceeds have been allocated to. In addition, subject to data availability, the Report will include the following potential impact indicators aggregated for each Eligible Green Project category and / or the potential impact indicators recommended under the Harmonized Framework for Impact Reporting; To the extent possible and applicable, the Branch will disclose the underlying calculation methodologies for each of the Eligible Project categories.

Eligible Green Project Categories	Potential Impact indicators
Renewable Energy	- Capacity installed (MW) - Annual renewable energy generation (MWh/year) - Annual avoided GHG emissions (tCO2e/year)
Clean transportation	- Number of passengers transported annually - Number of electrical vehicles financed - Kilometers of infrastructure constructed or renovated - Annual avoided GHG emissions (tCO2e/year)
Sustainable water and wastewater management	- Amount of water saved/recycled - Amount of wastewater treated

The Branch will report on the temporary placements of unallocated proceeds from Green Financing Instruments and percentage of proceeds used for financing vs. refinancing in each Green Financing Instrument in the Report.

The Corporate Banking Department of the Branch will be responsible for collecting the relevant information, where available, for each Eligible Green Project.

Pre-issuance External Review

The Branch has engaged S&P Global Ratings to provide a second party opinion to confirm the Framework's alignment with GLP 2021 and GBP 2021.

Post-issuance External Review

The Branch intends to obtain an annual external report from a qualified independent external reviewer on the use of proceeds of the Green Bond and to confirm alignment of the use of proceeds with GBP 2021. This annual external review report will be published on the website of the Branch.