

Lianhe Green: Second-Party Opinion Provided for Dujiangyan Urban and Rural Construction Group Co., Ltd.’s Green Financing Framework

Hong Kong, October 12, 2023 - Lianhe Green Development Company Limited (“Lianhe Green”), an external reviewer recognised by the Hong Kong Monetary Authority’s Green and Sustainable Finance Grant Scheme, has provided its Second-Party Opinion on the green finance framework of Dujiangyan Urban and Rural Construction Group Co., Ltd. (DURC). Under the framework, DURC can issue green bonds and green loans.

We have reviewed the following pillars addressed in DURC’s Green Finance Framework:

- » Use of Proceeds
- » Project Evaluation and Selection
- » Management of Proceeds
- » Reporting
- » External Review

Upon assessment, Lianhe Green considers the framework to be in alignment with the Green Bond Principles (June 2021 Edition) issued by International Capital Markets Association (“ICMA”), and Green Loan Principles (February 2023 Edition) issued by the Loan Market Association (“LMA”), the Loan Syndications and Trading Association (LSTA) and the Asia-Pacific Loan Markets Association (“APLMA”). Furthermore, DURC’s eligible green projects are in line with the Sustainable Development Goals (SDGs) issued by United Nations.

As one of the important infrastructure construction entities in Dujiangyan City, DURC is involved in the infrastructure construction of Dujiangyan City, land consolidation, sand and gravel mining and sales, municipal management services, property rental and sale, and sales of grain, oil, meat and eggs. At present, the company has a large number of projects pending settlement and good business continuity. In the future, the company will further improve its management standard, take full advantage of its own strengths, and contribute to the sustainable development of the economy and society of Dujiangyan City.

We consider that the proceeds from the green finance instruments under this framework could support the economic development of Dujiangyan City in a sustainable manner.

About Lianhe Green

Lianhe Green was established in 2023 and is a subsidiary of Lianhe Equator Environmental Assessment Co., Ltd. (“Lianhe Equator”) and Lianhe Credit Management Co., Ltd. (“Lianhe Group”). Lianhe Green is a Chinese enterprise registered and headquartered in Hong Kong, mainly responsible for sustainable finance certification business in international markets, ESG

reporting and consulting, and ESG training services in mainland China, Hong Kong and abroad.

Lianhe Green aims to become an internationally recognized external verifier for sustainable finance through the cooperation with Liane Equator's professional and experienced team in this industry. With a belief of "shaping the origin of the earth and sky, and transmitting the civilization of mankind", Lianhe Green is committed to helping Chinese and foreign enterprises demonstrate their determination in green development, and providing investors with independent and objective third-party certification services. It is our mission to leave green and oceans to our future generations.

Analytical Standards

- » Green Bond Principles (GBP) (June 2021 Edition)
- » Green Loan Principles (GLP) (February 2023 Edition)
- » United Nations Sustainable Development Goals (SDGs)

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