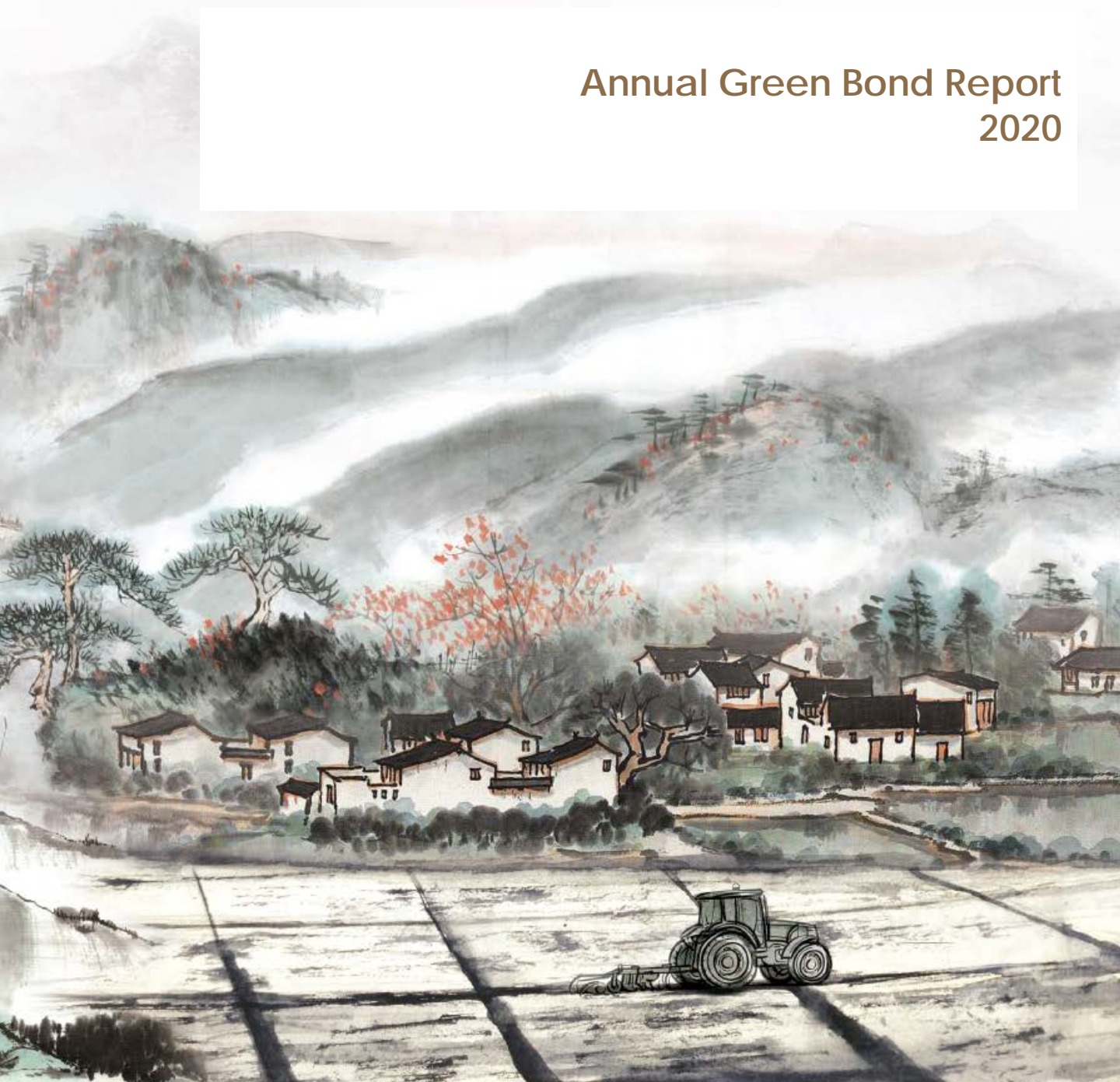




中国农业发展银行
AGRICULTURAL DEVELOPMENT BANK OF CHINA

Annual Green Bond Report
2020



Overview of ADBC's Offshore Green Bond Issuance

- In October 2018, Agricultural Development Bank of China (“ADBC”) announced the Green and Sustainability Bond Framework of Agricultural Development Bank of China (the “Framework”), which defines the use of proceeds, process for project evaluation and selection, management of proceeds and reporting of ADBC’s offshore green or sustainability bond.
- As of 31st October 2020, 2 offshore green bonds issued under the framework remain outstanding.

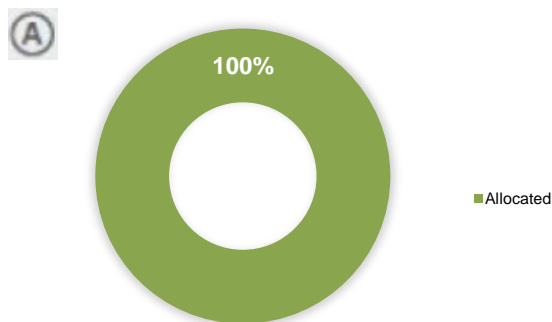
Issuer	Agricultural Development Bank of China (“ADBC”)	
Bond Name	2018 Euro Green Bond	2019 CNH “Guangdong-Hong Kong-Macau Greater Bay Area” Themed Green Bond
ISIN	XS1901209376	HK0000536349
Issue Date	26 th November 2018	6 th November 2019
Maturity Date	26 th November 2021	6 th November 2022
Tenor	3 years	3 years
Currency and Size	EUR 500 million	CNH 2.5 billion
Coupon	3mE+48bps	3.180%
Listing Venue	<ul style="list-style-type: none"> ▪ China Europe International Exchange ▪ Hong Kong Exchange - Main Board ▪ Luxembourg Stock Exchange 	<ul style="list-style-type: none"> ▪ China Europe International Exchange ▪ Chongwa (Macao) Financial Asset Exchange CO., Ltd (MOX) ▪ Hong Kong Exchange - Main Board ▪ London Stock Exchange ▪ Luxembourg Stock Exchange
Use of Proceeds	To finance and/ or refinance loans in eligible green assets or eligible green projects as defined in the ADBC Green and Sustainability Bond Framework	To finance and/ or refinance loans in eligible green assets or eligible green projects in China Greater Bay Area as defined in the ADBC Green and Sustainability Bond Framework
% of proceeds allocated	100%	100%
Pre-issuance External Review	<ul style="list-style-type: none"> ▪ Second Party Opinion jointly issued by CICERO and IISD ▪ Pre-issuance Third-party Certification Report by CECEP Consulting Group 	<ul style="list-style-type: none"> ▪ Second Party Opinion jointly issued by CICERO and IISD ▪ Pre-issuance Stage Certification by HKQAA

Allocation Reporting

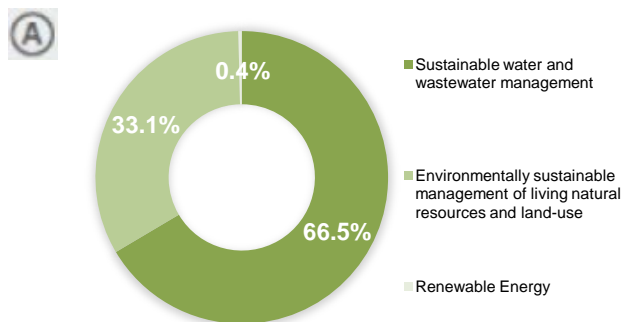
- As of 31st October 2020, all the proceeds of the ADBC 2018 Euro Green Bond, and the ADBC 2019 CNH “Guangdong-Hong Kong-Macau Greater Bay Area” Themed Green Bond, were fully allocated to Eligible Green Asset as defined in the ADBC Green and Sustainability Bond Framework.
- Their allocation information by the Eligible Green Asset Categories are as follows.

ADBC 2018 Euro Green Bond

By Allocation Status



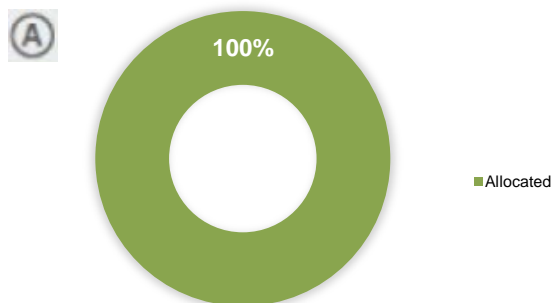
By Eligible Green Asset Categories



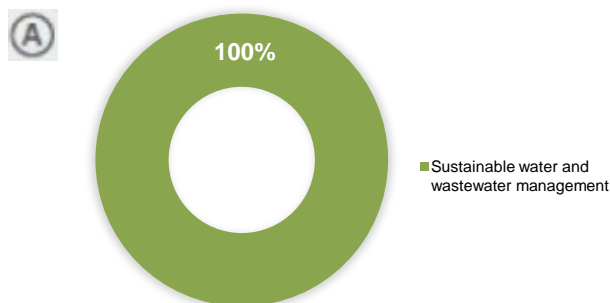
Eligible Green Asset Categories	No. of Eligible Green Projects	Amount of Proceeds Allocated (RMB)	Amount of Proceeds Allocated (EUR Equiv.) ⁽¹⁾
Sustainable water and wastewater management	13	2,624 million	332 million
Environmentally sustainable management of living natural resources and land-use	4	1,308 million	166 million
Renewable Energy	1	15 million	2 million
Total	18	3,947 million	500 million

ADBC 2019 CNH “Guangdong-Hong Kong-Macau Greater Bay Area” Themed Green Bond

By Allocation Status



By Eligible Green Asset Categories



Eligible Green Asset Categories	No. of Eligible Green Projects	Amount of Proceeds Allocated (RMB)
Sustainable water and wastewater management	8	2,500 million
Total	8	2,500 million

(1) EURCRMB used: 7.8943

Impact Reporting

- According to the ADBC Green and Sustainability Bond Framework, ADBC commits to provide impact reporting to show the expected environmental benefits of the selected Eligible Green Assets.
- The expected environmental impact by Eligible Green Asset Categories are consolidated as below:

ADBC 2018 Euro Green Bond

Eligible Green Asset Categories	Subcategories	Expected Environmental Output / Benefits
Sustainable water and wastewater management	<ul style="list-style-type: none"> Sewage treatment plant projects 	<ul style="list-style-type: none"> Sewage treatment capacity of 194.82 million tons/year Reducing chemical oxygen demand (“COD”) by 137,341 tons/year Reducing biochemical oxygen demand (“BOD”) by 24,996 tons/year Reducing Ammonia Nitrogen by 4,769 tons/year
	<ul style="list-style-type: none"> Sewerage tunnel 	<ul style="list-style-type: none"> New sewage tunnel with length 19.16 km
	<ul style="list-style-type: none"> River ecological management project to improve the water quality 	<ul style="list-style-type: none"> Treating 11.6 km of river ecology
Environmentally sustainable management of living natural resources and land-use	<ul style="list-style-type: none"> Sustainable agriculture 	<ul style="list-style-type: none"> 6 million sqm of additional High Standard Farmland 109 million sqm of High Standard Farmland maintained 609,500 sqm of polluted land rehabilitated
	<ul style="list-style-type: none"> Urban greening 	<ul style="list-style-type: none"> New green areas of 149.54 million sqm Additional carbon sink capacity of 4.49 million tons Absorbing Sulphur Dioxide (“SO₂”) by 1,806 tons/year Retarding dust fall by 324 tons/year Releasing oxygen by 18,000 tons/year Conserving water by 51.87 million tons/year
Renewable Energy	<ul style="list-style-type: none"> Solar photovoltaic power generation facilities 	<ul style="list-style-type: none"> Expected annual power generation capacity: 21.67 million kWh Corresponding to the replacement of fossil energy: 6,653 tons of standard coal per year Estimated Carbon Dioxide (“CO₂”) emission avoided: 11,749 tons/year Estimated Sulphur Dioxide (“SO₂”) emission avoided: 190 tons/year Estimated Nitrogen Oxides (“NO_x”) emission avoided: 30 tons/year

ADBC 2019 CNH “Guangdong-Hong Kong-Macau Greater Bay Area” Themed Green Bond

Eligible Green Asset Categories	Subcategories	Expected Environmental Output / Benefits
Sustainable water and wastewater management	<ul style="list-style-type: none"> Sewage treatment plant projects 	<ul style="list-style-type: none"> Sewage treatment capacity of 1.6 million m³/day
	<ul style="list-style-type: none"> River ecological management project to improve the water quality 	<ul style="list-style-type: none"> Treating 33.055 km of river ecology

Methodology of Impact Assessment

- For the ADBC 2018 Euro Green Bond, CECEP has assessed and audited the expected environmental benefits of the eligible green projects by taking reference to the EIB Carbon Footprint Methodology and CDM Methodology
- For the ADBC 2019 CNH “Guangdong-Hong Kong-Macau Greater Bay Area” Themed Green Bond, the expected environmental benefits of the eligible green projects are directly extracted from data provided in project feasible study reports.

Project Example

ADBC 2018 Euro Green Bond

National Reserve Forest Project of Kangxin New Materials Co.,Ltd.

Eligible Green Asset Category: Environmentally sustainable management of living natural resources and land-use

Project Location: Macheng City, Guangshui City and Zhuxi County in Hubei Province

Project Highlights:

- The National Reserve Forest Project (“the Project”) in Hubei Province officially started in September 2019 and will be completed in September 2022. The total scale of the reserve forest is 220,900 acres, with a total investment of RMB 652 million.
- Through the intensive cultivation of artificial forests, reformation and conservation of the existing forests, the Project could optimize the structure of forest stands, improve the quality and the production capacity of the reserve forest.
- After the completion of the Project, the forest area and the associated carbon sequestration capacity will be greatly increased. The environmental carrying capacity will be enhanced, which could mitigate the climate change, with the expected environmental benefits of adding 4.4172 million tons of carbon sink capacity, absorbing Sulphur Dioxide (“SO₂”) by 1,778.66 tons/year, retarding dust fall by 318.92 tons/year, releasing oxygen by 17,670 tons/year, and conserving water by 51.054 million tons/year.

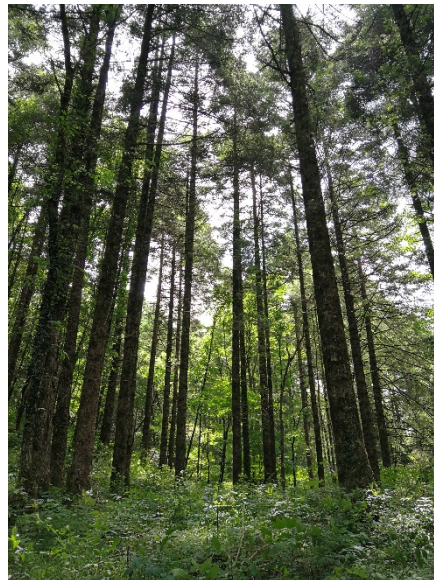


Photo of the National Reserve Forest in Hubei



Photo of the Shijing Sewage Treatment Plant

ADBC 2019 CNH “Guangdong-Hong Kong-Macau Greater Bay Area” Themed Green Bond

Shijing Sewage Treatment Plant (Phase II)


Eligible Green Asset Category: Sustainable water and wastewater management

Project Location: Baiyun District in Guangzhou City, Guangdong Province

Project Highlights:

- The Shijing Sewage Treatment Plant mainly collects sewage from the Shijing river basin, the Xinshiyong river basin and the Yagangyong river basin, with a service area of about 45.11 km².
- The expected sewage treatment capacity of Shijing Sewage Treatment Plant (Phase II) is 150,000 m³ per day. After putting the project into operation, the total sewage treatment capacity of the Shijing Sewage Treatment Plant will be 300,000 m³ per day.
- The conventional monitoring indicators for water pollution emissions will meet the “Emission Standards for Pollutants from Urban Sewage Treatment Plants” (GB18918-2002) Level A standard, and the “Quality Standard for Surface Water Environment” (GB3838-2002) Class V surface water standard.

External Review

- ADBC engaged PwC to perform a limited assurance process on selected allocation reporting. The selected information subject to limited assurance procedures are set out below as indicated in this report with the mark “

ADBC | 5

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