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**MiFID II product governance / Professional investors and ECPs only target market** – Solely for the purposes of the manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, “**MiFID II**”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer’s target market assessment; however, a distributor Notes (by either adopting or refining the manufacturer’s target market assessment) and determining appropriate distribution channels.

This document is for distribution to professional investors (as defined in Chapter 37 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and in the Securities and Futures Ordinance (Cap. 571) of Hong Kong) (together, “**Professional Investors**”) only. **Investors should not purchase the Notes in the primary or secondary markets unless they are Professional Investors and understand the risks involved. The Notes are only suitable for Professional Investors.**

**Notice to Hong Kong investors:** The Bank and the Issuer confirm that the Notes are intended for purchase by Professional Investors only and will be listed on The Stock Exchange of Hong Kong Limited (the “**SEHK**”) on that basis. Accordingly, the Bank and the Issuer confirm that the Notes are not appropriate as an investment for retail investors in Hong Kong. Investors should carefully consider the risks involved.

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This document includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Bank and the Issuer. The Bank and the Issuer accept full responsibility for the accuracy of the information contained in this document and confirms, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

Application will be made for the listing of the Notes on Chongwa (Macao) Financial Asset Exchange Co., Ltd. (the “**MOX**”). This document is for distribution to professional investors (as defined in Section 11 of the Guideline on Provision and Distribution of Financial Products (Circular 033/B/2010-DSB/AMCM)) in Macau and professional investors from other jurisdictions in accordance with a relevant exemption from public offering regulations in those jurisdictions (“**Professional Investors**”) only. Investors should not purchase the Notes in the primary or secondary markets unless they are Professional Investors and understand the risks involved. The Notes are only suitable for Professional Investors.

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**PRIIPs REGULATION – PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “**EEA**”) or the United Kingdom (the “**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or the UK may be unlawful under the PRIIPs Regulation.

In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the “**SFA**”) and the Securities and Futures (Capital Market Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are prescribed capital markets products (as defined in the CMP Regulations 2018) and are Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendation on Investment Products).

### **Pricing Supplement dated 30 October 2020**

#### **Industrial Bank Co., Ltd. Hong Kong Branch**

Issue of U.S.\$450,000,000 1.125 per cent. Notes due 2023  
under the U.S.\$5,000,000,000 Medium Term Note Programme of Industrial Bank Co., Ltd.

This document constitutes the Pricing Supplement relating to the issue of Notes described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the Offering Circular dated 28 October 2020. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Circular. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Circular.

1	Issuer:	Industrial Bank Co., Ltd. Hong Kong Branch (The Issuer’s legal entity identifier number is 3003007Y03W5HH1MXR96.)
2	(i) Series Number:	009
	(ii) Tranche Number	001
3	Specified Currency or Currencies:	United States dollar (“ <b>U.S.\$</b> ”)
4	Aggregate Nominal Amount:	
	(i) Series:	U.S.\$450,000,000
	(ii) Tranche:	U.S.\$450,000,000

5	(i) Issue Price:	99.806 per cent. of the Aggregate Nominal Amount
	(ii) Gross proceeds:	Approximately U.S.\$449.127 million
	(iii) Use of proceeds:	To finance and/or refinance Eligible Green Assets which are water and/or marine related, as defined in the Green Bond Framework (as defined below) for Industrial Bank Co., Ltd. (Version 2020.10)
6	(i) Specified Denominations:	U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof
	(ii) Calculation Amount:	U.S.\$1,000
7	(i) Issue Date:	6 November 2020
	(ii) Interest Commencement Date:	Issue date
8	Maturity Date:	6 November 2023
9	Interest Basis:	1.125 per cent. Fixed Rate
10	Redemption/Payment Basis:	Redemption at par
11	Change of Interest or Redemption/ Payment Basis:	Not Applicable
12	Put/Call Options:	Not Applicable
13	Status of the Notes:	Senior Notes
14	Listing:	Hong Kong Stock Exchange (effective date of listing of the Notes is on or about 9 November 2020)  Chongwa (Macao) Financial Asset Exchange (effective date of listing of the Notes is on or about 9 November 2020)
15	Method of distribution:	Syndicated

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

16	Fixed Rate Note Provisions	Applicable
	(i) Rate of Interest:	1.125 per cent. per annum payable semi-annually in arrear
	(ii) Interest Payment Date(s):	6 May and 6 November in each year, commencing on 6 May 2021
	(iii) Fixed Coupon Amount(s):	US\$5.625 per Calculation Amount
	(iv) Broken Amount:	Not Applicable
	(v) Day Count Fraction (Condition 5(j)):	30/360
	(vi) Determination Date(s) (Condition 5(j)):	Not Applicable
	(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable

17	Floating Rate Note Provisions	Not Applicable
18	Zero Coupon Note Provisions	Not Applicable
19	Index Linked Interest Note Provisions	Not Applicable
20	Dual Currency Note Provisions	Not Applicable

#### **PROVISIONS RELATING TO REDEMPTION**

21	Call Option	Not Applicable
22	Put Option	Not Applicable
23	Final Redemption Amount of each Note	U.S.\$1,000 per Calculation Amount
24	Early Redemption Amount	
	(i) Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons (Condition 6(c)) or Event of Default (Condition 10(a) or 10(b)) and/or the method of calculating the same (if required or if different from that set out in the Conditions):	U.S.\$1,000 per Calculation Amount

#### **GENERAL PROVISIONS APPLICABLE TO THE NOTES**

25	Form of Notes:	Registered Notes Global Certificate exchangeable for Definitive Certificates in the limited circumstances specified in the Global Certificate
26	Financial Centre(s) (Condition 7(h)) or other special provisions relating to payment dates:	New York City; Hong Kong
27	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	No
28	Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:	Not Applicable
29	Details relating to Instalment Notes:	Not Applicable
30	Redenomination, renominatisation and reconventioning provisions:	Not Applicable
31	Consolidation provisions:	Not Applicable
32	Other terms or special conditions:	Not Applicable

#### **DISTRIBUTION**

33	(i) If syndicated, names of Managers:	Industrial Bank Co., Ltd. Hong Kong Branch
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		<p>Agricultural Bank of China Limited Hong Kong Branch  Bank of China Limited  Bank of Communications Co., Ltd. Hong Kong Branch  CCB International Capital Limited  China Construction Bank Corporation Singapore Branch  China Everbright Bank Co., Ltd., Hong Kong Branch  China Industrial Securities International Brokerage Limited  China International Capital Corporation Hong Kong Securities Limited  China Minsheng Banking Corp., Ltd., Hong Kong Branch  Chiyu Banking Corporation Limited  Citigroup Global Markets Limited  CLSA Limited  CMB International Capital Limited  CMB Wing Lung Bank Limited  CMBC Securities Company Limited  CNCB (Hong Kong) Capital Limited  Crédit Agricole Corporate and Investment Bank  Deutsche Bank AG, Hong Kong Branch  Emirates NBD Bank PJSC  Guosen Securities (HK) Capital Company Limited  Guotai Junan Securities (Hong Kong) Limited  Haitong International Securities Company Limited  Huarong International Securities Limited  Nanyang Commercial Bank, Limited  Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch  SinoPac Securities (Asia) Limited  SPDB International Capital Limited  Standard Chartered Bank</p>
	(ii) Stabilisation Manager (if any):	Any Stabilisation Manager as defined below
34	If non-syndicated, name of Dealer:	Not Applicable
35	U.S. Selling Restrictions	Reg. S Category 1; TEFRA Not Applicable
36	Additional selling restrictions:	<p><b>Macau</b></p> <p>The Notes have not been and will not be promoted, distributed, sold or delivered in Macau, or any document relating to the Notes be distributed or circulated in Macau, except under the terms of and in compliance with the Macau Financial System Act and Guidelines no. 009/B/2019-DSB/AMCM and any other laws in Macau that may apply to the offer and sale of the Notes in Macau. The Notes have not been and will not be registered or otherwise authorised for public offer under the Macau Financial System Act and Guidelines no.</p>

009/B/2019-DSB/AMCM, thus may not be offered or sold in Macau, unless such offer is made by Macau licensed entities according to the Macau Financial System Act and upon their communication to the Macau Monetary Authority and the MOX, in observation of the guidelines and recommendations issued by the Macau local regulatory authority from time to time.

**OPERATIONAL INFORMATION**

37	ISIN Code:	XS2244313685
38	Common Code:	224431368
39	CMU Instrument Number:	Not Applicable
40	Any clearing system(s) other than Euroclear, Clearstream, the CMU Service and the relevant identification number(s):	Not Applicable
41	Delivery:	Delivery against payment
42	Additional Paying Agents (if any):	No

**GENERAL**

43	The aggregate principal amount of Notes issued has been translated into US dollars, producing a sum of (for Notes not denominated in US dollars):	Not Applicable
44	In the case of Registered Notes, specify the location of the office of the Registrar if other than Hong Kong:	1 North Wall Quay Dublin 1 Ireland
45	In the case of Bearer Notes, specify the location of the office of the Fiscal Agent if other than London:	Not Applicable
46	Private Bank Rebate/Commission:	Not Applicable
47	Regulatory Approval/Registration:	
	(i) NDRC pre-issue registration obtained	4 August 2020
	(ii) PBOC pre-issue approval obtained	Not Applicable
	(iii) CBRC pre-issue approval obtained	Not Applicable
	(iv) NDRC post-issue reporting:	Within 10 PRC business days after the Issue Date
48	Rating:	The Notes to be issued are expected to be rated: Baa2 by Moody's



## **LISTING APPLICATION**

This Pricing Supplement comprises the final terms required to list the issue of Notes described herein pursuant to the U.S.\$5,000,000,000 Medium Term Note Programme of Industrial Bank Co., Ltd.

## **STABILISATION**

In connection with this issue, any of the Managers appointed and acting in its capacity as a stabilisation manager (the “**Stabilisation Manager**”) (or persons acting on behalf of any Stabilisation Manager) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilisation Manager (or persons acting on behalf of any Stabilisation Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Notes or 60 days after the date of the allotment of the Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager (or persons acting on behalf of any Stabilisation Manager) in accordance with all applicable laws and rules.

## **MATERIAL ADVERSE CHANGE STATEMENT**

Except as disclosed in this document, there has been no significant change in the financial or trading position of the Issuer or of the Group since 30 June 2020 and no material adverse change in the financial position or prospects of the Issuer or of the Group since 30 June 2020.

## **RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of the Issuer:

By:   
Duly authorised

## SCHEDULE 1

### RECENT DEVELOPMENT

On 29 October 2020, the Bank published its unaudited and unreviewed quarterly financial information for the nine months ended 30 September 2020. For the nine months ended 30 September 2020, the Bank's operating income significantly increased compared to the same period in 2019, which was largely attributable to an increase in its net interest income as a result of the growth of interest-earning assets and its fast-growing net fee and commission income. For the nine months ended 30 September 2020, the Bank's operating profit and net profit decreased compared to the same period in 2019, mainly due to an increase in provisions of asset impairment loss as a result of the impact of COVID-19 pandemic. The total assets, total deposits and total loans and advances to customers of the Bank as at 30 September 2020 have increased compared to those of the Bank as at 31 December 2019.

The Bank's quarterly financial information for the nine months ended 30 September 2020 may differ from future audited or reviewed information and is not included in and does not form part of the Offering Circular and is not incorporated, directly or indirectly, in any form or manner, into the Offering Circular. Investors should therefore not rely on the Bank's quarterly financial information for the nine months ended 30 September 2020 in making their investment decision (see "*Risk Factors – Risks relating to the Bank's Business – Pursuant to applicable PRC regulatory rules, the Bank publishes periodic financial information in the PRC which may differ from future audited or reviewed financial information*").

## SCHEDULE 2

*The principal risk factors that may affect the ability of the Issuer to fulfil its obligations in respect of the Notes are discussed under "Risk Factors" in the Offering Circular. In addition, the section "Risk Factors" in the Offering Circular shall be supplemented with the following:*

### **RISK FACTORS RELATED TO NOTES BEING ISSUED AS BLUE BONDS**

***The Notes may not be a suitable investment for all investors seeking exposure to blue, green or equivalently labelled assets.***

The Issuer has on 26 October 2020 received from Sustainalytics an independent opinion (the "**Second Party Opinion**") confirming that the Green Bond Framework is in compliance with the Green Bond Principles 2018 (GBP 2018), the International Capital Market Association (the "**ICMA Green Bond Principles**"), the Guidelines for Establishing the Green Financial System (Yinfa 2016 Doc No. 228) (PBOC, MOF, NDRC, Ministry of Environmental Protection, CBIRC and CSRC) (the "**Guidelines for Establishing the Green Financial System**"), the Green Industries Guidance Catalogue 2019 (綠色產業指導目錄) (NDRC, Ministry of Industry and Information Technology, Ministry of Natural Resources, Ministry of Ecology and Environment, Ministry of Housing and Urban-Rural Development, PBOC and National Energy Administration) and the Catalogue of Projects Supported by Green Bonds (綠色債券支持項目錄) promulgated by PBOC on 15 December 2015 (the "**PBOC Green Bond Categories 2015**"). The ICMA Green Bond Principles, the Guidelines for Establishing the Green Financial System, the Green Industries Guidance Catalogue 2019 and the PBOC Green Bond Categories 2015 are sets of voluntary guidelines that recommend transparency and disclosure and promote integrity in the development of the green bonds market.

There is currently no market consensus on what precise attributes are required for a particular project to be defined as "blue", "green" or other equivalent label and therefore, no assurance can be provided to potential investors that the relevant Eligible Green Assets (as defined in the section headed "Green Bond Framework" below) will continue to meet the relevant eligibility criteria. Although applicable blue, green or equivalently labelled projects are expected to be selected in accordance with the categories recognised by the ICMA Green Bond Principles, the Guidelines for Establishing the Green Financial System, the Green Industries Guidance Catalogue 2019 and the PBOC Green Bond Categories 2015 and are expected to develop in accordance with applicable legislation and standards, there can be no guarantee that adverse environmental and/or social impacts will not occur during the design, construction, commissioning and/or operation of any such blue, green or equivalently labelled projects. Where any negative impacts are insufficiently mitigated, blue, green or equivalently labelled projects may become controversial and/or may be criticised by activist groups or other stakeholders.

Potential investors should be aware that any Second Party Opinion will not be incorporated into, and will not form part of, this Offering Circular or the Pricing Supplement relating to the Notes. Any such Second Party Opinion may not reflect the potential impact of all risks related to the Notes, their marketability, trading price or liquidity or any other factors that may affect the price or value of the Notes. Any such Second Party Opinion is not a recommendation to buy, sell or hold securities and is only valid as of its date of issue. Further, although the Issuer will use the net proceeds as described in "Use of Proceeds" above, it would not be an event of default under the Terms and Conditions of the Notes if (i) the Issuer were to fail to comply with such obligations or were to fail to use the proceeds in the manner specified in the relevant Pricing Supplement and/or (ii) the Second Party Opinion were to be withdrawn. Any failure to use the net proceeds of the Notes in connection with blue, green or equivalently-labelled projects, and/or any failure to meet, or to continue to meet, the investment requirements of certain environmentally focused investors with respect to the Notes may affect the value and/or trading price of the Notes, and/or may have consequences for certain investors with portfolio mandates to invest in blue, green or equivalently labelled assets.

None of the Issuer or the Managers make any representation as to the suitability for any purpose of any Second Party Opinion or whether the Notes fulfil the relevant environmental criteria. Each potential purchaser of the Notes should determine for itself the relevance of the information contained in this

Offering Circular and the Pricing Supplements relating to the Notes regarding the use of proceeds and its purchase of the Notes should be based upon such investigation as it deems necessary.

## SCHEDULE 3

### GREEN BOND FRAMEWORK

As a branch of the Bank, the Issuer has adopted the Green Bond Framework of the Bank.

The Bank first published its green bond framework in November 2018 and updated the green bond framework in October 2020 (the “**Green Bond Framework**”). The Green Bond Framework was published and updated in accordance with:

- the ICMA Green Bond Principles issued by the International Capital Market Association;
- the Guidelines for Establishing the Green Financial System issued by the PBOC, the MOF, NDRC, the Ministry of Environmental Protection, the CBIRC and the CSRC;
- the Green Industries Guidance Catalogue 2019 issued by the NRDC, the Minister of Industry and Information Technology, the Minister of Natural Resources, the Minister of Ecology and Environment, the Minister of Housing and Urban-Rural Development, the PBOC and the National Energy Administration; and
- the PBOC Green Bond Categories 2015 issued by the PBOC.

The Green Bond Framework is publicly available on the global website of the Bank at: [www.cib.com.cn](http://www.cib.com.cn). The Green Bond Framework contains the following categories of Eligible Green Assets (as defined below):

#### Eligible Green Assets Categories

The net proceeds of the issuance of any relevant green bond will be allocated to finance and refinance, in whole or in part, eligible green assets in one or more of the following categories (“**Eligible Green Assets**”):

- **Renewable energy:** the generation, maintenance and transmission of renewable energy, including onshore and offshore wind, solar, tidal, biomass from agricultural wastes or kitchen wastes for municipal wastes and hydropower, and manufacturing of components of renewable energy technology;
- **Energy efficiency:** the implementation, construction, maintenance and corresponding development that enhance energy efficiency of the underlying technology, products, building, assets or systems and achieve a minimum energy efficiency improvement of 20 per cent.;
- **Low carbon and low emission transportation:** the construction, operation, maintenance and corresponding provision of services of electric or hydrogen-powered transportation assets, systems and infrastructure, including electric rail, tram, metro, bus rapid transit systems, electric vehicles and hydrogen vehicles (for which purpose vehicles carrying fossil fuel products are excluded), manufacturing of electric transportation vehicles and components;
- **Sustainable water and wastewater management:** construction, operation and maintenance of wastewater treatment projects, including wastewater pipe and treatment plant facilities, water recycling systems, water and/or rainwater collection pipes and facilities; construction and maintenance of sustainable urban drainage systems, river training and other forms of flooding mitigation, including urban drainage systems, dams, levees and other forms of flooding mitigation; and
- **Sustainable marine economy, marine environmental protection and coastal climate change adoption:** construction, operation and maintenance and retrofits of shipment and port pollution treatment facilities; construction, operation, maintenance and retrofits of sea water desalination facilities which are powered at least 90 per cent. by renewable energy; construction, operation and maintenance of sustainable water infrastructure, including wastewater treatment, urban drainage systems, river training and other forms of flooding mitigation for climate change adoption in coastal areas.

## **Asset Evaluation and Selection**

The Bank will follow the procedures below to evaluate and select the eligible green assets:

### **1. Preliminary Screening**

Domestic and overseas branches of the Bank are responsible for a preliminary screening of potential assets in accordance with the criteria and standards set out in the Bank's internal regulations and the eligible green project categories as described above. The green finance product manager of each branch of the Bank, which conducts the preliminary screening, will receive specific training from the headquarters of the Bank on a period basis. Potential assets will be submitted to the headquarters of the Bank for review and approval.

### **2. Review and Approval**

The Green Bond Working Group, which comprises green finance, environment and industry experts from the green finance department of the Bank's headquarters, will review all potential assets and determine their compliance with the Bank's internal regulation and the eligible green asset categories as described above, and form an eligible green asset list (the "**Eligible Green Asset List**"). The decision made by each expert of the Green Bond Working Group must be unanimous. Each expert enjoys a veto power to the final decision on the selection of any eligible green assets.

### **3. Update and Maintenance**

The Green Bond Working Group shall review the Eligible Green Asset List on a quarterly basis and determine if any changes are necessary (for example, if a project has amortised, been prepaid, sold or otherwise become ineligible). The Green Bond Working Group shall update the Eligible Green Asset List, including replacement, deletion or addition of projects.

## **Management of Proceeds**

The Bank will allocate the net proceeds of the Notes to eligible green assets across various domestic and overseas markets. The Bank has established an effective mechanism to manage the proceeds, ensuring that the proceeds of the Notes will be used to fund Eligible Green Assets.

### **1. Planning for Use of Proceeds**

Prior to the issuance of the Notes, the Bank shall evaluate the recent and pipeline capital spending and develop a preliminary Eligible Green Asset List in accordance with the procedures described above to ensure that the proceeds of the Notes can be allocated to Eligible Green Assets in a timely manner.

### **2. Maintenance of Separate Ledger**

The Bank shall establish a separate ledger (the "**Ledger**") to record the source and allocation of proceeds to ensure that all the net proceeds of the green bonds are used to fund Eligible Green Assets. The proceeds of each green bond issued by the Bank will be deposited in the general funding account and "earmarked" pending allocation.

The Ledger shall contain detailed information of the green bonds issued, including:

- details of green bond (including the ISIN and common code, the issue date, the maturity date, the issue amount, currency, the coupon rate);
- fund allocation (including the name of Eligible Green Assets, the name of borrower, the asset description, the asset category, the initial balance, the remaining balance, the release date(s), the repayment date, and the interest rate of the loan); and
- amount and use of proceeds of unallocated funds.

The Bank will review and update the Ledger on a quarterly basis.

### **3. Use of Unallocated Proceeds**

The Bank commits to reallocate any remaining balance of unallocated proceeds to newly nominated and approved Eligible Green Assets in a timely manner.

Unallocated proceeds will be held in accordance with the Bank's prudent liquidity management policy. The unallocated proceeds could be temporarily invested in green bonds issued by nonfinancial institutions in domestic or international markets, and in money market instruments with good credit rating and market liquidity, until they are allocated to Eligible Green Assets. The unallocated proceeds shall not be invested in energy intensive, highly polluting or greenhouse gas intensive projects.

#### **Reporting**

##### ***Use of Proceeds Reporting***

The Bank has committed to publishing an "Annual Green Bond Report" annually until full allocation or upon material change of Eligible Green Assets allocated. The Green Finance Department of the Bank will be responsible for preparing the Annual Green Bond Report and the Bank's senior management will review and approve such report.

Information will be provided on amounts equal to the net proceeds of each green bond issued and:

- (i) the aggregate amount and percentage allocated to various Eligible Green Assets categories;
- (ii) the remaining balance of unallocated funds and the types of temporary investment (if applicable); and
- (iii) description of significant Eligible Green Assets, defined as projects ranking in the top 10 per cent. in remaining balance of all Eligible Green Assets, or with remaining balance larger than RMB50 million, or with remaining balance larger than 10 per cent. of the outstanding balance of the green bond (subject to confidentiality disclosures).

##### ***Environmental Impact Reporting***

Where possible, the Bank will report on the location of the environmental impact resulting from Eligible Green Assets.

Subject to the categories of Eligible Green Assets and the availability of information, the Bank aims to include, but not be limited to, the following impact indicators:

- **Renewable Energy:** Kilowatt hours ("kWh") of power generated from renewable energy and the amount of carbon dioxide or standard coal equivalent avoided;
- **Energy Efficiency:** kWh of energy saved per year and the percentage of annual energy saved;
- **Low carbon and low emission transportation:** amount of carbon dioxide or standard coal equivalent avoided, kilometres of track or dedicated lanes built (applicable to rail tram, metro and bus rapid transit systems), number of passengers transported (applicable to rail tram, metro and bus rapid transit systems), number of vehicles built or served (applicable to electric vehicles and hydrogen vehicles);
- **Sustainable water and wastewater management:** amount of water saved or recycled and amount of waste water treated; and
- **Sustainable marine economy, marine environmental protection and coastal climate change adoption:** amount of water saved or recycled, amount of waste water treated, sea water desalination capacity constructed, other types of pollution or waste treated (including



but not limited to solid waste, dust or exhaust gas) and length of urban drainage systems, dams, levees and other forms of flooding mitigation constructed.

### **External Review**

The Bank has engaged Sustainalytics to provide Second Party Opinions for alignment of the Green Bond Framework with the ICMA Green Bond Principles.

The Bank has engaged an independent third party to provide assurance or annual review report ("**Assurance Report**") on its Annual Green Bond Report which will provide information on allocation and impacts. The Assurance Report will be published on the Bank's official global website, [www.cib.com.cn](http://www.cib.com.cn), together with Annual Green Bond Report.

## SCHEDULE 4

### DESCRIPTION ON INDUSTRIAL BANK CO., LTD. HONG KONG BRANCH'S 2020 BLUE BONDS

In accordance with the Green Bond Framework, the Bank will evaluate and select eligible green assets, conduct management of the proceeds of the Notes being issued as blue bonds (the “**Blue Bonds**”), and make and keep readily information on the use of proceeds and the environmental performance of the eligible green assets endorsed on its official website ([www.cib.com.cn](http://www.cib.com.cn)). See “*Green Bond Framework*” section above for more information.

#### Eligible Green Asset List

The eligible assets selected shall meet the criteria for a sustainable blue economy. A sustainable blue economy is a marine-based economy seeking to promote economic growth while preserving a marine ecosystem that ensures the sustainable use of marine resources.

In order to facilitate the restoration of marine ecosystem, the efficient use of resources, and the development of the marine industry, categories of eligible assets endorsed under the Blue Bonds include:

- renewable energy, including but not limited to offshore wind power projects, which promote the development of marine renewable energy;
- sustainable water and wastewater management, including but not limited to construction, operation and maintenance of wastewater treatment projects, including wastewater pipe and treatment facilities and construction and maintenance of urban drainage systems, dams, levees and other forms of flooding mitigation, which reduces the discharge of untreated sewage to the seas and coastal areas; and
- sustainable marine economy, marine environmental protection and coastal climate change adoption, including but not limited to construction, operation and maintenance and retrofits of shipment and port pollution treatment facilities, which prevent pollution and promote restoration of the marine ecosystem.

As at 30 October 2020, the Bank nominated the eligible green assets with an approximate total loan amount of RMB4,800 million. The Bank undertakes periodic review of the Eligible Green Asset List, as described in “*Green Bond Framework - Asset Evaluation and Selection*” above. The existing nominated projects may change in the future.

The following table set forth the breakdown of nominated projects by categories and by project location:

Eligible Loan Category	Percentage of Total loans (per cent.)
Urban drainage, dams, levees and other flood control facilities in coastal areas	28.8
Offshore wind power projects	10.9
Sewage pipelines and sewage treatment facilities in coastal areas	60.1
Pollution prevention of shipping and port facilities	0.2

Project Location	Percentage of Total Loans (per cent.)
Shanghai	5.5
Guangdong Province	26.1
Jiangsu Province	17.2
Fujian Province	30.1
Zhejiang Province	19.9

Guangxi Zhuang Autonomous Region	1.1
Anhui Province	0.2