

Notice on Launching the Pilot Program of Green Corporate Bonds

All market participants,

To implement the strategic decision of the CPC Central Committee and the State Council on promoting ecological progress, practice the green development concept set out in the 13th Five-Year Plan, guide the bond market in supporting the development of the green industry, and facilitate the economic development mode transformation and economic restructuring and upgrading, the Shanghai Stock Exchange (the “SSE”), in accordance with the *Securities Law*, the *Measures for the Administration of the Offering and Trading of Corporate Bonds* (the “*Measures for the Administration of Corporate Bonds*”), the *Rules of the Shanghai Stock Exchange Governing the Listing of Corporate Bonds* (the “*Corporate Bond Listing Rules*”), the *Interim Management Rules of the Shanghai Stock Exchange for the Non-Publicly Offered Corporate Bond Business* (the “*Interim Rules for Non-Public Offered Corporate Bonds*”), and other laws, regulations, ministry-level rules, normative documents, and the applicable business rules of the SSE, hereby sets out matters related to the pilot program of green corporate bonds as follows:

1. For the purposes of this *Notice*, green corporate bonds refer to corporate bonds issued in accordance with the *Measures for the Administration of Corporate Bonds* and other applicable rules to raise funds for the development of the green industry. The *Green Bond Endorsed Project Catalogue (2015 Version)* (see the Appendix hereto) prepared by the Green Finance Committee of China Society for Finance and Banking and green industry projects identified by relevant institutions recognized by the SSE may be referred to for the scope of green industry projects.
2. When applying to the SSE for the pre-listing review of, confirmation of satisfaction of listing requirements by, listing, trading or transfer of its green corporate bond, an issuer shall, in addition to submitting materials pursuant to the requirements of the *Measures for the Administration of Corporate Bonds*, the *Corporate Bond Listing Rules*, the *Interim Rules for Non-Public Offered Corporate Bonds*, and other applicable rules, meet the following requirements:
 - (1) The prospectus for the green corporate bond shall include, but not be limited to, the categories of green industry projects in which the proceeds from the issuance of the green corporate bonds are intended to be invested in, the basis or criteria for identification of such projects, and their environmental benefit targets, and the plan for the use of and the management program for such proceeds;
 - (2) The issuer shall provide an undertaking that the proceeds will be invested in green industry projects as stipulated in the prospectus; and
 - (3) The issuer shall provide any other documents as required by the SSE.
3. In addition to the application materials specified in Article 2 hereof, the issuer is encouraged to submit an assessment opinion or certification report issued by an independent

professional assessment or certification body as to the fact that any project in which the proceeds are intended to be invested is a green industry project.

4. The issuer shall stipulate in the prospectus that it will use the proceeds to construct, operate or acquire green industry projects, or repay loans for green industry projects and will manage the proceeds in accordance with applicable rules or as agreed.

5. The issuer shall designate a dedicated account to receive, keep and transfer the proceeds and pay the principal and interest of the bond.

6. During the duration of the green corporate bond, the issuer shall, in its periodic reports or other documents disclosed in accordance with the *Measures for the Administration of Corporate Bonds*, the *Corporate Bond Listing Rules*, the *Interim Rules for Non-Public Offered Corporate Bonds*, and other applicable rules or as agreed, disclose the use of the proceeds, the progress of any green industry project in which the proceeds are invested and its environmental benefits, etc.

The trustee of the green corporate bond shall, in its annual trustee report, disclose the use of the proceeds, the progress of any green industry project in which the proceeds are invested and its environmental benefits, and other information.

7. The issuer is encouraged to continuously conduct follow-up assessment of the progress of any green industry project supported by the green corporate bond and the project's environmental benefits, etc. by disclosing, on an annual basis during the duration of the green corporate bond, to the market an assessment opinion or certification report issued by an independent professional assessment or certification body.

8. The SSE will create a green channel to accept and review applications for pre-listing review of or confirmation of satisfaction of listing requirements by green corporate bonds more efficiently.

9. The SSE will have green corporate bonds uniformly labelled and work with securities index compilers to launch green corporate bond indices in due course; and when the conditions permit, establish a board for green corporate bonds to increase the SSE's influence in the green corporate bond market.

10. National government agencies and local governments are encouraged to introduce preferential policies to support the development of green corporate bonds.

Institutional investors, such as financial institutions, securities investment funds and other investment products, social security funds, corporate annuities, social welfare funds, enterprises and public institutions, are encouraged to invest in green corporate bonds.

11. Matters related to the listing, trading or transfer of green corporate bonds not covered herein shall be governed by the applicable rules for corporate bonds.

12. The SSE's pre-listing review of, its confirmation of satisfaction of listing requirements by, or the listing, trading or transfer on the SSE of green corporate bonds issued by qualified foreign enterprises shall be handled by reference to this *Notice*.

13. The SSE's review of or the listing , trading or transfer on the SSE of qualified green assets-backed securities or other green bond products recognized by the SSE shall be handled by reference to this *Notice*.

14. The SSE reserves the right to interpret this *Notice*.

15. This *Notice* shall be implemented as of the date of issuance.

Appendix: [Green Bond Endorsed Project Catalogue \(2015 Version\)](#)

Shanghai Stock Exchange

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