

EY Green Bond Issuance Assurance Experience Sharing

April 2016



CCaSS Team in Greater China

- ▶ Established in 2009, EY CCaSS in Greater China is composed of three offices in Beijing, Shanghai, Guangzhou, Shenzhen and Hong Kong, supported by over 60 professionals.
- ▶ We are dedicated to providing environmental advisory services, including green bond second party opinion, climate change third party assurance, GHG emission assurance, ESG reporting and assurance, environmental due diligence, low carbon project investment assessment, risk assessment and low carbon strategy planning, sustainability assessment, and roadmap planning for sustainable development, and etc.



EY's Experiences in Green Bond: Shanghai Pudong Development Bank (SPDB Phase I)

SPDB 2016 Phase I green financial bond pre-issuance assurance

Issuer	Shanghai Pudong Development Bank
AMT issued	RMB 20b
Rating	AAA (Shanghai Brilliance Rating)
Issue date	27 January 2016
Tenor	3 yrs
Coupon rate	2.95%
Oversubscription	Over 2
Nominated Project	Energy saving, clean energy, pollution control, ecological conservation and climate change adaptation, resource conservation and recycling



EY's work:

- ▶ Assessed policies and procedures established by SPDB, and examined the conformance to the *People's Bank of China Announcement No. 39 [2015]* and *Preparation Instructions on Green Bond Endorsed Project Catalogue [2015 Edition]*
- ▶ Interviewing selected business units to understand the key issues related to SPDB's policies and procedures in terms of use and management of proceeds, project selection and evaluation, information disclosure and reporting
- ▶ Reviewed and confirmed the eligibility of nominated projects for inclusion in its green bond
- ▶ Provided the pre-issuance assurance report for SPDB's 2016 green bond

EY's Experiences in Green Bond: Bank of Qingdao (BOQ)(Phase I)

BOQ 2016 Phase I green financial bond pre-issuance assurance

Issuer	Bank of Qingdao	
Rating	AA	
Issue date	10 March 2016	
AMT issued	RMB 3.5bn	RMB 0.5bn
Tenor	3yr	5yr
Coupon rate	3.25%	3.40%
Oversubscription	2.55	1
Nominated Project	Energy saving, clean energy, pollution control, ecological conservation and climate change adaptation, resource conservation and recycling	



EY's work:

- ▶ Assessed policies and procedures established by BOQ, and examined the conformance to the *People's Bank of China Announcement No. 39 [2015]* and *Preparation Instructions on Green Bond Endorsed Project Catalogue [2015 Edition]*
- ▶ Interviewing selected business units to understand the key issues related to BOQ's policies and procedures in terms of use and management of proceeds, project selection and evaluation, information disclosure and reporting
- ▶ Reviewed and confirmed the eligibility of nominated projects for inclusion in its green bond
- ▶ Provided the pre-issuance assurance report for BOQ's 2016 green bond

EY's Experiences in Green Bond: Shanghai Pudong Development Bank (SPDB Phase II)

SPDB 2016 Phase II green financial bond pre-issuance assurance

Issuer	Shanghai Pudong Development Bank
AMT issued	RMB 15b
Rating	AAA (Shanghai Brilliance Rating)
Issue date	25 Mar 2016
Tenor	5 yrs
Coupon rate	3.2%
Oversubscription	Over 2
Nominated Project	Energy saving, clean energy, pollution control, ecological conservation and climate change adaptation, resource conservation and recycling



EY's work:

- ▶ Assessed policies and procedures established by SPDB, and examined the conformance to the *People's Bank of China Announcement No. 39 [2015]* and *Preparation Instructions on Green Bond Endorsed Project Catalogue [2015 Edition]*
- ▶ Interviewing selected business units to understand the key issues related to SPDB's policies and procedures in terms of use and management of proceeds, project selection and evaluation, information disclosure and reporting
- ▶ Reviewed and confirmed the eligibility of nominated projects for inclusion in its green bond
- ▶ Provided the pre-issuance assurance report for SPDB's 2016 green bond

EY's Experiences in Green Bond: ANZ

ANZ pre-issuance and post issuance assurance report

Issuer	ANZ
AMT issued	AUD 600m
Rating	Aa2e/AA-
Issue date	28 May 2015
Tenor	5 yrs
Coupon rate	Half year 3.25%
Oversubscription	125%
Nominated Project	60% used in solar and wind projects; 40% used in green building project re-financing

1st certified climate bond to finance green building



EY's work:

- ▶ Interviewed climate bond issuance departments and reviewed management policies to ensure completeness, accuracy and consistency
- ▶ Consulted CBS and conducted assurance to ANZ's project categories
- ▶ Consulted CBS and conducted assurance to minimum standards of wind, solar and low carbon building projects
- ▶ Consulted CBS and conducted assurance to the management of proceeds and reporting mechanism
- ▶ Provided third party assurance on climate bond

EY's Experiences in Green Bond: Unibail-Rodamco

Unibail-Rodamco proceeds allocation and management assurance report

Issuer	Unibail-Rodamco
AMT issued	EUR 500m
Rating	A (S/P)
Issue date	April 2015
Tenor	10 yr
Coupon rate	1%
Oversubscription	600%
Nominated Project	Green property refinance



EY's work:

- ▶ Assessed the applicability of “selection and monitoring standards” in four shopping malls, including relevance, completeness, accuracy, neutrality and reliability.
- ▶ Interviewed Unibail Rodamco headquarter in France and branch office Rodamco Sverige in Sweden; reviewed and verified the procedures of “selection and monitoring standards” based on documentary evidences;
- ▶ Visited three representative shopping malls and conducted complementary interviews to assess local teams’ understanding and application of the standards
- ▶ Provided assurance report on proceeds allocation and management

EY's Experiences in Green Bond: TenneT Holding N.V.

TenneT Holding N.V. Annual reporting & assurance service

Issuer	TenneT Holding N.V.
AMT issued	EUR 500m
Issue date	May 2015
Tenor	6 yr 12 yr
Coupon rate	0.875% 1.75%
Nominated Project	Off shore wind



EY's work:

- ▶ Interviewed TenneT Holding N.V. relevant department and stakeholders to green bond issuance, reviewed and verified the procedures of “selection and monitoring standards” based on documentary evidences;
- ▶ Conducted duration assurance service based on relevant principles and standards.
- ▶ Provided assurance report

Rich experience in Climate change and sustainability services

金融保险



石油、天然气、新能源 采掘业



通信与 电器行业



房地产建筑/ 运输/零售业 /化妆品



化工/制药/ 一般制造业



公共部门与 服务业



Contact information



Ivan TONG

Principle partner

Climate change and sustainability service

TEL: +86 10 5815 3373

ivan.tong@cn.ey.com



Judy LI

Green finance leader in greater China

Climate change and sustainability service

TEL: +86 10 5815 4581

judy-lj.li@cn.ey.com



About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. For more information about our organization, please visit ey.com.

© 2016 Ernst & Young, China
All Rights Reserved.

APAC no.
ED MMY

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, or other professional advice. Please refer to your advisors for specific advice.

ey.com/china