

## Shinsun Holdings (Group) Co., Ltd.

## Shinsun 2021 Sustainable Bonds Issuance

# Method Statement

**Certification date: 8 May 2021**

Shinsun Holdings (Group) Co., Ltd. Sustainable Finance Framework serves as part of the documented Method Statement for this Green and Sustainable Finance Certification Scheme (GSFCS) application. It states Shinsun Holdings (Group) Co., Ltd.'s ("Shinsun") method to achieve the intended contribution to green and sustainability of the specified Sustainability Bond.

Shinsun is a real estate developer in China, with its headquarter located in Shanghai. It has been listed on the Hong Kong Stock Exchange (Stock Code: 02599) since 2020. This sustainability bond will be issued by Shinsun, the fund raised will be used for the refinancing of existing projects that aims at contributing to positive environmental and social impacts.

## SHINSUN 祥生

### Shinsun Holdings (Group) Co., Ltd. Sustainable Finance Framework

#### Introduction

Shinsun Holdings (Group) Co., Ltd. ("Shinsun" or the "Company") is a fast-growing, large-scale, comprehensive real estate developer in China that focuses on the development of high-quality residential properties in strategic locations across China. Shinsun, headquartered in Shanghai and deeply rooted in Zhejiang Province, has built a leading market position in Zhejiang Province over the course of more than 20 years of development, and has experienced rapid revenue and recognized GFA growth.

Through years of research and development, the Company has developed various series of residential properties to cater to the varying needs of its target customers, from first-time purchasers and first-time-upgraders to subsequent upgraders and high-net-worth customers. In terms of contracted sales, the Company ranked third among all residential property developers in Zhejiang Province in 2019. The Company expanded into the Pan-Yangtze River Delta Region in 2004 and has grown from a leading regional residential property developer to an established comprehensive real estate developer with national presence. Leveraging on its brand and experience in developing quality residential properties, Shinsun has also built a growing portfolio of diversified commercial properties, covering office buildings, shopping centers, community businesses and hotels.

Shinsun has adopted a "1+1+X" expansion strategy since 2016 pursuant to which it bases its development in Zhejiang Province, deeply penetrates into the Pan-Yangtze River Delta Region, and expands into other cities with high growth potential outside the Pan-Yangtze River Delta Region, such as Jingmen in Hubei Province, Hengyang and Changde in Hunan Province and Hohhot in Inner Mongolia Autonomous Region. Its "1+1+X" strategy also reflects its determination to accelerate the expansion of its property development business scale. Shinsun believes that after nearly two decades of growth, it has accumulated sufficient experience and expertise in project development from site selection to after-sales services, as well as large network with suppliers, contractors and business partners which are necessary to carry out the acceleration of its expansion plans. On November 18th, 2020, Shinsun was listed on the Hong Kong Stock Exchange (Stock Code: 2599), marking a significant milestone for the company.

#### Shinsun's Green & Sustainability Strategy

Shinsun is dedicated to uphold high environmental, social, and governance (ESG) standards and considers sustainable development as an indispensable part of its long-term strategy. In order to achieve long-term sustainable value for all stakeholders, Shinsun is committed to controlling and alleviating its impact on the environment and the social communities in which it operates. Shinsun ensures its compliant operations and sustainable development through high-level corporate and ESG governance. Shinsun's ESG policies are led and overseen by the board of directors, who work closely and diligently with company management to identify, review, and resolve ESG-related issues on a regular basis.

Shinsun has incorporated sustainable building designs and environmentally friendly materials and processes in project creations, as well as energy and water conservation initiatives, to reduce direct and indirect environmental impacts. Additionally, Shinsun targets to further facilitate local community development through Shinsun Charitable Foundation, Four-leaf Clover Plan, and Shinsun town projects.

ESG CATEGORY	EMISSIONS	RESOURCE USE
IDENTIFIED ISSUES	<ul style="list-style-type: none"> <li>Air pollutants</li> <li>Greenhouse gases</li> </ul>	<ul style="list-style-type: none"> <li>Energy consumption</li> <li>Water consumption</li> </ul>

Restricted - External

<b>EXAMPLES OF SHINSUN'S RESPONSE</b>	<ul style="list-style-type: none"> <li>• Waste management</li> </ul>	<ul style="list-style-type: none"> <li>• Use of construction materials</li> </ul>
	<ul style="list-style-type: none"> <li>• Developing projects that obtain environmental certifications from Chinese Green Building Evaluation Label</li> <li>• Classifying and recycling paper, rebar, glass and other recyclable wastes produced during construction</li> </ul>	<ul style="list-style-type: none"> <li>• Installing smart meters at construction sites and office buildings</li> <li>• Incorporating natural ventilation, natural light and LED motion-activated lights in project design where possible</li> <li>• Implementing rainwater collection systems at construction sites</li> <li>• Standardising temporary construction facilities and processed materials to increase reuse</li> </ul>

#### China's Real Estate Industry Green Supply Chain Action

On World Environment Day, June 5th, 2016, China's Real Estate Industry Green Supply Chain Action was officially initiated. The Green Supply Chain Action, with the real estate companies as the main players, has started to work on green procurement. This marks the start of the low-carbon and emission reduction efforts by the Chinese real estate companies. As the companies work together to reduce supply chain footprint, they have made great contribution to reducing pollution and emissions. As an environmentally responsible real estate company, Shinsun has been actively engaging in protecting our planet. In order to safeguard our only ecosystem, Shinsun and many other companies have been involved in the Green Supply Chain Action and working towards improving the ecosystem and bringing back the blue sky and fresh air.

The Green Supply Chain Action calls for environmental-friendly concepts to be implemented in the procurement process, including environment protection, health and safety, recycling and low-carbon. Priorities should be put on saving energy, water and raw materials, as well as choosing the materials, products and services that are harmless to human health and protect the ecosystem.

#### Shinsun Charitable foundation and Four-leaf Clover Plan

Shinsun Charitable Foundation of Zhejiang Province was founded on June 1st, 2019. The Four Leaf Clover Project, a scholarship program that promotes Shinsun's values of "Hope, Contribution, Empathy and Health" as a public welfare entity, was also launched at the same time.

Since its establishment, the Four Leaf Clover Scholarship Program aims to help dream-chasing students from financially challenged families to complete their studies, achieve their life goals and become a contributing force to the society as they grow up with the love and support from Shinsun. In 2020, the Scholarship Program, together with Shinsun Dream Fund of Zhujia Charity Foundation, provided 3,000 yuan of scholarship per student to over 600 students in the city, or 2 million yuan of aid in total.

In addition to give back to the society, Shinsun has been actively participating in numerous public welfare activities including urban constructions, granting scholarship to students in impoverished regions, helping disabled population and orphans and offering disaster reliefs. Along with CCTV's New Year Poverty Relief Project, Shinsun assisted the key impoverished counties such as Fengjie of Chongqing to alleviate poverty through public welfare procurement. In Wenshanzhou of Yunnan, Shinsun helped with financing the local road and bridge constructions.

#### Shinsun Town

Restricted - External

Shinsun Town is a new type of rural satellite town that incorporates sightseeing area, shopping area and residence area. By bringing the service system and modernized agriculture to the rural area, Shinsun Town aims to integrate the first, second and third industries and build a "1+3+2" model featuring resort experience, education and sports businesses, as well as cultural and agricultural tourism as supplement.

As a model zone of National Revitalized Rural Areas in Zhejiang, Jinxiu Fengqiao of East Zhuji, one of the Shinsun Towns, covers 41.67 square kilometers and spans Springwind Resort Town, Yunxi Jiuli Forest Resort Town, Baimiwan Xianghe Town and Yongning Lake Sports & Recreation Resort. Upon the completion of the project, 10,000 jobs are expected to be created in the region, contributing over RMB 2 billion in annual tax revenue.

#### **Shinsun Holdings (Group) Co., Ltd. Sustainable Finance Framework**

The Shinsun Holdings (Group) Co., Ltd. Sustainable Finance Framework ("Framework") sets out the governance and processes under which Shinsun intends to issue Green, Social or Sustainability bonds, loans or any other debt-like instruments, and in doing so contribute to positive environmental and social impacts.

The proceeds of Green financing will be used exclusively for eligible green projects. The proceeds of Social financing will be used exclusively for eligible social projects. The proceeds of Sustainability financing will be used for both eligible green and social projects.

The framework aligns with International Capital Markets Association ("ICMA") Green Bond Principles (2018), Social Bond Principles (2020), Sustainability Bond Guidelines (2018), Loan Market Association ("LMA") Green Loan Principles (2021), and adopts the following key pillars:

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

#### **(1) Use of Proceeds**

The net proceeds raised under this Framework will be used to finance or refinance in whole or in part, expenditure on projects that are consistent with Shinsun's policies and that meet the eligibility criteria set out below.

Eligible Green Projects

ELIGIBLE PROJECT CATEGORIES	ELIGIBILITY CRITERIA & EXAMPLES	UN SDG MAPPING
<b>GREEN PROJECT CATEGORIES</b>		
<b>GREEN BUILDINGS</b>	<ul style="list-style-type: none"> <li>• Investments and expenditures in buildings which meet or expected to meet regional, national or internationally or any equivalent internationally-recognized third-party verified certification scheme:               <ul style="list-style-type: none"> <li>▪ China Green Building Evaluation Label with a minimum of 2 Stars</li> </ul> </li> </ul>	 

Restricted - External

<p><b>ENERGY EFFICIENCY</b></p>	<ul style="list-style-type: none"> <li>Investments and expenditures in projects that improve energy efficiency and reduce energy consumption in buildings and facilities by a minimum of 15%, such as but not limited to:             <ul style="list-style-type: none"> <li>Installation/replacement of equipment in buildings such as LED lighting, smart metering, heating ventilation and air conditioning systems</li> </ul> </li> </ul>	 
<p><b>POLLUTION PREVENTION AND CONTROL</b></p>	<ul style="list-style-type: none"> <li>Investments and expenditures in projects that prevent and reduce waste and pollution, such as but not limited to:             <ul style="list-style-type: none"> <li>Equipment and technologies for reducing resource consumption and pollution emission</li> <li>Implementing waste sorting and recycling</li> </ul> </li> </ul>	   
<p><b>SUSTAINABLE WATER AND WASTEWATER MANAGEMENT</b></p>	<ul style="list-style-type: none"> <li>Installation of rainwater collection systems, water conservation systems, water recycling and treatment systems</li> </ul>	
<p><b>CLIMATE CHANGE ADAPTATION</b></p>	<ul style="list-style-type: none"> <li>Investments to develop "sponge cities" that aim to reduce flood risk and replenish groundwater</li> </ul>	 
<p><b>RENEWABLE ENERGY</b></p>	<ul style="list-style-type: none"> <li>Investments and expenditures in renewable energy generation projects and related infrastructure, including but not limited to:             <ul style="list-style-type: none"> <li>Solar photovoltaic</li> <li>Solar hot water</li> </ul> </li> </ul>	  

Restricted - External

<b>ENVIRONMENTALLY SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES AND LAND USE</b>	<ul style="list-style-type: none"> <li>Investments and expenditures in greening of landscapes and preservation or restoration of natural landscapes, such as but not limited to:               <ul style="list-style-type: none"> <li>Creating and enhancing urban green space</li> </ul> </li> </ul>	 
<b>CLEAN TRANSPORTATION</b>	<ul style="list-style-type: none"> <li>Investments and expenditures in electric vehicles and related infrastructure, including but not limited to:               <ul style="list-style-type: none"> <li>Installation of charging facilities for electric vehicles</li> </ul> </li> </ul>	
<b>SOCIAL PROJECT CATEGORIES</b>		
<b>INDEMNIFICATORY HOUSING</b>	<ul style="list-style-type: none"> <li>Investments and expenditures in projects that provide indemnificatory housing for the general public and vulnerable groups in accordance with local government and regulatory definitions such as public rental housing</li> </ul>	 
<b>ACCESS TO ESSENTIAL SERVICES</b>	<ul style="list-style-type: none"> <li>Investment and expenditures in projects to develop education and training facilities in targeted communities for general public or vulnerable groups</li> </ul>	 

#### Exclusion Criteria

In any case, eligible assets/projects exclude the type of activities listed in the International Finance Corporation ("IFC") Exclusion List (2007)<sup>1</sup>:

- Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international bans, such as pharmaceuticals, pesticides/herbicides, ozone depleting substances, PCB's, wildlife or products regulated under CITES
- Production or trade in weapons and munitions
- Production or trade in alcoholic beverages (excluding beer and wine)
- Production or trade in tobacco
- Gambling, casinos and equivalent enterprises
- Production or trade in radioactive materials. This does not apply to the purchase of medical equipment, quality control (measurement) equipment and any equipment where IFC considers the radioactive source to be trivial and/or adequately shielded
- Production or trade in unbonded asbestos fibers. This does not apply to purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20%
- Drift net fishing in the marine environment using nets in excess of 2.5 km. in length
- Production or trade in fossil fuel

Restricted - External

[https://www.ifc.org/wps/wcm/connect/topics\\_ext\\_content/ifc\\_external\\_corporate\\_site/sustainability-at-ifc/company-resources/ifcexclusionlist](https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/company-resources/ifcexclusionlist)

**(2) Project Evaluation and Selection**

Representatives from Shinsun’s Property Management, Sustainability, Treasury, Investor Relations and Legal Departments will form a **Sustainable Finance Working Group**. Potential projects will be shortlisted by the Property Management Department and presented to the Sustainable Finance Working Group to review and approve according to the criteria defined in this Framework. The list of Eligible Projects will be reviewed annually and projects will be removed (and replaced as soon as practicable) if they no longer meet the criteria.

**(3) Management of Proceeds**

The proceeds from each Green, Social, Sustainability debt instrument issued will be managed by the Finance department with oversight by the SFWG. Shinsun will track the allocation of proceeds to eligible projects within its internal management system including descriptions of the projects, the regions in which the projects are located, and the amount of proceeds allocated to the projects.

The proceeds of each Green, Social, Sustainability debt instrument can be used both for the financing and/or refinancing of eligible projects. If all or a proportion of the proceeds are used for refinancing, Shinsun will provide an estimate of the share of financing versus refinancing. Shinsun will allow a look-back period of two years for refinanced projects.

Any balance of issuance proceeds which are not yet allocated to eligible green projects and eligible social projects will be held in accordance with Shinsun’s liquidity guidelines for short term time deposits or investments. Shinsun commits not to invest unallocated proceeds to any high pollution activities or any projects that are in conflict with the eligibility criteria under the Framework.

**Reporting**

Shinsun will publish post-issuance annual report on its official company website, or more frequently in case of material developments. The reporting will provide the following information:

Allocation Reporting, to be disclosed annually or until full allocation will include:

- Allocation amount by eligible project category, and clearly indicating the SDG(s) of which such allocation supports
- Allocation amount by geographical distribution
- Proportion between financing and refinancing
- Project examples, subject to confidentiality
- Amount of unallocated proceeds and its temporary treatment

Impact Reporting, to be disclosed annually up until the maturity of the bond, will include:

- Where possible and subject to data availability and confidentiality, reporting of environmental and/or social impact of the projects using relevant indicators as suggested in the ICMA Harmonized Framework for Impact Reporting:

ELIGIBLE PROJECT CATEGORIES	POTENTIAL KPI AND REPORTING METRICS
<b>GREEN PROJECT CATEGORIES</b>	
<b>GREEN BUILDINGS</b>	<ul style="list-style-type: none"> <li>• Type/Number of green building certifications obtained</li> <li>• Total floor area of certified green buildings</li> </ul>

Restricted - External

<b>ENERGY EFFICIENCY</b>	<ul style="list-style-type: none"> <li>Annual energy savings in (MWh for electricity) (GJ for other energy)</li> <li>Annual GHG emissions reduced/avoided (tonnes of CO2 equivalent)</li> </ul>
<b>POLLUTION PREVENTION AND CONTROL</b>	<ul style="list-style-type: none"> <li>Waste reduced/avoided (tonnes)</li> <li>Annual GHG emissions reduced/avoided (tonnes of CO2 equivalent)</li> </ul>
<b>SUSTAINABLE WATER AND WASTEWATER MANAGEMENT</b>	<ul style="list-style-type: none"> <li>Annual absolute (gross) water use before and after the project in m<sup>3</sup> p.a., reduction in water use in %</li> <li>Annual absolute (gross) amount of wastewater treated, reused or avoided before and after the project in m<sup>3</sup> p.a. and as %</li> </ul>
<b>CLIMATE CHANGE ADAPTATION</b>	<ul style="list-style-type: none"> <li>Area covered by sponge city-related projects in km<sup>2</sup></li> <li>Number of people benefitted from reduced flood risk and associated benefits of sponge city-related projects</li> </ul>
<b>RENEWABLE ENERGY</b>	<ul style="list-style-type: none"> <li>Annual renewable energy generation (MWh for electricity) (GJ for other energy)</li> <li>Annual GHG emissions reduced/avoided (tonnes of CO2 equivalent)</li> </ul>
<b>ENVIRONMENTALLY SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES AND LAND USE</b>	<ul style="list-style-type: none"> <li>Area of green landscape conserved/enhanced/created in km<sup>2</sup></li> </ul>
<b>CLEAN TRANSPORTATION</b>	<ul style="list-style-type: none"> <li>Number of electric vehicles/charging stations built</li> <li>Annual GHG emissions reduced/avoided (tonnes of CO2 equivalent)</li> </ul>
<b>SOCIAL PROJECT CATEGORIES</b>	
<b>INDEMNIFICATORY HOUSING</b>	<ul style="list-style-type: none"> <li>Number of housing units constructed</li> <li>Number of individuals/households benefitted</li> </ul>
<b>ACCESS TO ESSENTIAL SERVICES</b>	<ul style="list-style-type: none"> <li>Number of education and training devices/facilities deployed</li> <li>Number of individuals/households benefitted</li> </ul>

#### External Review

Shinsun has engaged Sustainalytics to provide an External Review in the form of a Second Party Opinion on the Framework and confirm alignment with relevant ICMA and LMA principles and guidelines. The External Review has been made public on Shinsun's website at <http://www.shinsunholdings.com/inv/jbz1.html>

Restricted - External

**Breakdown of Method Statement:**

HKQAA obtained below information in assessment stage. This serves as a breakdown of above Method Statement against relevant requirement.

General							
<b>Issuer name</b>	Shinsun Holdings (Group) Co., Ltd. ("Shinsun")						
<b>Debt Instrument</b>	<input checked="" type="checkbox"/> Bond <input type="checkbox"/> Loan						
<b>Theme of Certificate</b>	<b>Use of Proceeds Instrument:</b> Sustainability						
<b>Unique name of the debt instrument</b>	Chinese: 祥生 2021 年可持續債發行項目  English: Shinsun 2021 Sustainable Bonds Issuance						
Use of Proceeds Instrument – Sustainability							
Use of Proceeds							
<b>Objective</b>	The proceeds raised under this sustainability bond will be used to refinance existing projects that meet the eligibility criteria set out in the Shinsun Holdings (Group) Co., Ltd. Sustainable Finance Framework (the "Framework") and contribute to positive environmental and social impacts.						
<b>Alignment with overarching sustainability strategy</b>	<p>Shinsun is a real estate developer in China, with its headquarter located in Shanghai. It has been listed on the Hong Kong Stock Exchange (Stock Code: 02599) since 2020. This sustainability bond will be issued by Shinsun, the fund raised will be used for the refinancing of existing projects.</p> <p>Shinsun has established the Framework that sets out the governance and processes under which Shinsun intends to issue this sustainability bond that aims at contributing to positive environmental and social impacts. Shinsun claimed that it is dedicated to upholding high environmental, social, and governance standards and it considers sustainable development as an indispensable part of its long-term strategy.</p> <p>In addition, as stated in Shinsun's draft ESG Report 2020, green development is considered one of its key business objectives. Shinsun claimed that it has included the "green" concept in its management, research and development, construction and operation processes in order to achieve its long-term sustainable strategy.</p>						
<b>Refinancing (if applicable)</b>	<input type="checkbox"/> Non-refinancing <input checked="" type="checkbox"/> Refinancing						
	<table border="1"> <tr> <td>An estimate of the share of proceeds for re-financing</td> <td>100%</td> </tr> <tr> <td>Which investments or project portfolios may be refinanced</td> <td>Three green building projects located in Anhui Province and Jiangsu Province. Shinsun intends to equally allocate the net proceeds into these three projects.</td> </tr> <tr> <td>Expected look-back period</td> <td>Two years</td> </tr> </table>	An estimate of the share of proceeds for re-financing	100%	Which investments or project portfolios may be refinanced	Three green building projects located in Anhui Province and Jiangsu Province. Shinsun intends to equally allocate the net proceeds into these three projects.	Expected look-back period	Two years
An estimate of the share of proceeds for re-financing	100%						
Which investments or project portfolios may be refinanced	Three green building projects located in Anhui Province and Jiangsu Province. Shinsun intends to equally allocate the net proceeds into these three projects.						
Expected look-back period	Two years						
<b>Exclusion criteria</b>	<input checked="" type="checkbox"/> Alignment with IFC Exclusion List						

<b>for use of proceeds</b>	<input checked="" type="checkbox"/> Others, please specify: Production or trade in fossil fuel is also excluded.
<b>Legal documentation of the debt instrument</b>	<input checked="" type="checkbox"/> Included use of proceeds information (may be summarized or limited to a reference to the framework) <ul style="list-style-type: none"> <li>Shinsun commits to stating in the legal documentation of this sustainability bond that the gross proceeds will be used in accordance with the Sustainable Finance Framework to refinance its existing indebtedness.</li> </ul>
<b>Potential project list</b>	<input checked="" type="checkbox"/> Expected project total amount exceeds debt instrument issuance size <ul style="list-style-type: none"> <li>Potential project list was provided for reference, there were three green building projects located in Anhui Province and Jiangsu Province. Shinsun intends to equally allocate the net proceeds into these three projects.</li> </ul>
<b>Eligibility criteria</b>	
<b>Eligible Category 1: Green Buildings</b>	
<b>Green Classification</b>	<b>Green Classification:</b> ICMA Green Bond Principles <b>Matched Category:</b> Green Building
<b>Positive environmental contribution</b>	<b>Major related environmental dimensions</b> <ul style="list-style-type: none"> <li>a. Increase resource efficiency (SDG9)</li> <li>b. Live &amp; Prosper Sustainably (SDG11)</li> </ul> <b>Sustainable Development Goal(s) and Target(s)</b> SDG9: Industry, innovation and infrastructure <ul style="list-style-type: none"> <li>➢ Target 9.4: By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities</li> </ul> SDG11: Sustainable cities and communities <ul style="list-style-type: none"> <li>➢ Target 11.b: By 2020, substantially increase the number of cities and human settlements adopting and implementing integrated policies and plans towards inclusion, resource efficiency, mitigation and adaptation to climate change, resilience to disasters, and develop and implement, in line with the Sendai Framework for Disaster Risk Reduction 2015-2030, holistic disaster risk management at all levels</li> </ul>
<b>Positive social contribution</b>	<b>Major social development issues</b> NA <b>Sustainable Development Goal(s) and Target(s)</b> NA
<b>Key performance indicator(s)</b>	<ul style="list-style-type: none"> <li>Type/Number of green building certifications obtained</li> <li>Total floor area of certified green buildings</li> </ul>
<b>Significant environmental and social impact constituted by this type of project activities</b>	<ol style="list-style-type: none"> <li>Investments and expenditures in buildings which meet or expected to meet regional, national or internationally or any equivalent internationally-recognized third-party verified certification scheme: <ul style="list-style-type: none"> <li>China Green Building Evaluation Label with a minimum of 2 Stars</li> </ul> </li> <li>Environmental impact assessment performed by environmental specialists will be conducted at the beginning and upon completion of the projects; stakeholder engagement performed by Shinsun's Investment Team and Investor Relations Team will be conducted before the commencement of projects and during the</li> </ol>

	project lifecycles.
<b>Eligible Category 2: Energy Efficiency</b>	
<b>Green Classification</b>	<b>Green Classification:</b> ICMA Green Bond Principles
	<b>Matched Category:</b> Energy efficiency
<b>Positive environmental contribution</b>	<b>Major related environmental dimensions</b>
	<ul style="list-style-type: none"> <li>a. Boost renewable energy (SDG7)</li> <li>b. Increase resource efficiency (SDG9)</li> </ul>
	<b>Sustainable Development Goal(s) and Target(s)</b>
	<p>SDG7: Affordable and clean energy</p> <ul style="list-style-type: none"> <li>➤ Target 7.3: By 2030, double the global rate of improvement in energy efficiency</li> </ul> <p>SDG9: Industry, innovation and infrastructure</p> <ul style="list-style-type: none"> <li>➤ Target 9.4: By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities</li> </ul>
<b>Positive social contribution</b>	<b>Major social development issues</b>
	NA
	<b>Sustainable Development Goal(s) and Target(s)</b>
NA	
<b>Key performance indicator(s)</b>	<ul style="list-style-type: none"> <li>• Annual energy savings in (MWh for electricity) (GJ for other energy)</li> <li>• Annual GHG emissions reduced/avoided (tonnes of CO<sub>2</sub> equivalent)</li> </ul>
<b>Significant environmental and social impact constituted by this type of project activities</b>	<ol style="list-style-type: none"> <li>1. Investments and expenditures in projects that improve energy efficiency and reduce energy consumption in buildings and facilities by a minimum of 15%, such as but not limited to: <ul style="list-style-type: none"> <li>• Installation/replacement of equipment in buildings such as LED lighting, smart metering, heating ventilation and air conditioning systems</li> </ul> </li> <li>2. Environmental impact assessment performed by environmental specialists will be conducted at the beginning and upon completion of the projects; stakeholder engagement performed by Shinsun's Investment Team and Investor Relations Team will be conducted before the commencement of projects and during the project lifecycles.</li> </ol>
<b>Eligible Category 3: Pollution Prevention and Control</b>	
<b>Green Classification</b>	<b>Green Classification:</b> ICMA Green Bond Principles
	<b>Matched Category:</b> Pollution Prevention and Control
<b>Positive environmental contribution</b>	<b>Major related environmental dimensions</b>
	<ul style="list-style-type: none"> <li>a. Reduce pollution &amp; waste (SDG3)</li> <li>b. Live &amp; Prosper Sustainably (SDG11)</li> <li>c. Increase resource efficiency (SDG12)</li> </ul>
	<b>Sustainable Development Goal(s) and Target(s)</b>
	<p>SDG3: Good health and well-being</p> <ul style="list-style-type: none"> <li>➤ Target 3.9: By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination</li> </ul> <p>SDG11: Sustainable cities and communities</p> <ul style="list-style-type: none"> <li>➤ Target 11.6: By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other</li> </ul>

	<p>waste management</p> <p>SDG12: Sustainable consumption and production</p> <ul style="list-style-type: none"> <li>➢ Target 12.4: By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment</li> <li>➢ Target 12.5: By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse</li> </ul>
<b>Positive social contribution</b>	<b>Major social development issues</b>
	NA
	<b>Sustainable Development Goal(s) and Target(s)</b>
	NA
<b>Key performance indicator(s)</b>	<ul style="list-style-type: none"> <li>• Waste reduced/avoided (tonnes)</li> <li>• Annual GHG emissions reduced/avoided (tonnes of CO<sub>2</sub> equivalent)</li> </ul>
<b>Significant environmental and social impact constituted by this type of project activities</b>	<ol style="list-style-type: none"> <li>1. Investments and expenditures in projects that prevent and reduce waste and pollution, such as but not limited to: <ul style="list-style-type: none"> <li>• Equipment and technologies for reducing resource consumption and pollution emission</li> <li>• Implementing waste sorting and recycling</li> </ul> </li> <li>2. Environmental impact assessment performed by environmental specialists will be conducted at the beginning and upon completion of the projects; stakeholder engagement performed by Shinsun's Investment Team and Investor Relations Team will be conducted before the commencement of projects and during the project lifecycles.</li> </ol>
<b>Eligible Category 4: Sustainable Water and Wastewater Management</b>	
<b>Green Classification</b>	<b>Green Classification:</b> ICMA Green Bond Principles
	<b>Matched Category:</b> Sustainable Water and Wastewater Management
<b>Positive environmental contribution</b>	<b>Major related environmental dimensions</b>
	a. Improve soil & water (SDG6)
	<b>Sustainable Development Goal(s) and Target(s)</b>
	<p>SDG6: Clean Water and Sanitation</p> <ul style="list-style-type: none"> <li>➢ Target 6.1: By 2030, achieve universal and equitable access to safe and affordable drinking water for all</li> <li>➢ Target 6.3: By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally</li> <li>➢ Target 6.4: By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity</li> <li>➢ Target 6.b: Support and strengthen the participation of local communities in</li> </ul>

	improving water and sanitation management
<b>Positive social contribution</b>	<b>Major social development issues</b>
	NA
	<b>Sustainable Development Goal(s) and Target(s)</b>
	NA
<b>Key performance indicator(s)</b>	<ul style="list-style-type: none"> <li>Annual absolute (gross) water use before and after the project in m<sup>3</sup> p.a., reduction in water use in %</li> <li>Annual absolute (gross) amount of wastewater treated, reused or avoided before and after the project in m<sup>3</sup> p.a. and as %</li> </ul>
<b>Significant environmental and social impact constituted by this type of project activities</b>	<ol style="list-style-type: none"> <li>Installation of rainwater collection systems, water conservation systems, water recycling and treatment systems</li> <li>Environmental impact assessment performed by environmental specialists will be conducted at the beginning and upon completion of the projects; stakeholder engagement performed by Shinsun's Investment Team and Investor Relations Team will be conducted before the commencement of projects and during the project lifecycles.</li> </ol>
<b>Eligible Category 5: Climate Change Adaptation</b>	
<b>Green Classification</b>	<b>Green Classification:</b> ICMA Green Bond Principles
	<b>Matched Category:</b> Climate Change Adaptation
<b>Positive environmental contribution</b>	<b>Major related environmental dimensions</b>
	<ol style="list-style-type: none"> <li>Live &amp; Prosper Sustainably (SDG1)</li> <li>Cobalt climate change (SDG13)</li> </ol>
	<b>Sustainable Development Goal(s) and Target(s)</b>
	<p>SDG1: No Poverty</p> <ul style="list-style-type: none"> <li>Target 1.5: By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters.</li> </ul> <p>SDG13: Climate Action</p> <ul style="list-style-type: none"> <li>Target 13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries</li> <li>Target 13.2: Integrate climate change measures into national policies, strategies and planning</li> </ul>
<b>Positive social contribution</b>	<b>Major social development issues</b>
	NA
	<b>Sustainable Development Goal(s) and Target(s)</b>
	NA
<b>Key performance indicator(s)</b>	<ul style="list-style-type: none"> <li>Area covered by "sponge city-related" projects in km<sup>2</sup></li> <li>Number of people benefitted from reduced flood risk and associated benefits of "sponge city-related" projects</li> </ul>
<b>Significant environmental and social impact constituted by this type of</b>	<ol style="list-style-type: none"> <li>Investments to develop "sponge cities" that aim to reduce flood risk and replenish groundwater</li> <li>Environmental impact assessment performed by environmental specialists will be conducted at the beginning and upon completion of the projects; stakeholder engagement performed by Shinsun's Investment Team and Investor Relations</li> </ol>

<b>project activities</b>	Team will be conducted before the commencement of projects and during the project lifecycles.
<b>Eligible Category 6: Renewable Energy</b>	
<b>Green Classification</b>	<b>Green Classification:</b> ICMA Green Bond Principles
	<b>Matched Category:</b> Renewable Energy
<b>Positive environmental contribution</b>	<b>Major related environmental dimensions</b>
	a. Boost renewable energy (SDG7) b. Increase resource efficiency (SDG9)
	<b>Sustainable Development Goal(s) and Target(s)</b>
	SDG7: Affordable and clean energy  ➤ Target 7.2: By 2030, increase substantially the share of renewable energy in the global energy mix  SDG9: Industry, innovation and infrastructure  ➤ Target 9.1: Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all
<b>Positive social contribution</b>	<b>Major social development issues</b>
	NA
	<b>Sustainable Development Goal(s) and Target(s)</b>
NA	
<b>Key performance indicator(s)</b>	<ul style="list-style-type: none"> <li>Annual renewable energy generation (MWh for electricity) (GJ for other energy)</li> <li>Annual GHG emissions reduced/avoided (tonnes of CO<sub>2</sub> equivalent)</li> </ul>
<b>Significant environmental and social impact constituted by this type of project activities</b>	<ol style="list-style-type: none"> <li>Investments and expenditures in renewable energy generation projects and related infrastructure, including but not limited to: <ul style="list-style-type: none"> <li>Solar photovoltaic</li> <li>Solar hot water</li> </ul> </li> <li>Environmental impact assessment performed by environmental specialists will be conducted at the beginning and upon completion of the projects; stakeholder engagement performed by Shinsun's Investment Team and Investor Relations Team will be conducted before the commencement of projects and during the project lifecycles.</li> </ol>
<b>Eligible Category 7: Environmentally Sustainable Management of Living Natural Resources and Land Use</b>	
<b>Green Classification</b>	<b>Green Classification:</b> ICMA Green Bond Principles
	<b>Matched Category:</b> Environmentally Sustainable Management of Living Natural Resources and Land Use
<b>Positive environmental contribution</b>	<b>Major related environmental dimensions</b>
	a. Live & Prosper Sustainably (SDG11) b. Healthy ecosystems (SDG15)
	<b>Sustainable Development Goal(s) and Target(s)</b>
	SDG11: Sustainable cities and communities  ➤ Target 11.7: By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities

	<ul style="list-style-type: none"> <li>➤ Target 11.a: Support positive economic, social and environmental links between urban, per-urban and rural areas by strengthening national and regional development planning</li> </ul> <p>SDG15: Life on Land</p> <ul style="list-style-type: none"> <li>➤ Target 15.7: Take urgent action to end poaching and trafficking of protected species of flora and fauna and address both demand and supply of illegal wildlife products</li> <li>➤ Target 15.a: Mobilize and significantly increase financial resources from all sources to conserve and sustainably use biodiversity and ecosystems</li> <li>➤ Target 15.c: Enhance global support for efforts to combat poaching and trafficking of protected species, including by increasing the capacity of local communities to pursue sustainable livelihood opportunities</li> </ul>
<b>Positive social contribution</b>	<b>Major social development issues</b>
	NA
<b>Positive social contribution</b>	<b>Sustainable Development Goal(s) and Target(s)</b>
	NA
<b>Key performance indicator(s)</b>	<ul style="list-style-type: none"> <li>• Area of green landscape conserved/enhanced/created in km<sup>2</sup></li> </ul>
<b>Significant environmental and social impact constituted by this type of project activities</b>	<ol style="list-style-type: none"> <li>1. Investments and expenditures in greening of landscapes and preservation or restoration of natural landscapes, such as but not limited to: <ul style="list-style-type: none"> <li>• Creating and enhancing urban green space</li> </ul> </li> <li>2. Environmental impact assessment performed by environmental specialists will be conducted at the beginning and upon completion of the projects; stakeholder engagement performed by Shinsun's Investment Team and Investor Relations Team will be conducted before the commencement of projects and during the project lifecycles.</li> </ol>
<b>Eligible Category 8: Clean Transportation</b>	
<b>Green Classification</b>	<b>Green Classification:</b> ICMA Green Bond Principles
	<b>Matched Category:</b> Clean Transportation
<b>Positive environmental contribution</b>	<b>Major related environmental dimensions</b>
	a. Live & Prosper Sustainably (SDG11)
	<b>Sustainable Development Goal(s) and Target(s)</b>
	<p>SDG11: Sustainable cities and communities</p> <ul style="list-style-type: none"> <li>➤ Target 11.2: By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons</li> </ul>
<b>Positive social contribution</b>	<b>Major social development issues</b>
	NA
	<b>Sustainable Development Goal(s) and Target(s)</b>
	NA
<b>Key performance</b>	<ul style="list-style-type: none"> <li>• Number of electric vehicles/charging stations built</li> </ul>

indicator(s)	<ul style="list-style-type: none"> <li>Annual GHG emissions reduced/avoided (tonnes of CO<sub>2</sub> equivalent)</li> </ul>
Significant environmental and social impact constituted by this type of project activities	<ol style="list-style-type: none"> <li>Investments and expenditures in electric vehicles and related infrastructure, including but not limited to: <ul style="list-style-type: none"> <li>Installation of charging facilities for electric vehicles</li> </ul> </li> <li>Environmental impact assessment performed by environmental specialists will be conducted at the beginning and upon completion of the projects; stakeholder engagement performed by Shinsun's Investment Team and Investor Relations Team will be conducted before the commencement of projects and during the project lifecycles.</li> </ol>
<b>Eligible Category 9: Indemnificatory Housing</b>	
Social Classification	<b>Social Classification:</b> ICMA Social Bond Principles
	<b>Matched Category:</b> Affordable Housing
Positive environmental contribution	<b>Major related environmental dimensions</b>
	NA
	<b>Sustainable Development Goal(s) and Target(s)</b>
	NA
Positive social contribution	<b>Major social development issues</b>
	<ol style="list-style-type: none"> <li>Poverty</li> <li>Social Inclusion</li> </ol>
	<b>Sustainable Development Goal(s) and Target(s)</b>
	SDG1: No Poverty <ul style="list-style-type: none"> <li>Target 1.4: By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance</li> </ul> SDG11: Sustainable cities and communities <ul style="list-style-type: none"> <li>Target 11.1 By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums</li> </ul>
Key performance indicator(s)	<ul style="list-style-type: none"> <li>Number of housing units constructed</li> <li>Number of individuals/households benefitted</li> </ul>
Significant environmental and social impact constituted by this type of project activities	<ol style="list-style-type: none"> <li>Investments and expenditures in projects that provide indemnificatory housing for the general public and vulnerable groups in accordance with local government and regulatory definitions such as public rental housing</li> <li>Environmental impact assessment performed by environmental specialists will be conducted at the beginning and upon completion of the projects; stakeholder engagement performed by Shinsun's Investment Team and Investor Relations Team will be conducted before the commencement of projects and during the project lifecycles.</li> </ol>
<b>Eligible Category 10: Access to Essential Services</b>	
Social Classification	<b>Social Classification:</b> ICMA Social Bond Principles
	<b>Matched Category:</b> Access to Essential Services
Positive	<b>Major related environmental dimensions</b>

<b>environmental contribution</b>	NA
	<b>Sustainable Development Goal(s) and Target(s)</b>
	NA
<b>Positive social contribution</b>	<b>Major social development issues</b>
	a. Civil Society b. Social Inclusion
	<b>Sustainable Development Goal(s) and Target(s)</b>
	SDG4: Quality Education  <ul style="list-style-type: none"> <li>➤ Target 4.1: By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning</li> <li>➤ Target 4.2: By 2030, ensure that all girls and boys have access to quality early childhood development, care and pre-primary education so that they are ready for primary education</li> <li>➤ Target 4.3: By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university</li> <li>➤ Target 4.5: By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations</li> <li>➤ Target 4.6: By 2030, ensure that all youth and a substantial proportion of adults, both men and women, achieve literacy and numeracy</li> </ul>
<b>Key performance indicator(s)</b>	<ul style="list-style-type: none"> <li>• Number of education and training devices/facilities deployed</li> <li>• Number of individuals/households benefitted</li> </ul>
<b>Significant environmental and social impact constituted by this type of project activities</b>	<ol style="list-style-type: none"> <li>1. Investment and expenditures in projects to develop education and training facilities in targeted communities for general public or vulnerable groups</li> <li>2. Environmental impact assessment performed by environmental specialists will be conducted at the beginning and upon completion of the projects; stakeholder engagement performed by Shinsun's Investment Team and Investor Relations Team will be conducted before the commencement of projects and during the project lifecycles.</li> </ol>
<b>Process of Evaluation and Selection</b>	
<b>Process for evaluating and selecting eligible projects, assets or activities</b>	<p>Representatives from Shinsun's Property Management, Sustainability, Treasury, Investor Relations and Legal departments will form a <b>Sustainable Finance Working Group (SFWG)</b>; an external environmental specialist will be appointed in the project evaluation and selection process when it is deemed necessary.</p> <p>Potential projects will be shortlisted by Property Management team and presented to the SFWG for review and approval according to the criteria defined in the Framework. The list of Eligible Projects will be reviewed annually and projects will be removed (and replaced as soon as practicable) if they no longer meet the criteria.</p>
<b>Green Classification (delete if not applicable)</b>	<input checked="" type="checkbox"/> <b>Selected from List of acceptable green classifications:</b> <input checked="" type="checkbox"/> ICMA Green Bond Principles <input type="checkbox"/> LMA Green Loan Principles <input type="checkbox"/> ISO 14030-3 <input type="checkbox"/> EU Final TEG report for Sustainable Finance Classification <input type="checkbox"/> China Guiding Catalogue for the Green Industry <input type="checkbox"/> China Green Bond Endorsed Projects Catalogue

	<input type="checkbox"/> HKQAA – Green Project Classification <input type="checkbox"/> Other globally or nationally recognized green classification, <i>please specify</i> :
	<input type="checkbox"/> <b>Not included in list of acceptable green classifications and will be examined via Red Track.</b>
	Not Applicable
	<input type="checkbox"/> <b>Not conforming to any classification, conducted eligibility process test.</b>
	Not Applicable
<b>Social Classification (delete if not applicable)</b>	<input checked="" type="checkbox"/> <b>Selected from List of acceptable social classifications:</b> <input checked="" type="checkbox"/> ICMA Social Bond Principles <input type="checkbox"/> Other globally or nationally recognized social classification, <i>please specify</i> :
	<input type="checkbox"/> <b>Not included in list of acceptable social classifications and will be examined via Red Track.</b>
	Not Applicable
	<input type="checkbox"/> <b>Not conforming to any classification, conducted eligibility process test.</b>
	Not Applicable
<b>Eligible expense</b>	<input checked="" type="checkbox"/> Capital expenditure <input checked="" type="checkbox"/> Operating expenditure <input checked="" type="checkbox"/> Maintenance costs related to eligible assets <input checked="" type="checkbox"/> R&D costs <input type="checkbox"/> Others, please specify: <input type="checkbox"/> Others, e.g. physical assets and financial assets <input type="checkbox"/> Not specified
<b>Management of Proceeds</b>	
<b>Process for tracking net proceeds</b>	The proceeds from the issuance of this sustainability bond will be managed by Finance department with oversight by the SFWG. Internal qualified accountants in Finance department will verify the amount of proceeds allocated to eligible projects and that earmarking of proceeds is maintained. Shinsun will track the allocation of proceeds to eligible projects within its internal management system including descriptions of the projects, the regions in which the projects are located, and the amount of proceeds allocated to the projects.
<b>Intended type of temporary investment instruments</b>	Shinsun commits to stating in the legal documentation of the bond that proceeds pending allocation will be invested in temporary cash investments. Shinsun commits not to investing unallocated proceeds to any high pollution activities or any projects that are in conflict with the eligibility criteria under the Framework.
<b>Reporting</b>	
<b>Reporting prior to issuance</b>	<b>Available to:</b> <input checked="" type="checkbox"/> Potential investor/lender <input checked="" type="checkbox"/> Public  Shinsun claims that an external reviewer has been engaged to provide Second Party Opinion on the Framework. As confirmed by Shinsun, the external review report and the framework will be published on its company website at <a href="http://www.shinsunholdings.com/inv_jbzl.html">http://www.shinsunholdings.com/inv_jbzl.html</a> on the same date when the bond issuance is announced.

<b>Allocation reporting</b>	<p><b>Available to:</b></p> <p><input type="checkbox"/> Potential investor/lender  <input checked="" type="checkbox"/> Public  <input type="checkbox"/> Others, please specify</p> <p><b>Reporting frequency:</b></p> <p><input checked="" type="checkbox"/> At least annually until full allocation, and on a timely basis in the event of material development;  <input type="checkbox"/> At least annually while the loan remains outstanding, and on a timely basis in case of material developments;  <input type="checkbox"/> Others, please specify</p> <p><b>Method to disclose information:</b></p> <p><input checked="" type="checkbox"/> Company Website  <input type="checkbox"/> Green Finance Report  <input type="checkbox"/> Others, please specify</p> <p><b>Content of reporting:</b></p> <p><input checked="" type="checkbox"/> A list of eligible projects, assets or activities, and the amount of proceeds or an amount equivalent to the net proceeds allocated to each eligible project or project category;  <input checked="" type="checkbox"/> Confirmation that the eligible projects, assets and activities continue to meet the relevant eligibility requirements;  <input checked="" type="checkbox"/> The geographical distribution of eligible projects, assets or activities;  <input checked="" type="checkbox"/> The timing of allocation and any re-allocation of proceeds or an amount equivalent to the net proceeds for each eligible project, asset and activity;  <input checked="" type="checkbox"/> An estimate of the share of the net proceeds used for financing and refinancing, and which eligible green projects, assets and activities have been refinanced. This may also include the expected lookback period for refinancing eligible green projects, assets and activities;  <input checked="" type="checkbox"/> Status and details regarding unallocated proceeds;  <input type="checkbox"/> Others, please specify</p>
<b>Impact reporting</b>	<p><b>Available to:</b></p> <p><input type="checkbox"/> Potential investor/lender  <input checked="" type="checkbox"/> Public  <input type="checkbox"/> Others, please specify</p> <p><b>Reporting frequency:</b></p> <p><input type="checkbox"/> At least once during the lifetime of the debt instrument after full allocation and thereafter, in case of material developments  <input checked="" type="checkbox"/> At least annually while the debt instrument remains outstanding, and on a timely basis in case of material developments  <input type="checkbox"/> Others, please specify</p> <p><b>Method to disclose information:</b></p> <p><input checked="" type="checkbox"/> Company Website  <input type="checkbox"/> Green Finance Report  <input type="checkbox"/> Others, please specify</p> <p><b>Type of impact reporting:</b></p> <p><input type="checkbox"/> Ex-ante impact  <input type="checkbox"/> Ex-post impact  <input checked="" type="checkbox"/> Ex-ante or ex-post impact</p> <p><b>Content of reporting:</b></p> <p><input checked="" type="checkbox"/> Provide the expected or actual outcomes or impacts of the eligible projects, assets and</p>

	<p>activities with respect to objectives of the debt instrument</p> <p><input checked="" type="checkbox"/> Qualitative performance indicators of the outcomes or impacts</p> <p><input checked="" type="checkbox"/> Quantitative performance measures of the outcomes or impacts</p> <p><input checked="" type="checkbox"/> The methods and the key underlying assumptions used in preparation of the performance indicators and metrics</p> <p><input type="checkbox"/> Others, please specify</p>
<p><b>External assurance</b></p>	<p><b>Verification for:</b></p> <p><input type="checkbox"/> Each allocation report</p> <p><input type="checkbox"/> Each impact report</p> <p><input checked="" type="checkbox"/> Others, please specify: <u>Proceeds allocation will be internally verified by qualified accountant in Finance department; impact reporting will also be stated in the ESG Report, for which external assurance would be sought.</u></p> <p><b>Verification report available to:</b></p> <p><input type="checkbox"/> External verification report will be available to potential investor/ lender</p> <p><input checked="" type="checkbox"/> External verification report will be available to public</p>
<p><b>Project Monitoring</b></p>	
<p><b>Performance monitoring and measurement</b></p>	<p>The SFWG will be responsible for monitoring and measuring of the performance of eligible projects annually. Shinsun commits to monitoring project performance by measuring environmental and/or social impact according to the relevant indicators as suggested in the ICMA Harmonized Framework for Impact Reporting. The monitoring and measuring data will be reviewed by different departments and Shinsun commits to adherence to its internal guidelines to ensure data integrity.</p>
<p><b>Impact Assessment</b></p>	
<p><b>Impact assessment</b></p>	<p>Shinsun will engage external environmental specialist(s) to conduct impact assessment at the beginning and at the end of the projects. Impact assessment will be conducted in accordance with, subject to data availability and confidentiality, national and international (e.g. the ICMA Harmonized Framework) standards. The Investment team and SFWG will work together on formulating migration measures to manage the risk and negative impact identified.</p>
<p><b>Stakeholder Engagement</b></p>	
<p><b>Stakeholder engagement</b></p>	<p>The Investment and Investor Relations teams will be responsible for conducting stakeholder engagement before commencement and during the lifecycle of the eligible projects.</p> <p>Shinsun has established a mechanism to facilitate communication with stakeholder as mentioned in the draft ESG Report 2020; this mechanism will also be applied to conducting stakeholder engagement for eligible projects.</p> <p>Shinsun has identified stakeholders as government and regulatory bodies, employees, customers, contractors, neighborhoods and shareholders. Two-way communication channels, such as surveys, mailboxes, hotlines, emails, public activities, direct communication and phone calls, are established to collect comments, feedback and concerns from the stakeholders. Information obtained will be gathered to the Investment team for classification by nature of the information. The Investment team and SFWG will work together on formulating migration measures to address the risk and negative impact identified and response accordingly. Records concerning the results of stakeholder engagement, including summary of the engagement, identified stakeholders, engagement method, feedback collected and relevant responds will be retained by Shinsun.</p>

**Remarks:**

Item	Reference
<b>Positive environmental contribution</b>	<p>The list of targets linked to environment is available on UNEP's website: <a href="https://www.unep.org/explore-topics/sustainable-development-goals/about-sustainable-development-goals">https://www.unep.org/explore-topics/sustainable-development-goals/about-sustainable-development-goals</a></p> <p>Environmental dimensions of sustainable development are available at UNEP Annual Report 2015: <a href="https://www.unep.org/annualreport/2015/en/index.html">https://www.unep.org/annualreport/2015/en/index.html</a> They include: Healthy ecosystems, Improve soil &amp; water, Safeguard the oceans, Govern the environment, Reduce pollution &amp; waste, Boost renewable energy, Increase resource efficiency, Live &amp; prosper sustainably, Combat climate change.</p>
<b>Positive social contribution</b>	<p>The linkage for SDGs and Social development issues available at: <a href="https://www.un.org/development/desa/dspd/2030agenda-sdgs.html">https://www.un.org/development/desa/dspd/2030agenda-sdgs.html</a></p> <p>Social development issues includes: Ageing, Civil Society, Cooperatives, Disability, Employment, Family, Indigenous Peoples, Poverty, Social Inclusion, Youth.</p>