



## **Green Bond Framework**

**for**

**Jinko Power Technology Co., Ltd.**

June 2022

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## **1. Introduction of Jinko Power Technology and its Green Growth Strategy**

As a leading clean energy supplier and service provider, Jinko Power Technology Co., Ltd. (601778.SH) (“Jinko Power Technology”, “Jinko Power” or the “Company”), with the mission of “changing the energy structure and taking responsibility for the future”, is engaged in three major sectors: power plant development, power plant services, and energy services, covering PV power generation project investment, development, operation, power plant asset management and transfer transactions, EPC, smart O&M and life-cycle entrusted management of power plants, distributed energy contract management, incremental distribution grid, power sales, green power supply for parks, PV + storage off-grid services, PV + multi-energy integrated energy services, etc.

The company’s main business includes PV power plant operation, transactions of PV power station and PV power plant EPC business. The company is engaged in the development, investment, construction, operation, management and transfer transactions of PV power plant, as well as EPC project contracting and providing integrated solutions for power plant operation, etc. PV power plant operation has been the core business of the company since its establishment. The PV power plant projects developed by the company include Pacemaker PV power plants, ground-mounted solar power plants (including “agriculture-complementary solar power plants”, “fishery complementary power plants”, “forest-complementary power plants and others etc.), rooftop distribution power plants and so on. Through PV power plant operation and management, the company has accumulated abundant experience in all aspects of the PV power plant construction. The company’s business expansion gradually covered EPC services, covering project contracting, procurement and supply of full sets of equipment, comprehensive solutions of PV power plants, etc. In order to take full advantage of the company’s rich experience

and strength in the development, operation and EPC of PV power plants, the company further extends to PV power plant transfer transactions.

As a leading global provider of clean energy services, the Company is committed to using its expertise to solve the society's energy and environmental problems and to address global resource scarcity and climate change mitigation by providing a constant flow of clean energy to the society. We have always been mindful of our mission to "change the energy structure and take responsibility for the future", and we are able and willing to drive changes in the world of energy. With such a simple vision, the Jinko is dedicated to helping to achieve the goal of zero carbon emissions and to make the world we live in more livable.

China has pledged to the United Nations to peak its carbon dioxide emissions by 2030 and become carbon-neutral by 2060. Jinko's simple desire is to change the energy structure and take responsibility for the future. We are committed to zero-carbon clean PV energy production and supply, and are responding positively to the promotion of China's 2030 and 2060 sustainable development goals. Since the connection of its first PV plant to the grid, Jinko Power has cumulatively produced 21 billion kWh of clean electricity and reduced carbon emissions by 17.5 million tons, equivalent to planting 820,000 trees. The grid-connected installed capacity of Jinko Power's PV power plants is nearly 3 GW, and the annual power generation is nearly 3.4 billion kWh; Jinko's experience in PV EPC business is more than 3,000 MW, including more than 210 MW of PV poverty alleviation projects, having helped more than 42,000 poor households in total. Relying on its efficient power plant construction and strength in O&M, Jinko Power will keep on developing more replicable and popularized high-quality poverty alleviation projects throughout China, so that PV poverty alleviation can benefit more poor areas and poor families and help to achieve carbon neutrality as soon as possible.

## **2. Purposes**

This Green Bond Framework for Jinko Power Technology Co., Ltd. (the “Framework”) has been developed as guidelines for the Company to issue green bonds in accordance with principles for international capital markets and eligible assets / projects and the local professional standards. It helps the Company to fund new and existing projects with environmental benefits to fully extend Company’s sustainable finance practices, to actively fulfill our environmental responsibilities and to support the development of green finance.

## **3. Management Representations**

The issuance of green bonds is in line with the Green Bond Principles of the International Capital Market Association (ICMA) (“ICMA GBP 2021”). For each Green Bond, the senior management of the Company commit to follow key principles as below:

- I. Disclose the eligible projects and classifications of assets in accordance with Use of Proceeds
- II. Establish a well-developed and conservative internal control process in accordance with Project Evaluation and Selection
- III. Establish appropriate tracking procedures in accordance with Management of Proceeds
- IV. Disclose at least annually the use of proceeds and the environmental enhancement of the eligible assets / projects in accordance with Reporting

**4. Framework Overview**

This Framework provides guidelines for the Company to issue green bonds which will be used for the financing or refinancing of eligible assets / projects with environmental or social benefits, so as to extend the Company’s practices and its social responsibility, and to contribute to the sustainable development of the economy, society and environment.

The Company commits that for the issuance of green bonds under this Framework, the following key principles will be adopted:

- I. Use of Proceeds
- II. Project Evaluation and Selection
- III. Management of Proceeds, and
- IV. Reporting

**4.1 Use of Proceeds**

For each bond issued under this Framework, the net proceeds will be used exclusively for the financing and/or refinancing of assets or projects that meet the eligibility criteria as specified below but are not listed in Exclusions, accordingly: Green bond proceeds should be used exclusively for eligible green projects (“Eligible Green Projects”) as defined in 4.1.1

**4.1.1 Green Eligible Categories**

<b>Eligible Green Projects Categories</b>	<b>Key Contribution to Sustainable Development</b>	<b>Eligibility Criteria and Examples</b>
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	Goals Categories	
Renewable Energy		<ul style="list-style-type: none"> <li>• Generation and transmission of energy from renewable energy sources</li> <li>• Construction, operation and maintenance of renewable energy plants</li> </ul> <p>Examples include but are not limited to wind power, photovoltaic power, solar thermal utilization, hydropower, biomass energy, renewable energy promotion projects and the utilizations of other renewable energy (the utilizations of geothermal energy, ocean energy, air source heat energy and other renewable energy sources)</p>
Energy Efficiency		<ul style="list-style-type: none"> <li>• Infrastructure construction with energy saving and emission reduction</li> <li>• Application of energy conservation and emission reduction technologies; construction of green manufacturing systems;</li> </ul>

		<p>technological transformation and upgrading in traditional manufacturing sectors which can achieve an energy efficiency improvement of at least 15 percent</p>
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#### 4.1.2 Exclusions

The following sectors will be excluded from Eligible Green Project categories and Eligible Social Eligible categories:

- Sectors which are prohibited by laws and regulations in China, such as child labor, gambling industry, adult entertainment and corporations which are in association with illegal activities
- Luxury sectors such as precious metals, artworks & antiques and golf course services
- Distillation, rectification and mixed alcoholic beverages
- Production and trade of tobacco and tobacco products
- Hydro power with installed capacity >20MW
- Biomass which is suitable for food sources
- Mining and quarrying
- All fossil fuel-related assets and activities, such as clean coal projects and rail projects carrying fossil fuels
- Energy saving and emission reduction projects in heavy industries
- Nuclear energy and nuclear related assets

- Weapon and ammunition
- Army vehicles leasing and operation
- Businesses or activities which are related to the production, distribution and storage of hazardous chemicals and radioactive substances
- Commercial lumbering in primary tropical rainforest
- Unsustainable forest wood production and trade

## **4.2 Process of project evaluation and selection**

4.2.1 The Finance Department of the Company is in charge of strategic planning for the Company's green finance, making development framework and eligible projects related work. The Finance Department will solicit opinions from various business departments of the Company, and conduct preliminary selection of projects according to the Eligibility Criteria of the Framework, by considering different factors including but not limited to sector, geography, asset type, and outstanding loan amount, etc. Such list of preliminary assets will each be tagged as "Eligible Projects" according to principles including prioritizing project loans and new projects, forming an "Eligible Project List".

4.2.2 The Finance Department will prepare the relevant lists of documents for the Eligible Project List, and initiate document review and site visits.

4.2.3 The Finance Department will annually review the Eligible Green Projects financed, and on a timely basis, make replacement and addition as necessary, to ensure the full amount of proceeds are allocated to Eligible Green Projects.

### **4.3 Management of Proceeds**

The Company commits to spend all the funds raised by the issuance of green bonds on eligible projects and assets as soon as possible after closing. The proceeds of each green bond will be deposited in the general funding accounts of the Company and earmarked for allocation towards the Eligible Green Projects by the Finance Department according to the progress of the projects. During the outstanding period of each green bond, the Finance Department will dynamically manage the proceeds.

The Finance Department will set up project management ledgers for eligible projects, and is responsible for regularly and on a timely basis, summarizing the update of project information in the ledgers. If a material event occurred to an Eligible Project during the bond tenor, the relevant line department will decide on a remediation plan with the Finance Department; if there are no material changes, the relevant line department will provide updated information on Eligible Projects to the Finance Department on an annual basis. The ledger will include the following information:

#### **4.3.1 Transactions Information**

The ledger(s) will include but not limited to the following information: transaction date, amount of (net) proceeds, maturity date, coupon, bond type, pricing date and ISIN code etc.

#### **4.3.2 Proceeds Allocation Information**

The ledger(s) will include the following information on the allocation of proceeds of all green bonds:

- Project briefing of various Eligible Green Projects allocated
- Amounts allocated to the various Eligible Green Projects
- Amount of unallocated proceeds
- Use of unallocated proceeds

Any proceeds which are temporarily unallocated to Eligible Green Projects will be held in cash by the Finance Department or invested in money market instruments with good market liquidity, and will be managed in accordance with the Finance Department’s funds management policy.

**4.4 Reporting**

The Company will publish annual reporting regarding the proceed allocation of its green bond(s), until the proceeds are fully allocated. The reporting will provide the following information:

4.4.1 Disclosure on allocation of proceeds

The Company will provide the following information regarding the use of proceeds of its green bond(s):

- Allocation amount by Eligible Green Project category
- Amount of proceeds to be allocated, and its temporary treatment
- Allocation amount by geographical distribution
- Examples of eligible projects, subject to confidentiality

4.4.2 Disclosure on the relevant environmental and social benefits

The Company commits to disclose the environmental and/or social benefits of the Eligible Green Projects financed. The Company will disclose such information based on the following examples of impact indicators:

<b>Eligible Green Project Categories</b>	<b>Examples of Environmental Impact Indicators</b>
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Renewable Energy	<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> <li>• Capacity of renewable energy plant(s) constructed or rehabilitated (MW)</li> </ul>
Energy Efficiency	<ul style="list-style-type: none"> <li>• Annual energy savings (MWh for electricity) (GJ for other energy)</li> <li>• Annual GHG emissions reduced/avoided (tonnes of CO<sub>2</sub> equivalent)</li> </ul>

The Company will publish the “Green, Social and Sustainability Bond Report for Jinko Power Technology Co., Ltd.”, and disclose the above information through channels including the Company’s official website <http://www.jinkopower.com/>, in addition to annual reports and CSR Reports.

## 5. External Review

Pre-issuance, the Company will engage an independent third party with qualification to verify the environmental and social aspects of each green bond, and to conduct pre-issuance verification accordingly.

Post-issuance, the Company will engage an independent third party to conduct post-issuance verification. The relevant reports will be published on the Company’s official website <http://www.jinkopower.com/>