

## Independent Limited Assurance Statement of CGNPC International Limited's 2019 Green Finance

### To the Directors of CGNPC International Limited

We were engaged by CGNPC International Limited (the "Company") and CGN Energy International Holdings Co., Limited (the "CGNEI") to provide limited assurance over the Company's *Green Financing Management Statement* to conclude whether as of 17 June 2019:

- The use of the proceeds, as described in the Company's *Green Financing Management Statement*, is in accordance with the "Use of Proceeds" requirements of the *Green Bond Principles 2018* and the *Green Loan Principles*;
- The Policies and Internal Controls (including project evaluation and selection, management of proceeds, and reporting), are in accordance with the requirements of the *Green Bond Principles 2018* and the *Green Loan Principles*.

### Applicable Criteria

The applicable criteria is the *Green Bond Principles 2018* and the *Green Loan Principles* published by the International Capital Market Association (ICMA)

### Company's Responsibilities

The directors of the Company are responsible for:

- Preparation, presentation and implementation of the Use of Proceeds of the *Green Financing Management Statement* in accordance with the "Use of Proceeds" requirements of the *Green Bond Principles 2018* and the *Green Loan Principles*;
- Preparation, presentation and implementation of the Policies and Internal Controls (including project evaluation and selection, management of proceeds, and reporting) described in the *Green Financing Management Statement*, and the suitable design of controls, to meet the requirements of the *Green Bond Principles 2018* and the *Green Loan Principles*;
- Establishing appropriate risk management and internal controls relevant to the collection, preparation and presentation of the *Green Financing Management Statement* is free from material misstatement, whether due to fraud or error.

### Our Responsibilities

Our responsibility is to express our limited assurance conclusion in relation to the Use of the Proceeds and the Policies and Internal Controls (including project evaluation and

selection, management of proceeds, and reporting) as declared in the Company's *Green Financing Management Statement*, and issue an independent limited assurance report.

### **Our Independence and Quality Control**

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the International Ethics Standards Board for Accountants. Our firm applies *International Standard on Quality Control 1* and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Basis of Our Work**

We conducted our assurance engagement in accordance with the *International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historic Financial Information* (the "ISAE3000") issued by International Auditing and Assurance Standards Board, which requires the assurance team to have relevant knowledge, skills and expertise to understand and review the report information. We planned and performed our work to obtain all the information and explanations that we considered necessary in order to provide sufficient evidence to form conclusions.

Our procedures performed include interviewing with Company's personnel responsible for collection, preparation and presentation of the *Green Financing Management Statement*, reviewing relevant supporting documents, analyzing the information obtained, and other procedures relevant to the collection of appropriate review evidence. Specifically the procedures include:

- Assessing the appropriateness of the eligible criteria established by Company for the use of proceeds;
- Conducting interviews with management and key staff responsible for the Green Bond process and Green Loan process to obtain an understanding of the policies, processes and internal controls in place for the project evaluation and selection, management of proceeds, and reporting;
- Checking documentation which supports the policies, processes and internal controls in place for the project evaluation and selection, management of proceeds, and reporting;
- Checking documentation of the nominated projects to assess the eligibility of the nominated projects;
- Checking the project-related materials and environmental benefit evaluation tools, reviewing the environmental benefit calculation process, to assess the environmental benefits of the nominated projects;
- Reviewing the *Green Financing Management Statement* to confirm whether it reflects the actual situation at the green bond pre-issuance stage and before borrowing the green loan.

### **Limitations of Our Work**

Processes conducted in the limited assurance and the scope of this engagement are less than that of reasonable assurance. Our assurance work and report will not express an opinion on the effectiveness and performance of Company's management system and procedure.

Our assurance was limited to Company's 2019 Green Financing Instrument, and did not include statutory financial statements. Our assurance was limited to policies and procedure in place as of 17 June 2019, before the issuance of Company's 2019 Green Bond and borrowing the Green Loans.

### **Conclusions**

- Subject to the limitation of our work, and the work performed and described in the *Independent Limited Assurance Statement*, nothing has come to our attention that would cause us to believe that the Use of Proceeds, described in the *Green Financing Management Statement* is not in accordance with the "Use of Proceeds" requirements of the *Green Bond Principles 2018* and the *Green Loan Principles*;
- Subject to the limitation of our work, and the work performed and described in the *Independent Limited Assurance Statement*, nothing has come to our attention that would cause us to believe that the Policies and Internal Controls (including project evaluation and selection, management of proceeds, and reporting), are not in accordance with the requirements of the *Green Bond Principles 2018* and the *Green Loan Principles*.

### **Restriction on Use**

Our work has been undertaken to enable us to express a limited assurance conclusion in accordance with the terms of our engagement agreed with the directors of the Company and CGNEI, and for no other purpose. We do not accept or assume liability to any party other than the Company and CGNEI for our work, for this report, or for the conclusion we have reached.

*Deloitte Touche Tohmatsu Certified Public Accountants LLP*

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17 June, 2019