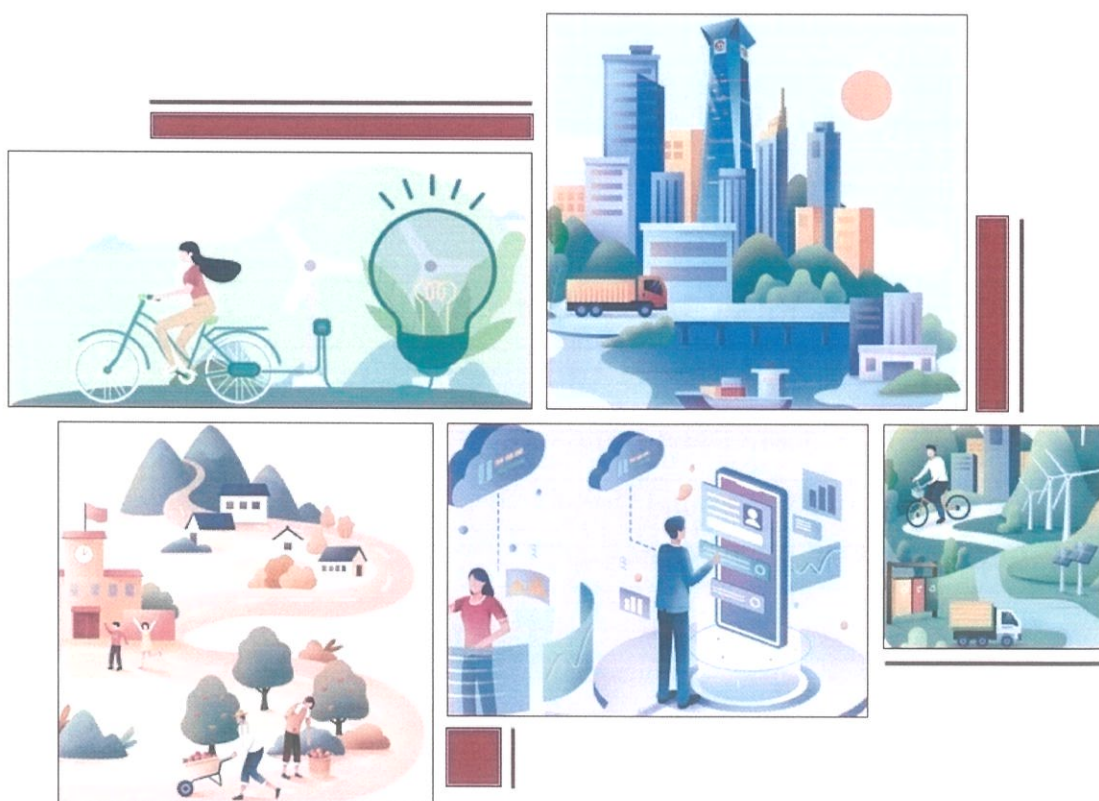




## Annual Report on China Merchants Bank's Sustainability

### Series Bonds



招商銀行股份有限公司

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## 1. Introduction

**In 2024**, China Merchants Bank Co., Ltd. ("CMB" or the "Bank") continued with the efforts of protecting environment and making contribution to ecological civilization. CMB strives to extend our corporate social responsibility practices and our core value of "Taking root in the society and giving back to the society", and to contribute to the sustainable development of the economy, society and environment. Therefore, we issued sustainability series bonds, which serve as new financial instruments, to finance projects and businesses with environmental and/or social benefits.

CMB published the new version of *CMB Green, Social and Sustainability Bond Framework* (the "Framework") in July 2024, which sets out how CMB intends to issue green, social and sustainability (GSS) bonds for financing or refinancing of eligible assets and projects with environmental or social benefits.

As stated in the Framework, we hereby provide this Annual Report on China Merchants Bank's Sustainability Series Bonds (the "Report") to disclose the allocation of the green, social and sustainability bond proceeds as well as the environmental and social impacts of the Eligible Projects for the year ended 31 December 2024.

## 2. Summary of 2020, 2021, 2022, 2023 and 2024 GSS Bonds Issuance

In 2020, 2021, 2022, 2023 and 2024, CMB issued GSS bonds as follows in accordance with the Framework, among which the 2020 Sustainability Bond and 2021 Sustainability Bond issued by Luxembourg Branch have matured in 2023.

Bonds	Hong Kong Branch 2020 Green Bond	Luxembourg Branch 2020 Sustainability Bond	Luxembourg Branch 2021 Green Bond	Luxembourg Branch 2021 Sustainability Bond	Sydney Branch 2022 Green Bond	London Branch 2023 Blue Bond	Sydney Branch 2024 Green Bond	New York Branch 2024 Social Bond
Amount (million)	USD 800	USD 300	USD 300	USD 300	USD 400	USD 400	USD 400	USD 300
CNY (million) Equivalent Amount	CNY 5,424.06	CNY 2,029.41	CNY 1,928.60	CNY 1,937.49	CNY 2,518.61	CNY 2,856.20	CNY 2,850.26	CNY 2,136.82
Tenor	5-year	3-year	5-year	2-year	3-year	3-year	3-year	3-year
Issue Date	2 September 2020	22 September 2020	25 August 2021	25 August 2021	23 February 2022	6 June 2023	2 July 2024	8 July 2024
Maturity Date	10 September 2025	25 September 2023	1 September 2026	1 September 2023	2 March 2025	13 June 2026	10 July 2027	15 July 2027
Coupon Type	Fixed	Fixed	Fixed	Fixed	Fixed	Floating	Floating	Floating
External Review	Ernst & Young Hua Ming LLP	Ernst & Young Hua Ming LLP	Ernst & Young Hua Ming LLP	Ernst & Young Hua Ming LLP	Ernst & Young Hua Ming LLP	Ernst & Young Hua Ming LLP	Ernst & Young Hua Ming LLP	Ernst & Young Hua Ming LLP


### 3. The Green, Social and Sustainability Bond Framework

The Framework, and any bond issued under it, is in line with the latest version of Green Bond Principles (GBP), Social Bond Principles (SBP) and Sustainability Bond Guidelines (SBG) of the International Capital Market Association (ICMA). Additionally, Green Bond Endorsed Projects Catalogue (2021 Edition) jointly announced by the People's Bank of China (PBOC), the National Development and Reform Commission (NDRC) and the China Securities Regulatory Commission (CSRC) is adopted and aligned for those green projects being financed in the mainland China at the same time. CMB may also flexibly take reference to key scenarios under the Common Ground Taxonomy Instruction Report (CGT) published by IPSF Taxonomy Working Group to select Eligible Green Projects and follow a more stringent technical screening criteria under respective scenarios.




#### 3.1 Use of Proceeds

The net proceeds of GSS bonds will be allocated to finance and/or refinance, in full or in part, loans to customers involved in as well as the Bank's own operational activities in Eligible Green Projects and Eligible Social Projects (Eligible Projects) in one or more of the following categories. In order to response to the Sustainable Development Goals (SDGs) promoted by the United Nations, CMB's Eligible Project categories are also mapped and aligned with SDGs.




##### ➤ Eligible Green Project

Eligible Green Project Category	Key contribution to SDGs <sup>1</sup>	Eligibility Criteria and Examples	Environmental Objective
Renewable Energy		<ul style="list-style-type: none"> <li>The construction, operation, maintenance and upgrade of renewable energy plants, e.g. wind power, solar power, photovoltaic power, hydropower (run-of-river hydropower and no artificial reservoir; power density above 10 W/m<sup>2</sup> or life cycle emissions below 50g CO<sub>2</sub>e/kWh), biomass energy (GHG emissions not exceed 16.0g CO<sub>2</sub>e/MJ and energy conversion efficiency of at least 80% for biomass /biofuel for heating/cooling and co-generation, and 18.8g CO<sub>2</sub>e/MJ for biofuel for transport), geothermal (life cycle GHG emissions below 100g CO<sub>2</sub>e/kWh); and other projects which promote the use of</li> </ul>	<ul style="list-style-type: none"> <li>Climate change mitigation</li> </ul>

<sup>1</sup> Please refer to this link for full mapping by ICMA : <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/mapping-to-the-sustainable-development-goals/>


Eligible Green Project Category	Key contribution to SDGs <sup>1</sup>	Eligibility Criteria and Examples	Environmental Objective
		<p>renewable energy, such as the production of parts and equipment that facilitates the adoption of renewable energy</p> <ul style="list-style-type: none"> <li>Infrastructure construction, operation, maintenance and upgrade related to renewable energy, such as dedicated electricity generating facilities, construction of transport networks and base stations</li> </ul>	
<b>Energy Efficiency</b>		<ul style="list-style-type: none"> <li>Infrastructure upgrade to achieve energy efficiency improvement of at least 30 percent</li> <li>Application of energy conservation and emission reduction technologies; construction of green manufacturing systems; technological transformation and upgrading in traditional manufacturing sectors which can achieve an energy efficiency improvement of at least 30 percent</li> </ul>	<ul style="list-style-type: none"> <li>Climate Change mitigation</li> </ul>
<b>Pollution Prevention and control</b>		<ul style="list-style-type: none"> <li>Recycling and reuse of industrial and municipal solid wastes; waste segregation, reprocessing of reusable resources for recycling purposes</li> <li>Soil pollution management and remediation</li> </ul>	<ul style="list-style-type: none"> <li>Pollution prevention and control</li> </ul>
<b>Sustainable water and wastewater management</b>		<ul style="list-style-type: none"> <li>Sewage treatment and recycling; comprehensive restoration of river basin, water pollution remediation and disposal and decontamination of hazardous wastewater</li> <li>Sustainable water management, including smart water supply system and water saving projects, such as water-saving technology, irrigation projects for water saving purposes. The abstraction and treatment of water with net average energy consumption of <math>\leq 0.5</math> kWh per cubic meter produced water supply, and leakage level at Infrastructure Leakage Index ("ILI") <math>\leq 1.5</math></li> <li>Flood prevention, and the prevention and control of disaster emergency situations, including the construction of flood basins, river embankment, and river management projects</li> </ul>	<ul style="list-style-type: none"> <li>Climate change mitigation</li> <li>Natural resource conservation</li> <li>Pollution prevention and control</li> </ul>



Eligible Green Project Category	Key contribution to SDGs <sup>1</sup>	Eligibility Criteria and Examples	Environmental Objective
<b>Clean Transportation</b>		<ul style="list-style-type: none"> <li>Acquisition, manufacturing, construction, maintenance and update of facilities, equipment or infrastructure dedicated to zero direct emission vehicles including:               <ul style="list-style-type: none"> <li>Electrified, hydrogen public transportation (e.g., railways, light rails, subways, and electric bus rapid transit ("BRT"))</li> <li>Electric vehicles (EVs) and hydrogen vehicles (e.g., cars, trucks)</li> <li>Infrastructure dedicated to EVs or hydrogen vehicles including charging and hydrogen refueling stations</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Climate change mitigation</li> <li>Pollution prevention and control</li> </ul>
<b>Green Buildings</b>		<ul style="list-style-type: none"> <li>New construction and renovation work of existing buildings which obtained or are expected to obtain one or more of the following green building certifications and respective level:               <ul style="list-style-type: none"> <li>Chinese Green Building Evaluation Label – 2 Star or above</li> <li>U.S. Leadership in Energy and Environmental Design (LEED) – Gold or above</li> <li>Building Research Establishment Environmental Assessment Method (BREEAM) – Excellent or above</li> <li>Hong Kong Green Building Council BEAM Plus Standard – Gold or above</li> <li>Other equivalent international standards</li> </ul> </li> <li>The renovation of an existing building will achieve at least 30% energy saving in comparison to the baseline performance of the building before the renovation</li> </ul>	<ul style="list-style-type: none"> <li>Climate change mitigation</li> <li>Natural resource conservation</li> </ul>
<b>Environmentally Sustainable Management of Living Natural Resources</b>		<ul style="list-style-type: none"> <li>Ecological protection and restoration of the natural ecology and vegetation; certified sustainable agriculture and animal husbandry, sustainable forestry development, etc.</li> <li>Development of blue economy, i.e. certified sustainable fisheries management plans, i.e. Aquaculture Stewardship Counsel label and Marine Stewardship Counsel label, projects for stock</li> </ul>	<ul style="list-style-type: none"> <li>Natural resource conservation</li> </ul>





Eligible Green Project Category	Key contribution to SDGs <sup>1</sup>	Eligibility Criteria and Examples	Environmental Objective
		rebuilding and improving value chain of the ecosystem	

➤ **Eligible Social Projects**

Eligible Social Project Category	Key contribution to SDGs <sup>2</sup>	Eligibility Criteria and Examples	Social Objective
<b>Employment generation including through the potential effect of SME financing and microfinance</b>		<ul style="list-style-type: none"> <li>Loans to promote inclusive finance:  <b>SMEs</b>            SMEs are defined by local governments or regulatory agencies, for example, definitions of SMEs in China will be according to the standards issued by China's Ministry of Industry and Information Technology, National Bureau of Statistics, National Development and Reform Commission, and Ministry of Commerce<sup>3</sup> <ul style="list-style-type: none"> <li>Operational loans for SMEs</li> <li>Supply chain financing</li> <li>Loan with interest subsidies to small and micro enterprises</li> <li>High-tech small business loans</li> </ul> </li> <li><b>Individuals</b> <ul style="list-style-type: none"> <li>Loans for individual-owned businesses</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Promote inclusive finance and job creation</li> </ul>

<sup>2</sup> Please refer to this link for full mapping by ICMA: <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/mapping-to-the-sustainable-development-goals/>

<sup>3</sup> Please refer to the Criteria for Classifying Small and Medium-sized Enterprises as example, [https://www.gov.cn/gongbao/content/2012/content\\_2041870.htm](https://www.gov.cn/gongbao/content/2012/content_2041870.htm)

Eligible Social Project Category	Key contribution to SDGs <sup>2</sup>	Eligibility Criteria and Examples	Social Objective
<b>Access to essential services (Education)</b>		<ul style="list-style-type: none"> <li>Construction of public education infrastructure</li> <li>Pairing assistance activities, scholarship programs, and student loans to the students in/from underdeveloped regions such as rural areas or western region, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Increase the access to education</li> </ul>
<b>Access to essential services (Healthcare services)</b>		<ul style="list-style-type: none"> <li>Construction of public medical infrastructure</li> <li>Procurement of public medical equipment and pharmaceutical supplies</li> <li>Production of public medical supplies and equipment</li> </ul>	<ul style="list-style-type: none"> <li>Increase the access to healthcare services</li> </ul>
<b>Affordable Basic Infrastructure</b>		<ul style="list-style-type: none"> <li>Clean drinking water facilities to underserved populations based in areas with no access or substantially inadequate access to safely drinking water</li> <li>Basic rural living facilities, such as rural biogas, development of renewable energy power grids in rural area, rural garbage collection, sorting and treatment etc.</li> </ul>	<ul style="list-style-type: none"> <li>Increase the access to basic infrastructure</li> </ul>
<b>Affordable Housing</b>		<ul style="list-style-type: none"> <li>Social housing programs such as public rental housing</li> </ul>	<ul style="list-style-type: none"> <li>Increase in number of homes available for target population</li> </ul>

### ➤ Exclusion

The Framework includes a list of excluded sectors or projects for use of proceeds. The following examples are excluded from Eligible Project categories:

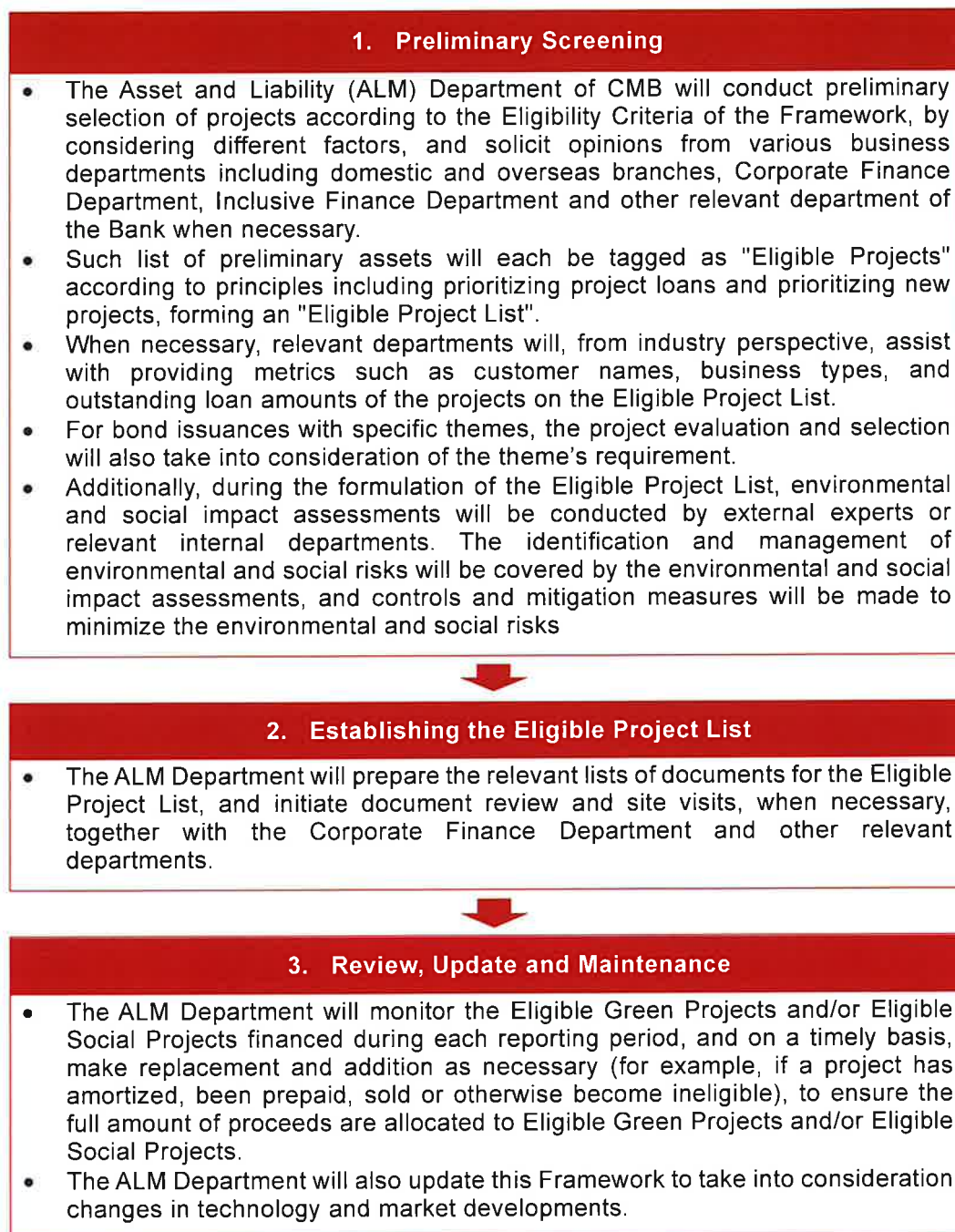
- Sectors and activities which are prohibited by laws and regulations in China, such as child labor, gambling industry, adult entertainment and corporations which are in association with illegal activities
- Distillation, rectification and mixed alcoholic beverages
- Production and trade of tobacco and tobacco products
- Mining and quarrying
- Nuclear energy and nuclear related assets
- Commercial lumbering in primary tropical rainforest
- Unsustainable forest wood production and trade

*(Please refer to the Framework for a full list of excluded use of proceeds)*

## 3.2 Process for Project Evaluation and Selection



CMB understands that ensuring whether the eligibility of the financed projects is aligned with the eligibility criteria set out in the Framework is critical. We strictly follow standardised procedures as outlined in the Framework to evaluate and select potential projects. Procedures include:



### 3.3 Management of Proceeds

During the outstanding period of each GSS bond, the ALM Department of CMB Head Office and the Treasury Department of the bond-issuing branch will dynamically manage the proceeds. The proceeds of each Green, Social and Sustainability Bond issuance will be deposited in CMB's general funding accounts and be available for

allocation to Eligible Projects. All proceeds or equivalent amount of the proceeds will be “earmarked” until allocation to Eligible Projects.

The ALM 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 department will decide on a remediation plan with the ALM Department to ensure that,

- Mitigation measures of the negative environmental and social impact are strictly followed and monitored; and
- The net proceeds or an amount equal to these net proceeds will be re-allocated to replacement Eligible Projects that comply with the Eligibility Criteria, as soon as reasonably practicable.

If there is no material change, ALM Department will lead the information update of the Eligible Projects on an annual basis and, when necessary, solicit opinions from the relevant line department.

The ledger(s) will include the following information:

- Transaction information
- Proceeds allocation information
  - Project background of various Eligible Projects allocated
  - Amount allocated to the Eligible Projects
  - Amount of unallocated proceeds
  - Use of unallocated proceeds

Any proceeds that are temporarily unallocated to Eligible Projects will be held and managed by the ALM Department in accordance with CMB's liquidity management policy. CMB is committed that no temporarily unallocated proceeds will be invested in the industries and activities in the exclusion list as described above. CMB intends to reach full allocation of net proceeds for each GSS Bond within 24 months after issuance

### **3.4 Reporting**

CMB will publish annual reports regarding the proceeds allocation of its GSS bond(s) on CMB official website. The report will contain information on the allocation of the proceeds (such as amount of proceeds to be allocated, any temporary treatment, project examples) and expected environmental and social benefits of the Eligible Projects on an annual basis.

### **3.5 External Review**

Pre-issuance, CMB has engaged Moody's Ratings to provide Second Party Opinions ('SPOs') on its Sustainable Financing Framework, the SPOs, together with the Framework will be available on the CMB official website.

Post-issuance, CMB has engaged Ernst & Young Hua Ming LLP for independent review and assurance services to ensure the alignment with the GBP, SBP, and SBG. Assurance reports on the use of proceeds are provided accordingly. The external assurance report will be publicly available on CMB official website.

#### 4. Allocation of Proceeds

##### 4.1 Proceeds Allocation Overview

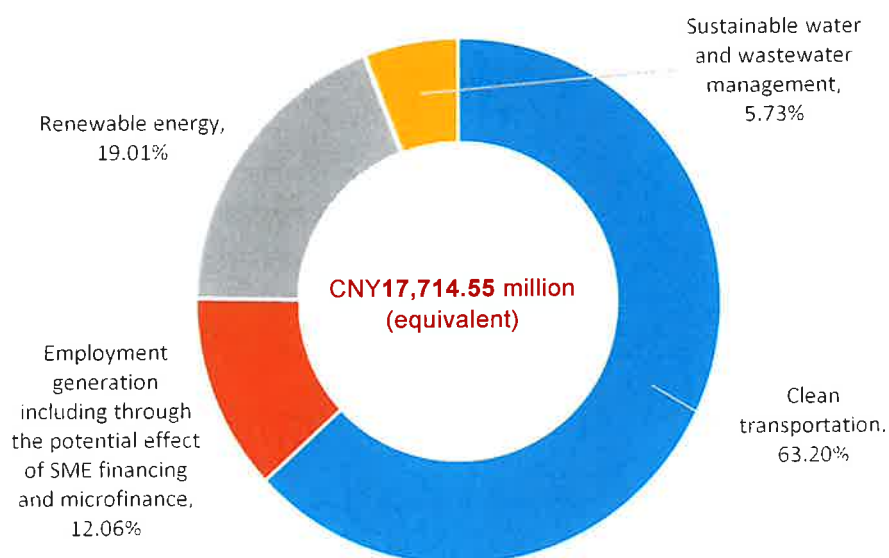
For the year ended 31 December 2024, the total net proceeds raised by GSS bonds, amounting to CNY **17,714.55** million (equivalent), have been fully allocated to Eligible Projects. No remaining balance of unallocated proceeds at the reporting period end.

<b>Bonds</b>	<b>Total net proceeds (CNY million equivalent)</b>	<b>Allocated amount (CNY million equivalent)</b>	<b>Unallocated proceeds (CNY million equivalent)</b>
Hong Kong Branch 2020 Green Bond	5,424.06	5,424.06	0
Luxembourg Branch 2021 Green Bond	1,928.60	1,928.60	0
Sydney Branch 2022 Green Bond	2,518.61	2,518.61	0
London Branch 2023 Blue Bond	2,856.20	2,856.20	0
Sydney Branch 2024 Green Bond	2,850.26	2,850.26	0
New York Branch 2024 Social Bond	2,136.82	2,136.82	0
<b>Total</b>	<b>17,714.55</b>	<b>17,714.55</b>	<b>0</b>

##### 4.2 Proceeds Allocation Breakdown by Project Category

An amount equivalent to the total net proceeds has been allocated to 35 projects that fall under four Eligible Project categories, namely clean transportation, renewable energy, sustainable water and wastewater treatment, employment generation including through the potential effect of SME financing and microfinance as defined in the Framework. Detailed information of proceeds allocation by Eligible Project category is presented below:

### GSS Bonds Proceeds by Eligible Projects

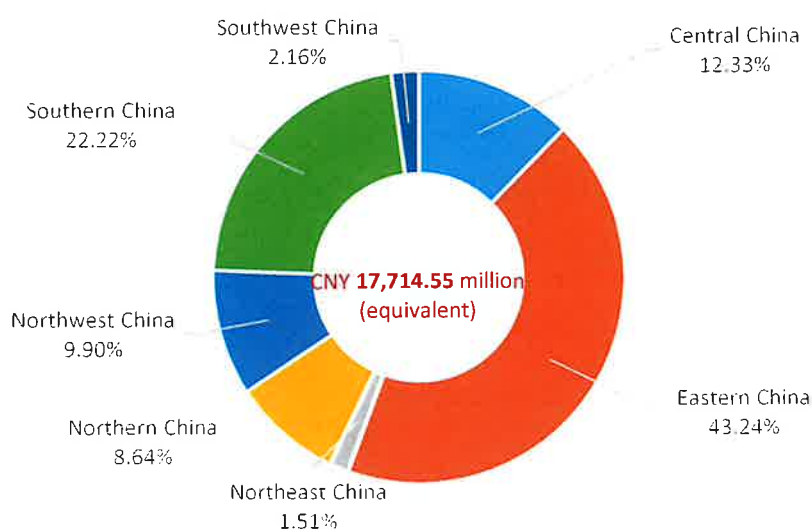


Bonds Issued	No. of Projects	Project Category	Allocated Amount (CNY million)	Proportion
Hong Kong 2020 Green Bond	6	Clean transportation (Metro projects)	5,424.06	30.62%
Luxembourg 2021 Green Bond	3	Renewable Energy	1,314.24	7.42%
Sydney 2022 Green Bond	1	Clean transportation (Metro projects)	614.36	3.47%
	5	Renewable Energy	211.65	1.19%
London 2023 Blue Bond	5	Clean transportation (Metro projects)	2,306.96	13.02%
	3	Renewable Energy	1,842.38	10.40%
Sydney 2024 Green Bond	3	Sustainable water and wastewater treatment	1,013.82	5.72%
	3	Clean transportation (Metro projects)	2,850.26	16.09%
New York 2024 Social Bond	8	Employment generation including through the potential effect of SME financing and microfinance	2,136.82	12.07%
<b>TOTAL</b>	<b>35</b>	<b>/</b>	<b>17,714.55</b>	<b>100.00%</b>

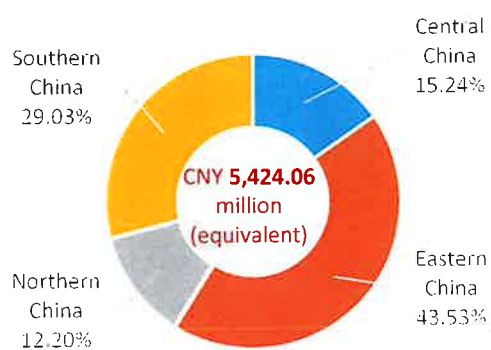
#### 4.3 Proceeds Allocation Breakdown by Project Location

The total net proceeds from CMB GSS Bonds have been fully allocated to the projects in mainland China. Detailed information of proceeds allocation by project location is presented below:

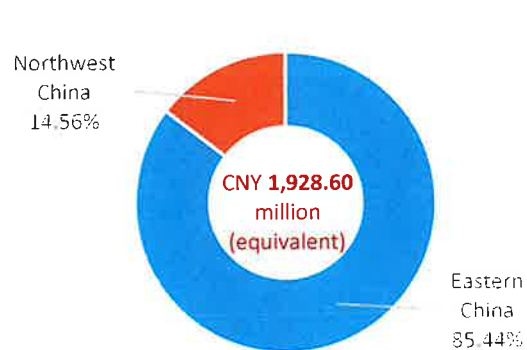
**GSS Bond Proceeds Allocation by Project Location**



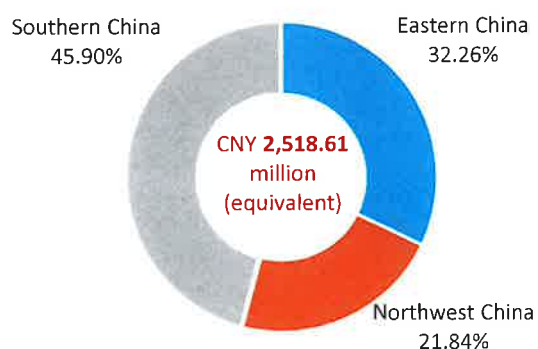
**2020 Green Bond Proceeds Allocation by Project Location**



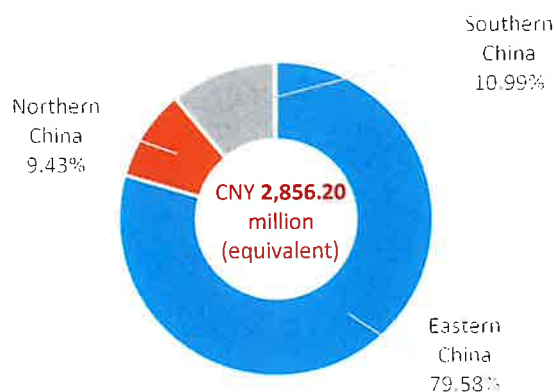
**2021 Green Bond Proceeds Allocation by Project Location**



**2022 Green Bond Proceeds Allocation by Project Location**

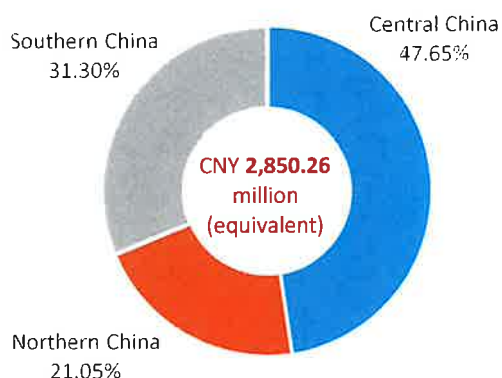


**2023 Blue Bond Proceeds Allocation by Project Location**

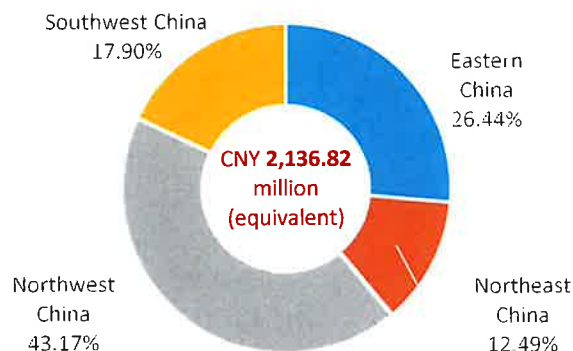




**2024 Green Bond Proceeds Allocation by Project Location**



**2024 Social Bond Proceeds Allocation by Project Location**



No. of Projects	Location	Allocated Amount (CNY million)	Proportion
19	Eastern China	7,659.78	43.24%
5	Northwest China	1,753.16	9.90%
4	Southern China	3,936.86	22.22%
3	Northern China	1,530.47	8.64%
2	Central China	2,184.80	12.33%
1	Northeast China	266.98	1.51%
1	Southwest China	382.50	2.16%
<b>35</b>	<b>/</b>	<b>17,714.55</b>	<b>100.00%</b>

## 5. Environmental and Social Impacts of Projects Financed

Among the outstanding bonds, there are 5 green bonds (including one blue bond) and 1 social bond, we would calculate the environmental and social impacts for these 6 bonds.

### Summary of Environmental Social Impacts of Projects Financed

The environmental and social impact	
Due to the considerations of confidentiality for our loan clients, the environmental impact results of the Eligible Projects are disclosed on a portfolio basis. For each of the indicators in the table, the project-by-project results include only the pro-rated share (as a percentage of the issuer's share of the total financing) of the total projects' results; these individual pro-rata project impacts are then aggregated to indicate the overall impact of the funded projects in a certain category.	
The environmental impact is calculated as:	The social impact is calculated as:
For Renewable Energy Projects, the environmental impact is calculated based on the UNFCCC CDM methodology ACM 0002 Grid-connected electricity generation from renewable sources (version 20.0).	For employment generation, the mainly social impact is employment generation through providing loan to small and medium-sized enterprises (SMEs)
For Wastewater Treatment Projects, the environmental impact is calculated based on the capacity of the treatment effectiveness (wastewater treatment = treatment capacity of the facility (influent quality - effluent quality)).	
For Clean Transportation Projects, the environmental impact is calculated based on ACM0016 Mass rapid transit projects (version 5.0).	

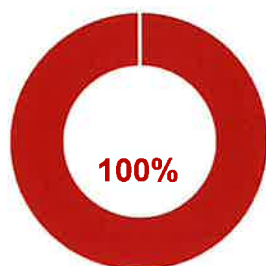
Below show the expected environmental impacts in detail.

Bonds	Environmental Impact
2020 Green Bond	Provided <b>CNY 5,424.06 million</b> to finance <b>6</b> metro projects Supported a carrying capacity of <b>33.88 million passengers</b> per year Helped reduce <b>8,985 tons CO<sub>2</sub>e</b> of GHG emission per year
2021 Green Bond	Provided <b>CNY 1,314.24 million</b> to finance <b>3</b> renewable projects Helped reduce <b>230,894 tons CO<sub>2</sub>e</b> of GHG emission per year Provided <b>CNY 614.36 million</b> to finance <b>1</b> metro project Supported a carrying capacity of <b>4.71 million passengers</b> per year Helped reduce <b>1,249 tons CO<sub>2</sub>e</b> of GHG emission per year
2022 Green Bond	Provided <b>CNY 2,306.96 million</b> to finance <b>5</b> metro projects Supported a carrying capacity of <b>17.68 million</b> passengers per year Helped reduce <b>4,687 tons CO<sub>2</sub>e</b> of GHG emission per year Provided <b>CNY 211.65 million</b> to finance <b>1</b> renewable project Helped reduce <b>31,938 tons CO<sub>2</sub>e</b> of GHG emission per year
2023 Blue Bond	Provided <b>CNY 1,842.38 million</b> to finance <b>5</b> renewable projects Helped reduce <b>241,452 tons CO<sub>2</sub>e</b> of GHG emission per year Provided <b>CNY 1,013.82 million</b> to finance <b>3</b> water treatment projects Reduced <b>COD 23,236 tons</b> per year, <b>BOD<sub>5</sub> 8,330 tons</b> per year, <b>SS 14,447 tons</b> per year, <b>NH<sub>3</sub>-N 1,949 tons</b> per year, <b>TP 268</b> <b>tons</b> per year, <b>TN 1,953 tons</b> per year
2024 Green Bond	Provided <b>CNY 2,850.26 million</b> to finance <b>3</b> metro projects Supported a carrying capacity of <b>13.57 million</b> passengers per year Helped reduce <b>3,560 tons CO<sub>2</sub>e</b> of GHG emission per year

Bonds	Environmental Impact
2024 Social Bond	Provided <b>CNY 2,136.82 million</b> to finance <b>8</b> small and medium-sized enterprises Generated <b>418</b> employments

## 5.1 Hong Kong Branch 2020 Green Bond

### Clean Transportation



**Proceeds allocated:**

**CNY 5,424.06 million**

**Major impacts by loan percentage:**

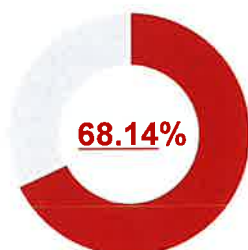
- ✓ Support 6 metro construction projects
- ✓ Supported a carrying capacity of 33.88 million passengers per year
- ✓ Reduce or avoid 8,985 tons of greenhouses gas emission per year, in carbon dioxide equivalent (CO<sub>2</sub>e)

#### **A Metro Project**

The metro project is located in Zhejiang Province, China. The total length of the line is 47.60km providing 23 stations to cater a carrying capacity of 109.50 million passengers yearly as reported. The expected annual CO<sub>2</sub> reduction is 29,039 tons. CMB offered loan to this project accounting for approximately 3.89% of the total project investment, which is expected to contribute for 1,130 tons/year of CO<sub>2</sub>e reduction.

## 5.2 Luxembourg Branch 2021 Green Bond

### Renewable Energy



**Proceeds allocated:**

**CNY 1,314.24 million**

**Major impacts by loan percentage:**

- ✓ Support 3 renewable energy projects
- ✓ Reduce or avoid 230,894 tons of greenhouses gas emission per year, in carbon dioxide equivalent (CO<sub>2</sub>e)

### Clean Transportation



**Proceeds allocated:**

**CNY 614.36 million**

**Major impacts by loan percentage:**

- ✓ Support 1 metro construction projects
- ✓ Reduce or avoid 1,249 tons of greenhouses gas emission per year, in carbon dioxide equivalent (CO<sub>2</sub>e)

### Wind Power Project

The wind power project is located in Shandong Province of Eastern China. The project, with total capacity of 161.4MW. The electricity generation of the project is about 389,056 MWh, which will result in the CO<sub>2</sub> emissions reduction about 244,512 tons/year. The Bank's loan to this project accounted for approximately 47.17% of the total project investment, which is expected to reduce CO<sub>2</sub> by 115,334 tons/year.

## 5.3 Sydney Branch 2022 Green Bond

### Clean Transportation

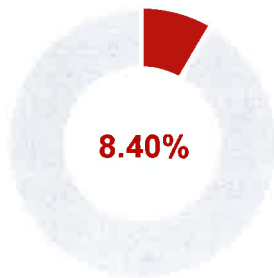


**Proceeds allocated:**  
**CNY 2,306.96 million**

#### Major impacts by loan percentage:

- ✓ Supported 5 metro construction project
- ✓ Supported a carrying capacity of 17.68 million passengers per year
- ✓ Reduce or avoid 4,687 tons of greenhouses gas emission per year, in carbon dioxide equivalent (CO<sub>2</sub>e)

### Renewable Energy



**Proceeds allocated:**  
**CNY 211.65 million**

#### Major impacts by loan percentage:

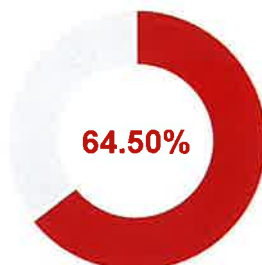
- ✓ Support 1 renewable energy projects
- ✓ Reduce or avoid 31,938 tons of greenhouses gas emission per year, in carbon dioxide equivalent (CO<sub>2</sub>e)

### A Metro Project

The metro project is located in Guangzhou City, China. The total length of the line is 43.20km providing 32 stations to cater a carrying capacity of 451.51 million passengers yearly as reported. The expected annual CO<sub>2</sub> reduction is 119,739 tons. CMB offered loan to this project accounting for approximately 2.79% of the total project investment, which is expected to contribute for 3,337tons/year of CO<sub>2</sub>e reduction.

## 5.4 London Branch 2023 Blue Bond

### Renewable Energy



**Proceeds allocated:**  
**CNY 1,842.38 million**

#### Major impacts by loan percentage:

- ✓ Support 5 renewable energy projects
- ✓ Reduce or avoid 241,452 tons of greenhouses gas emission per year, in carbon dioxide equivalent (CO<sub>2</sub>e)

## Sustainable water and wastewater management



**Proceeds allocated:**  
**CNY 1,013.82 million**

**Major impacts by loan percentage:**

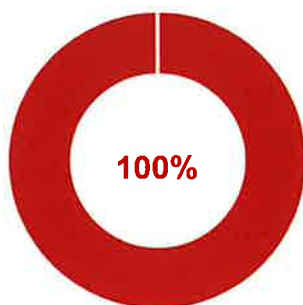
- ✓ Support 3 sustainable water and wastewater management
- ✓ Reduced COD 23,236 tons per year, BOD<sub>5</sub> 8,330 tons per year, SS 14,447 tons per year, NH<sub>3</sub>-N 1,949 tons per year, TP 268 tons per year, TN 1,953 tons per year

**A Sewage Treatment Project**

The sewage treatment project is located in Shenzhen, Guangdong Province of Eastern China. The project built a sewage treatment plant with total treatment capacity of 100,000 m<sup>3</sup>/day. The direct reduction of pollutants of the sewage treatment project is as follows: COD 9,855 tons, BOD<sub>5</sub> 5,256 tons, SS 8,906 tons, NH<sub>3</sub>-N 1,223 tons, TP 172 tons, TN 1,278 tons Per year. The Bank's loan to this project accounted for approximately 32.07% of the total project investment, which is expected to reduce COD 3,160 tons, BOD<sub>5</sub> 1,685 tons, SS 2,856 tons, NH<sub>3</sub>-N 392 tons, TP 55 tons, TN 410 tons.

## **5.5 Sydney Branch 2024 Green Bond**

### Clean Transportation



**Proceeds allocated:**  
**CNY 2,850.26 million**

**Major impacts by loan percentage:**

- ✓ Support 3 metro construction projects
- ✓ Supported a carrying capacity of 13.57 million passengers per year
- ✓ Reduce or avoid 3,560 tons of greenhouses gas emission per year, in carbon dioxide equivalent (CO<sub>2</sub>e)

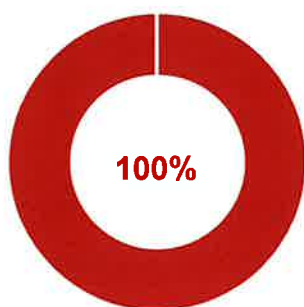
**A Metro Project**

The metro project is located in Wuhan, Hubei Province, China. The total length of the line is 37.76km providing 27 stations to cater a carrying capacity of 233.83 million passengers yearly as reported. The expected annual CO<sub>2</sub> reduction is 62,012 tons. CMB offered loan to this project accounting for approximately 5.01% of the total project investment, which is expected to contribute for 3,106 tons/year of CO<sub>2</sub>e reduction.



## 5.6 New York Branch 2024 Social Bond

Employment generation including through the potential effect of SME financing and microfinance



**Proceeds allocated:**

**CNY 2,136.82 million**

**Major impacts by loan percentage:**

- ✓ Support 8 small and medium-sized enterprises
- ✓ Provide 418 jobs

### **Small and medium-sized enterprises**

The main social impact of the eligible social projects is employment generation through providing loan to 8 small and middle-sized enterprises in China. The eligible social projects provided 418 employments.

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## CMB September 2020 Green Bond

### Appendix I



## Appendix I: September 2020 Green Bond

On 2 September 2020, CMB Hong Kong Branch issued a green bond. For the year ended 31 December 2024, all net proceeds of this bond have been used to finance eligible projects related to clean transportation.

Table I-1 Detailed Information

ISIN Code	Tenor (year)	Coupon Type	Amount (USD million)	Net Amount (USD million)	FX Rate	Net CNY Equivalent Amount (CNY million)
XS2227827321	5	Fixed	800	793.79	6.8331	5,424.06

Table I-2 Proceeds Allocation in Terms of Category

Category	Allocated Amount (CNY million)	Number of Projects	Proportion
Clean transportation	5,424.06	6	100.00%
<b>Total</b>	<b>5,424.06</b>	<b>6</b>	<b>100.00%</b>

Table I-3 Proceeds Allocation in Terms of Location

Location	Allocated Amount (CNY million)	Number of Projects	Proportion
Eastern China	2,361.32	3	43.53%
Southern China	1,574.83	1	29.03%
Northern China	661.11	1	12.19%
Central China	826.80	1	15.24%
<b>Total</b>	<b>5,424.06</b>	<b>6</b>	<b>100.00%</b>

Table I-4 Environmental Impacts

Category	Environmental Impacts
Clean transportation	GHG emissions reduced (CO <sub>2</sub> e tons) per year
	233,776
	GHG emissions reduced (CO <sub>2</sub> e tons) by loan percentage per year
	8,985

## CMB August 2021 Green Bond

### Appendix II



## Appendix II: August 2021 Green Bond

**On 25 August 2021, CMB Luxembourg Branch issued a green bond.** For the year ended 31 December 2024, all net proceeds of this bond have been used to finance eligible projects related to renewable energy and clean transportation.

**Table II-1 Detailed Information**

ISIN Code	Tenor (year)	Coupon Type	Amount (USD million)	Net Amount (USD million)	FX Rate	Net CNY Equivalent Amount (CNY million)
XS2379392397	5	Fixed	300	298.18	6.4680	1,928.60

**Table II-2 Proceeds Allocation in Terms of Category**

Category	Allocated Amount (CNY million)	Number of Projects	Proportion
Renewable Energy	1,314.24	3	68.14%
Clean transportation	614.36	1	31.86%
<b>Total</b>	<b>1,928.60</b>	<b>4</b>	<b>100.00%</b>

**Table II-3 Proceeds Allocation in Terms of Location**

Location	Allocated Amount (CNY million)	Number of Projects	Proportion
Northwest China	280.74	1	14.56%
Eastern China	1,647.86	3	85.44%
<b>Total</b>	<b>1,928.60</b>	<b>4</b>	<b>100.00%</b>

**Table II-4 Environmental Impacts**

Category	Environmental Impacts
Renewable Energy	Added power capacity (MW)
	1,186.40
	Electricity generated (MWh)
	842,259
	GHG emissions reduced (CO <sub>2</sub> e tons) per year
	559,112
	GHG emissions reduced (CO <sub>2</sub> e tons) by loan percentage per year
Clean transportation	230,894
	GHG emissions reduced (CO <sub>2</sub> e tons) per year
	39,780
	GHG emissions reduced (CO <sub>2</sub> e tons) by loan percentage per year
	1,249



## Appendix III: February 2022 Green Bond

**On 23 February 2022, CMB Sydney Branch issued a green bond.** For the year ended 31 December 2024, all net proceeds of this bond have been used to finance eligible projects related clean transportation and renewable energy.

**Table III-1 Detailed Information**

ISIN Code	Maturity (year)	Coupon Type	Amount (USD million)	Net Amount (USD million)	FX Rate	Net CNY Equivalent Amount (CNY million)
XS2447949475	3	Fixed	400	397.56	6.3351	2,518.61

**Table III-2 Proceeds Allocation in Terms of Category**

Category	Allocated Amount (CNY million)	Number of Projects	Proportion
Renewable energy D1.3 Electricity generation from wind power	211.65	1	8.40%
Clean transportation (Metro projects) H1.1 Construction and operation of public transportation system in urban and rural areas	2,306.96	5	91.60%
<b>Total</b>	<b>2,518.61</b>	<b>6</b>	<b>100.00%</b>

**Table III-3 Proceeds Allocation of Eligible Green Projects in Terms of Location**

Location	Allocated Amount (CNY million)	Number of Projects	Proportion
Northwest China	550.00	1	21.84%
Southern China	1,155.96	1	45.90%
Eastern China	812.65	4	32.26%
<b>Total</b>	<b>2,518.61</b>	<b>6</b>	<b>100.00%</b>

**Table III-4 Environmental Impacts**

Category	Environmental Impacts
Renewable energy	Added power capacity (MW)
	100
	Electricity generated (MWh)
	210,253
	GHG emissions reduced (CO <sub>2</sub> e tons) per year
	132,139
	GHG emissions reduced (CO <sub>2</sub> e tons) by loan percentage per year
Clean transportation (Metro projects)	31,938
	GHG emissions reduced (CO <sub>2</sub> e) tons per year
	225,938
	GHG emissions reduced (CO <sub>2</sub> e tons) by loan percentage per year
	4,687


**Appendix IV: June 2023 Blue Bond**

**On 06 June 2023, CMB London Branch issued a blue bond.** For the period from 06 June 2023 to 31 December 2024, all net proceeds of this bond have been used to finance eligible projects related renewable energy and sustainable water and wastewater treatment.

**Table IV-1 Detailed Information**

ISIN Code	Maturity (year)	Coupon Type	Amount (USD million)	Net Amount (USD million)	FX Rate	Net CNY Equivalent Amount (CNY million)
XS2633220293	3	Floating	400	399.480	7.1498	2,856.20

**Table IV-2 Proceeds Allocation in Terms of Category**

Category	Allocated Amount (CNY million)	Number of Projects	Proportion
Renewable energy	1,842.38	5	64.50%
Sustainable water and wastewater management	1,013.82	3	35.50%
<b>Total</b>	<b>2,856.20</b>	<b>8</b>	<b>100.00%</b>

**Table IV-3 Proceeds Allocation of Eligible Green Projects in Terms of Location**

Location	Allocated Amount (CNY million)	Number of Projects	Proportion
Eastern China	2,273.03	6	79.58%
Northern China	269.35	1	9.43%
Southern China	313.82	1	10.99%
<b>Total</b>	<b>2,856.20</b>	<b>8</b>	<b>100.00%</b>

**Table IV-4 Environmental Impacts**

Category	Environmental Impacts
Renewable energy	Added power capacity (MW)
	1,300
	Electricity generated (MWh)
	371,671
	GHG emissions reduced (CO <sub>2</sub> e tons) per year
	2,434,596
	GHG emissions reduced (CO <sub>2</sub> e tons) by loan percentage per year
Sustainable water and wastewater management	241,452
	Reduced COD 51,940 tons, BOD <sub>5</sub> 19,293 tons, SS 34,018 tons, NH <sub>3</sub> -N 4,604 tons, TP 636 tons, TN 4,654 tons per year.
	Reduced COD 23,236 tons, BOD <sub>5</sub> 8,330 tons, SS 14,447 tons, NH <sub>3</sub> -N 1,949 tons, TP 268 tons, TN 1,953 tons per year by loan percentage.





## Appendix V: July 2024 Green Bond

On 02 July 2024, CMB Sydney Branch issued a green bond. For the year ended 31 December 2024, all net proceeds of this bond have been used to finance eligible projects related to clean transportation.

**Table V-1 Detailed Information**

ISIN Code	Tenor (year)	Coupon Type	Amount (USD million)	Net Amount (USD million)	FX Rate	Net CNY Equivalent Amount (CNY million)
XS2851012802	3	Floating	400	399.52	7.1342	2,850.26

**Table V-2 Proceeds Allocation in Terms of Category**

Category	Allocated Amount (CNY million)	Number of Projects	Proportion
Clean transportation	2,850.26	3	100.00%
<b>Total</b>	<b>2,850.26</b>	<b>3</b>	<b>100.00%</b>

**Table V-3 Proceeds Allocation in Terms of Location**

Location	Allocated Amount (CNY million)	Number of Projects	Proportion
Southern China	892.26	1	31.30%
Northern China	600.00	1	21.05%
Central China	1,358.00	1	47.65%
<b>Total</b>	<b>2,850.26</b>	<b>3</b>	<b>100.00%</b>

**Table V-4 Environmental Impacts**

Category	Environmental Impacts
Clean transportation	GHG emissions reduced (CO <sub>2</sub> e tons) per year
	84,953
	GHG emissions reduced (CO <sub>2</sub> e tons) by loan percentage per year
	3,600

# CMB July 2024 Social Bond

## Appendix VI



## Appendix VI: July 2024 Social Bond

On 08 July 2024, CMB New York Branch issued a social bond. For the year ended 31 December 2024, all net proceeds of this bond have been used to finance eligible projects related to employment generation.

Table VI-1 Detailed Information

ISIN Code	Tenor (year)	Coupon Type	Amount (USD million)	Net Amount (USD million)	FX Rate	Net CNY Equivalent Amount (CNY million)
XS2855153602	3	Floating	300	299.64	7.1313	2,136.82

Table VI-2 Proceeds Allocation in Terms of Category

Category	Allocated Amount (CNY million)	Number of Projects	Proportion
Employment generation	2,136.82	8	100.00%
<b>Total</b>	<b>2,136.82</b>	<b>8</b>	<b>100.00%</b>

Table VI-3 Proceeds Allocation in Terms of Location

Location	Allocated Amount (CNY million)	Number of Projects	Proportion
Eastern China	564.93	3	26.44%
Northeast China	266.98	1	12.49%
Northwest China	922.42	3	43.17%
Southwest China	382.50	1	17.90%
<b>Total</b>	<b>2,136.82</b>	<b>8</b>	<b>100.00%</b>

Table VI-4 Proceeds Allocation in Terms of Location

Location	Allocated Amount (CNY million)	Number of Projects	Proportion
Eastern China	564.93	3	26.44%
Northeast China	266.98	1	12.49%
Northwest China	922.42	3	43.17%
Southwest China	382.50	1	17.90%
<b>Total</b>	<b>2,136.82</b>	<b>8</b>	<b>100.00%</b>

# CMB July 2024 Social Bond

## Appendix VI

Table VI-5 Proceeds Allocation in Terms of Sector

Sector	Allocated Amount (CNY million)	Number of Projects	Proportion
Production and Supply of Electricity, Heat, Gas, and Water	905.84	4	42.39%
Transport, Storage and Postal Activities	1,230.98	4	57.61%
<b>Total</b>	<b>2,136.82</b>	<b>8</b>	<b>100.00%</b>

Table VI-6 Environmental Impacts

Category	Environmental Impacts
Employment generation	Number of jobs
	418



China Merchants Bank Co., Ltd.

30 April 2025