

Independent Practitioner's Limited Assurance Report

**Independent Practitioner's Limited Assurance Report
On The Selected Information Included In The Agricultural
Development Bank Of China 2020 Annual Green Bond Report**

Selected Information

The scope of our work was limited to assurance over the selected information (the "Selected Information") marked as the symbol ② disclosed under the Information Reporting category of the Bank's 2020 Annual Green Bond Report ("Green Bond Report") which is set out in Annex 1 to this report. The Reporting Criteria (the "Reporting Criteria") used by our Client to prepare the Selected Information is set out in Appendix I to this report.

Our assurance does not extend to information or content of similar nature or to any other information included in the Green Bond Report.

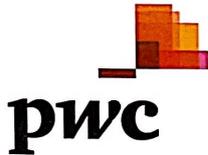
Management's Responsibilities

Management of the Bank is responsible for the preparation of the Selected Information in the Green Bond Report, as set out in Appendix I to this report, and for the Reporting Criteria, as set out in Appendix II. This responsibility includes the design, implementation and maintenance of internal control systems that ensure information relevant to the Selected Information is identified, measured, monitored and reported, whether or not such information is used as an appropriate basis of preparation and making estimates and judgments in the information.

Our Independence and Quality Control

We have complied with the independence and quality control requirements of the Code of Ethics for Professional Accountants issued by the Institute of Certified Public Accountants of the People's Republic of China, which is founded on fundamental principles of integrity, objectivity, confidentiality and professional competence.

Our firm applies International Standards on Quality Control and complies with a comprehensive system of quality control of a legal, regulatory, industry and other professional requirements with ethical requirements, professional standards and applicable legal and regulatory requirements.



Independent Practitioner's Limited Assurance Report

To the Board of Directors of Agricultural Development Bank of China

We have been engaged to perform a limited assurance engagement on the selected information included in the Agricultural Development Bank of China (the "Bank") 2020 Annual Green Bond Report.

Selected Information

The scope of our work was limited to assurance over the selected information (the "Selected Information") marked as the symbol  disclosed under the "Allocation Reporting" heading of the Bank's 2020 Annual Green Bond Report ("Green Bond Report") which is set out in Appendix I to this report. The Reporting Criteria (the "Reporting Criteria") used by the Bank to prepare the Selected Information is set out in Appendix II to this report.

Our assurance does not extend to information in respect of earlier periods or to any other information included in the Green Bond Report.

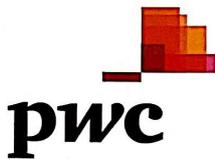
Management's Responsibilities

Management of the Bank is responsible for the preparation of the Selected Information in the Green Bond Report, as set out in Appendix I, in accordance with the Reporting Criteria, as set out in Appendix II. This responsibility includes designing, implementing and maintaining internal controls over information relevant to the preparation of the Selected Information that is free from material misstatement, whether due to fraud or error and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstance.

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, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

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.



Independent Practitioner's Limited Assurance Report

To the Board of Directors of Agricultural Development Bank of China (Continued)

Practitioner's Responsibilities

It is our responsibility to express a conclusion on the Selected Information based on our work performed.

We conducted our work in accordance with International Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information". This standard requires that we plan and perform our work to form the conclusion whether the Selected Information is free from material misstatement.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently the level of assurance in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. The extent of procedures selected depends on the practitioner's judgment and our assessment of the engagement risk. Within the scope of our work, we performed amongst others the following procedures:

- made enquiries of the Bank's management, including those with responsibility for green bond management and reporting;
- obtained the list of the loans that was approved by the Bank allocated under the green bond and checked this list was consistent with the disclosure of the Reporting Criteria;
- tested the mathematical accuracy of the allocation status of proceeds allocated to each eligible green asset category as at 31 October 2020;
- performed testing on a sample basis, including:
 - checked the approval of the loan commitments and amounts allocated as of 31 October 2020;
 - inspected loan agreements and ensured usage of loans was consistent with the loan approvals;
 - inspected loan allocation records maintained by the Bank;
 - sent confirmation to borrowers and confirmed the allocation; and
 - agreed the exchange rates used to independent external sources.

Our work did not include evaluating the effectiveness of systems, processes and controls that generated the Selected Information. Thus, our work was not performed for the purposes of expressing an opinion on the effectiveness and performance of the Bank's management systems, processes and controls, and not for the purposes of expressing an opinion on any statutory financial statements.

Independent Practitioner's Limited Assurance Report

To the Board of Directors of Agricultural Development Bank of China (Continued)

Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Selected Information as at 31 October 2020, as set out in Appendix I, is not prepared, in all material respects, in accordance with the Reporting Criteria, as set out in Appendix II.

Restrictions on Use

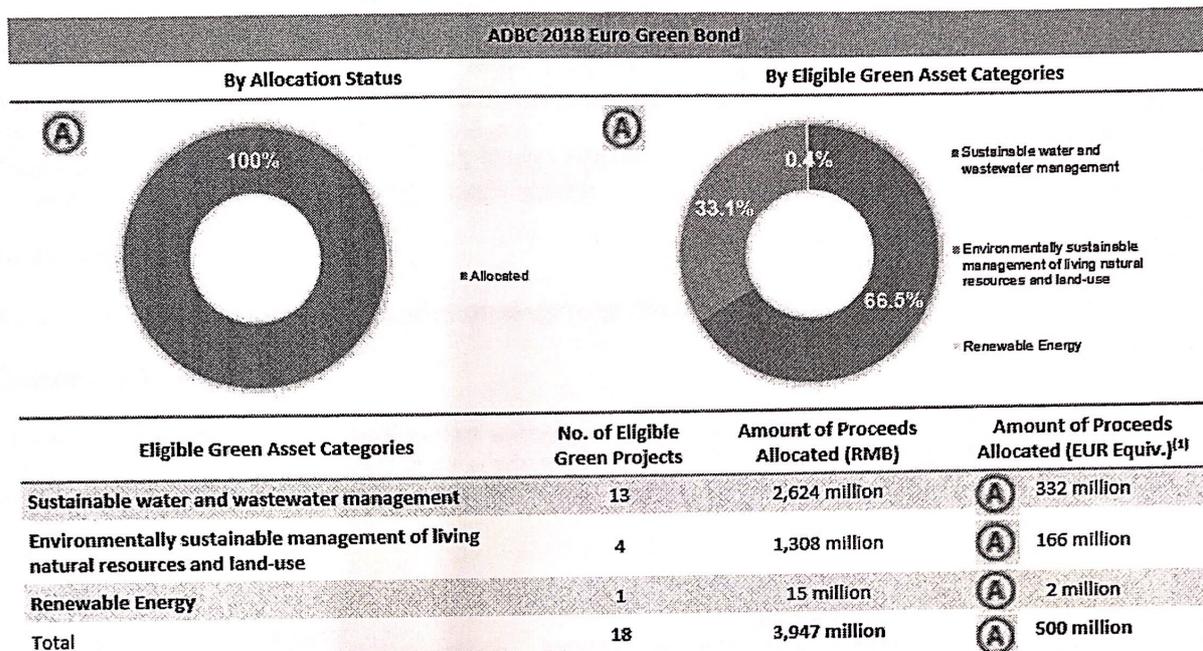
This report has been prepared solely for the Board of Directors of the Bank and for no other purpose. We do not assume responsibility or accept liability to any other person for the contents of this report.



PricewaterhouseCoopers Zhong Tian LLP
People's Republic of China, Shanghai
11 June 2021

Appendix I - Selected Information subject to limited assurance procedures

The Selected Information subject to limited assurance procedures are set out below as indicated by ^(A)



Appendix II – Reporting criteria

Scope

This covers eligible green projects as detailed by the ADBC's Green and Sustainability Bond Framework (<http://www.adbc.com.cn/en/n1061/c26588/part/12323.pdf>).

| | |
|-------------------|---|
| Issuer | Agricultural Development Bank of China ("ADBC") |
| Issue Date | 26 November 2018 |
| Tenor | 3 years |
| Currency and Size | EUR 500 million |
| Coupon | 3mE+48bps |

Period covered

Period in scope is from to 01 November 2019 up to 31 October 2020.

Framework

The Bank commits to publicly publish an annual report related to its green bond issuances. Such report will provide information on the allocation of the proceeds. The net proceeds will be used to finance and/or refinance loans in assets or projects that fall into the Eligible Green Assets.

Eligible asset category

| <u>Eligible Asset Category</u> | <u>Description</u> |
|---|---|
| Sustainable water and wastewater management | <ul style="list-style-type: none">• The construction, operation and maintenance of water conservancy projects for flooding mitigation;• Water pollution prevention and control, river and lake pollution treatment facilities, and sewage treatment facilities;• The development of unconventional water resources development. |
| Environmentally sustainable management of living natural resources and land-use | <ul style="list-style-type: none">• Sustainable agriculture (including the improvement and recovery of agricultural lands, such as the construction of a High Standard Farm);• Sustainable forestry projects such as afforestation or reforestation, conservation and;• Urban greening projects. |
| Renewable Energy | <ul style="list-style-type: none">• The production and transmission of renewable energy including only solar and wind power. |

Eligible green assets will exclude the assets that are involved in the following sectors and activities:

- Fossil fuel related assets (including clean coal);
- Infrastructures being carbon intensive such as new roads, airports, etc;
- Nuclear fuel or other nuclear related assets;
- Sectors which are prohibited by laws and regulation in China, such as weapon, child labour, adult entertainment and corporations which are in association with illegal activities;
- Luxury sector such as precious metals, artwork, antiques and golf clubs;
- Distilling, rectifying and blending of spirits;
- Manufacture of tobacco products;
- Mining and quarrying;
- Manufacture of weapons and ammunition;
- Manufacture of military fighting vehicles;
- Gambling and betting activities;
- Production, distribution or storage of hazardous chemicals and radioactive materials.

Allocation Reporting

The Bank will disclose the new loan amount disbursed allocated to each green asset category.