Chiyu Fujian-Hong Kong ESG Index ReportMay 2025







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Windmills by the Sea



01 | Executive Summary

This is the third Chiyu Fujian-Hong Kong ESG Index Report jointly launched by Chiyu Banking Corporation Limited (Chiyu Bank) and CECEP Environmental Consulting Group Limited (CECEPEC). In addition to continuously tracking the ESG performance of Fujian Province and the close cooperation between Fujian and Hong Kong in the ESG field in the first half of 2024, this report conducts the first annual update of the Fujian Enterprises ESG Index and Overseas Chinese Fujian Enterprises ESG Index. Meanwhile, this report also continuously researches the outstanding ESG practices of Overseas Chinese Fujian enterprise and Hong Konglisted enterprise, developing ESG practice cases of leading companies. Insights learnt from those cases might further development in green and low-carbon transformation of the industries.

Research and interviews were conducted with an overseas Chinese Fujian background enterprise and a listed Chinese enterprise in Hong Kong. It is found that the enterprises are continuously develop and innovate in the ESG field, and leverage their own strengths to drive the low-carbon transformation of the entire industrial chain while improving their ESG performance in all aspects:



• Royal Golden Eagle Group

actively responds to the Belt and Road Initiative (BRI), gives full play to the advantages of Chinese merchant background, and helps the social and livelihood development of countries along the BRI. Royal Golden Eagle Group adheres to the advanced concept of sustainable development and leads its member companies to actively implement the concept of green and low-carbon development. Among them, Asia Symbol Group carried out several energy-saving and emission reduction projects and continued to develop carbon-neutral products. The Sateri (China) Fibre Co., Ltd. continuously developed low-carbon fibre and protected biodiversity. Apical Group Ltd. strengthened supply chain management and obtained financial loans for transformation of chemical enterprises. Pacific Energy Group built environmentally friendly power plants and carried out net-zero LNG projects.





• China Hongqiao Group Co., Ltd.

with the goal of building a "Resource-conserving, Environment-friendly" enterprise, is committed to creating a green and efficient production mode, and actively explores green finance to promote the sustainable development of itself and the whole industry chain. While optimising the energy structure through capacity relocation, China Hongqiao Group Co., Ltd. actively carried out innovation and R&D to build a green demonstration industrial chain. Additionally, its subsidiaries also vigorously built green factories to achieve intelligent production.



Highlights of the Chiyu Fujian-Hong Kong ESG Index in the first half of 2024

Fujian Province Sustainable Development Index reached 132 points, with a year-on-year increase of 7.3%. In the "Environmental Performance and Resource Management", "Economic Development", "Social Development and Livelihood" and "Sustainable Finance", Fujian Province showed an obvious growth with excellent performance during the first half of 2024.

- Environmental Performance and Resource Management: In the first half of 2024, Fujian Province issued management measures and policies to optimise environmental impact assessments and measures for deepening the comprehensive ecological management of the Min River basin.
- **Economic Development:** In the "Innovation advancement", the number of invention patents granted in Fujian Province reached a new high of 11,191 in the first half of 2024, with a year-on-year increase of 37.2%.
- Social Development and Livelihood: Fujian Province's government expenditures on social security and employment in the first half of 2024 reached RMB 41.601 billion, with a year-on-year increase of 8.77%. The per capita disposable income of residents reached RMB 25,112, with a year-on-year increase of 5.5%.
- Sustainable Finance: As of the end of June 2024, the balance of green loans in Fujian Province reached RMB 965.195 billion, with 22.06% higher than the growth rate of other loans. The issuance volume of GSSS bonds reached RMB 12.7 billion.

Fujian-Hong Kong Cooperation Sustainable Development Index reached 130 points, with a year-on-year increase of 7.2%. Specifically, the indicators "Exchange Activities on Sustainable Development" and "Financial, Economic and Trade Cooperation" showed notable increases.

- Exchange Activities for Sustainable Development: In March 2024, government officials, economists, entrepreneurs' representatives and heads of financial institutions from Fujian and Hong Kong participated in the Fujian Hong Kong Development Cooperation Forum on Financial Services in Hong Kong, and carried out all-round cooperation and exchanges between Fujian and Hong Kong in various fields such as finance, economy, trade and investment.
- Financial, Economic and Trade Cooperation:
 Benefiting from a series of policies and measures introduced
 by Fujian Province since 2023 to enhance the foreign
 investment environment, the amount of direct investment
 from Hong Kong to Fujian exceeded USD 10 billion in 2023.

Fujian Enterprises ESG Index and Overseas Chinese Fujian Enterprises ESG Index have been updated for the first time, reaching 119 and 127 points. Specifically, the performance of Fujian enterprises in the "Environment" and "Corporate Governance" were remarkable.

- Environment: Fujian enterprises gradually improved the monitoring and disclosure of data of greenhouse gas emissions and water resource utilisation. Meanwhile, they also promoted the achievement of the emission reduction targets by setting greenhouse gas emission reduction targets and water resource-related targets, so as to achieve the sustainable development.
- Corporate Governance: Fujian enterprises showed a significant trend of enhancing the effectiveness of the implementation of the independent director system, which facilitated the perfect and scientific implementation of the listed companies.





02 | ESG Practices of Excellent Enterprises



Case 1: Synergy with The Belt and Road Initiative to Build Dreams Together, Navigating to a Brilliant Chapter: Royal Golden Eagle Group

Since President Xi Jinping proposed the Belt and Road Initiative (BRI) in 2013, the concept of Global Community of Shared Future has been deepened. In this case, the countries and regions along the BRI have continued to strengthen communication and cooperation. Royal Golden Eagle (RGE) Group is headquartered in the country along the BRI. Its founder, Sukanto Tanoto, is also an Indonesian-born overseas Chinese from Fujian. With the advantage of Chinese merchant background, RGE encourages and supports overseas Chinese to participate in the construction of the BRI. During the Boao Forum for Asia Annual Conference 2016, Tanoto Foundation made RMB 100 million donation to support talent training initiatives of BRI.

RGE has published the "Sustainability Policy" and "Sustainability Framework", which apply to all RGE's business groups as the overall commitment and framework of sustainability practices. Meanwhile, RGE has set up a carbon management committee, which is chaired by the president of the RGE China, to comprehensively supervise and guide the carbon management matters of RGE China. RGE has continued to establish new green financial products and has successively issued the China's first foreign-owned carbon asset pledge, carbon asset custody, CCER carbon asset service trust. In October 2023, RGE was honoured with the fourth annual IFF Global Green Finance Award² for its use of green finance instruments and its increasing sustainability performance.

RGE's business groups in China include Asia Symbol Group ("Asia Symbol", with the main business of pulp and paper), Sateri (China) Fibre Co., Ltd. ("Sateri", with the main business of viscose fibre), Apical Group Ltd. ("Apical", with the main business of vegetable oil), Pacific Energy Group ("Pacific Energy", with the main business of energy and liquefied natural gas).

Asia Symbol: Increasing Investment in Energy Conservation, Emission Reduction and Environmental Protection, Developing Carbon-Neutral Products

Asia Symbol is committed to sustainable development and exploration of long-term renewable resource for paper production. Meanwhile, Asia Symbol's philosophy of sustainability aims at facilitating regional economic development and welfare of the local community. Asia Symbol has invested in and landed multiple industry-leading energy conservation, emission reduction and environmental protection projects and successfully introduced the first carbon-neutral copy paper product in China.

Developing urban reclaimed water reuse project

Asia Symbol invested around RMB 70 million to build urban reclaimed water reuse project in Rizhao, and put the project into production in December 2013. The project can treat 40,000 tonnes of reclaimed water per day and save around 10 million cubic meters of water per year.



Asia Symbol Urban Reclaimed Water Reuse Project

Establishing integrated project of in-depth flue gas treatment and waste heat heating

In 2021, Asia Symbol integrated social resources and invested nearly RMB 400 million to establish the "integrated project of in-depth flue gas treatment and waste heat heating". The project can collect 300MW of waste heat, save 147,000 tonnes of standard coal and reduce 383,000 tonnes of carbon emissions per year.



Asia Symbol Integrated Project of In-depth Flue Gas Treatment and Waste Heat Heating

Carrying out biomass thermal energy generation project

Asia Symbol (Shandong) Pulp and Paper Co., Ltd. ("Asia Symbol (Shandong)") adopted the advanced technological process, and conducted biomass thermal energy generation project. The project can generate an average of 1.5 billion kWh of electricity, reduce carbon emissions by more than 3 million tonnes and save 1.2 million tonnes of standard coal per year. As of now, the proportion of biomass energy in the total energy consumption of Asia Symbol (Shandong) has exceeded 83%.



Asia Symbol (Shandong) Biomass Thermal Energy Generation Project

Building distributed photovoltaic power generation project

From 2021 to 2024, Asia Symbol has continued to build rooftop distributed photovoltaic (PV) projects in its factories to increase the proportion of green energy consumption. As of November 2024, a total of 51.78MW of distributed PV power stations have been built in Shandong, Guangdong and Jiangsu factories. Compared with coal power with the same generating capacity, the project is expected to save about 17.000 tonnes of standard coal and reduce more than 42,000 tonnes of carbon emissions per year.



Asia Symbol Distributed Photovoltaic Power Generation Project

Promoting China's first carbon-neutral copay paper products

In November 2021, Asia Symbol obtained the first carbon-neutral product certificate in the paper industry in China and its "Red PaperOne Copy Paper" became the first "Carbon-neutral" product. In November 2024, the "Red PaperOne" carbon-neutral copy paper was awarded the "Low-Carbon Product of the Year" by Southern Weekly.



Asia Symbol Red PaperOne Carbon-Neutral Copy Paper

Sateri: Developing Low-Carbon Viscose Fibre, Carrying Out Biodiversity Conservation

Sateri is one of the global leaders in the viscose fibre industry, with 14 factories in China and a total capacity of more than 2.1 million tonnes. Sateri continuously created low-carbon and zero-carbon products. Furthermore, by strictly implementing wood pulp procurement policies, Sateri also promoted the sustainable development of the wood pulp supply chain together with suppliers. Since 2019, Sateri has started the Poyang Lake Freshwater Health and Wetland Protection and Restoration Initiative in cooperation with Conservation International. The initiative aims to improve the ecosystem health of China's largest freshwater lake, Poyang Lake, by protecting its biodiversity and providing sustainable livelihoods for local people.

a total capacity with of more than

14

2.1

factories in China

na million tonnes

Developing Sateri Lyocell Fibre

Sateri is committed to creating green and low-carbon products. Since successfully starting the production of Lyocell Fibre in Rizhao, Shandong in 2020, Sateri has successively launched a variety of low-carbon Lyocell Fibres.

Sateri Lyocell Fibres is made from recyclable raw materials and produced in a closed-loop process, using biomass fuels for power generation and a more environmentally friendly alkaline pulping process. Additionally, the product is bio-based and TUV certified and 100% biodegradable.



Sateri Lyocell Fibre

Carrying out the Poyang Lake Freshwater Health and Wetland Protection and Restoration Initiative

The initiative was launched in 2019, using scientific and professional methods to enhance the ecosystem vitality of the Poyang Lake area and improve the comprehensive management ability of natural reserves.

In addition, the initiative has also created a "migratory bird village" featuring bird watching, bird protection, wetland nature protection education, and community participation. It has also built popular ecotourism attractions such as "migratory bird reading room" and "migratory bird library", which provide new means of livelihood for the local fishermen.



Sateri Poyang Lake Freshwater Health and Wetland Protection and Restoration Initiative

Apical: Strengthening Supply Chain Management Continuously, Obtain Chemical Enterprise Transition Financial Loan

Apical is a leading vegetable oil processor with an expanding global footprint and operates numerous plants in the Indonesia, China, and Spain. In 2020, Apical launched the "Apical Sustainability IMPLEmentation (A-SIMPLE) Framework", including building a traceable palm oil supply chain, committing to 'No Deforestation, No Peat, No Exploitation' (NDPE) compliant,

and implementing a responsible procurement policy, etc. Apical Oleochemicals Taixing ("Apical Oleochemicals") is the largest-scale and highest-specification foreign integrated oleochemical investment project in China, aiming to create a green oleochemical integrated production base with safety, environmental protection, low energy consumption, and high value-added.



Apical Oleochemical Green Oleochemical Integrated Production Base

After review by the experts and identification based on the "Jiangsu Province Petrochemical and Chemical Industry Key Fields Transition Financing Endorsed Catalogue (2024 Edition)", Apical Oleochemical was considered to meet the standards of chemical transformation financing entities, and was included in the "Jiangsu Province Transformation Financing Entity Library". Therefore, Apical Oleochemical successfully obtained the first chemical enterprise transition loan in Jiangsu Province³. The loan introduced an incentive mechanism, and the Lenders will moderately adjust the loan interest rate based on the regularly evaluation situation of carbon emission reduction KPIs of Apical Oleochemical. In this way, the mechanism can help Apical Oleochemical optimize its capital structure and reduce financing costs⁴, and will promote the enterprise to continuously improve its emission reduction performance and accelerate green and low-carbon transformation.

Pacific Energy: Building Environmental Friendly Power Plants, Carrying Out the First Net-Zero Emission LNG Project

Pacific Energy is an independent energy resources development company focused on meeting the increasing energy needs of the North American markets and emerging Asian economies. It develops, builds, owns and operates cost-competitive projects through the energy supply chain while maintaining its role as a responsible corporate citizen. In the upstream of the industry chain, Pacific Energy is mainly engaged in natural gas exploration and production in Canada. Its activities include operating liquefied natural gas (LNG) receiving stations and gas-steam combined cycle (CCGT) power plants in China in the midstream and downstream. The CCGT power plants have higher energy conversion efficiency, faster start-stop response speed, and higher thermal efficiency. It has relatively low carbon dioxide emissions and are more environmentally friendly.

The Woodfibre LNG project laid out by Pacific Energy in Canada, in cooperation with partners, officially started the module construction of Woodfibre LNG project in Qingdao in 2023. The project has a planned liquefied natural gas capacity of 2.1 million tonnes, which will be fully delivered in the third quarter of 2025. The project is the world's first liquefied natural gas project to achieve net-zero emissions during both the construction and operation periods, which uses hydropower to liquefy the natural gas after extraction.



Pacific Energy's First Net-Zero Emission Project



Case 2: Promoting Green Innovation, Creating an Intelligent Future: China Hongqiao Group Co., Ltd.

China Hongqiao Group Co., Ltd. ("China Hongqiao", stock code 01378.HK) is an enterprise with a "Chain" layout, covering mining, alumina, primary aluminium and aluminium deep processing as a whole industry chain, registered in the Cayman Islands. With the goal of building a "Resource-conserving, Environment-friendly" enterprise, China Hongqiao adheres to create an environment-friendly, green and efficient production mode. Meanwhile, it continues to promote the sustainable development of itself and the whole industrial chain. Mr Zhang Bo, Chairman of China Hongqiao, was named as one of "the 100 Most Influential Climate Leaders in Business" of TIME100 Climate in 2023⁵, and selected by China Entrepreneur as one of "the 25 Influential Enterprise Leaders" in 2024. Under the leadership of Mr. Zhang, China Hongqiao was awarded the "Mentor Pioneer Award for ESG Connect"⁶, organised by the Hong Kong Quality Assurance Agency (HKQAA) in October 2024.

In 2023, China Hongqiao successfully completed the first HKD sustainability-linked syndicated loan in China's aluminium industry. The key performance indicators (KPIs) and sustainability performance targets (SPTs) were set with reference to the reduction pathways of greenhouse gas emission intensity (scope 1 and scope 2) for global major aluminium industries as proposed by the International Aluminium Institute (IAI).





Optimising the energy structure through capacity relocation, reducing carbon emissions from production and transportation

In 2019, it announced the cooperation with the People's Government of Yunnan Province to build a Green Aluminium Innovation Industrial Park, with a plan to relocate 3.96 million tonnes of aluminium alloy production capacity from Shandong to Yunnan. Through this relocation, China Hongqiao is able to make full use of Yunnan's superior conditions for hydroelectric power generation and other renewable energy sources, aiming to increase the proportion of clean energy and optimise the energy structure. China Hongqiao's main production model in Shandong and Yunnan is basing sales on production, which can provide hot molten aluminium metal to its customers directly. Downstream customers are able to further process the products according to their own needs. Under this model, energy use and greenhouse gas emissions could be significantly reduced during the process and transportation. Meanwhile, it can save costs and create a win-win situation with downstream customers.



China Honggiao' s Industrial Base in Yunnan



Carrying out innovation, research and development (R&D), creating the green demonstration industrial chain

China Hongqiao also attaches great importance to optimising its production technologies and commits to product innovation and R&D. In 2023, it developed green and low-carbon aluminium cans to enhance the sustainable performance of its own products, which further increases the possibility of aluminium becoming the most sustainable packaging material.

Inventing green and low-carbon aluminium cans

Zouping Hongfa Aluminium Technology Co., Ltd. ("Hongfa Aluminium"), a subsidiary of China Hongqiao, in collaboration with its partner company, completed a successful trial production of low-carbon aluminium cans that uses green aluminium in 2023. This batch of can material aluminium uses 50% aluminium used beverage cans, 35% hydropower-produced HQALight green aluminium ingots and raw material scraps from partner's factory to become the first batch of 100% all-green aluminium can material production.



Green and Low-Carbon Aluminium Can Products

At present, China Hongqiao has formed a full-coverage supply chain layout with upstream and downstream integration. Its subsidiary Shandong Hongcan Material Technology Co., Ltd. ("Shandong Hongcan") established China's first new green demonstration industrial chain of "hot molten aluminium metal - die casting - equipment manufacturing - recycling" in 2023. Based on the R&D and production of lightweight parts and components, China Hongqiao has gradually driven the formation of the world's most influential and competitive lightweight high-end new-energy equipment manufacturing industrial cluster. The industrial cluster has formed a complete industrial chain that extends from hot molten aluminium metal, parts and components R&D and manufacturing, and then to equipment assembly.

Carrying out research and development of automotive lightweight parts and components

Shandong Hongxing Light Alloy Co., Ltd. is dedicated to the research and development of a comprehensive range of lightweight products, relying on the advantages in aluminium metal integration and the whole industry chain of China Hongqiao and the rapid growth of new energy vehicles.

By implementing lightweight all-aluminium body, it can reduce fuel consumption and exhaust by 20% and 15% respectively, compared with a traditional one. New energy vehicle that apply lightweight all-aluminium body can increase the cruising range by 15%.



Lightweight Equipment Base

Building green factories, achieving intelligent production

Shandong Hongqiao New Material Co., Ltd. ("Shandong Hongqiao"), a subsidiary of China Hongqiao, took the lead in building a smart aluminium factory. Based on four functions, namely, intelligent control, in-depth processing, task management and intelligent safety, it promoted the simultaneous improvement of its comprehensive benefits and the lean management level. In addition, Shandong Hongqiao was selected in the list of smart aluminium intelligent manufacturing factory in 2022 with its outstanding performance. It was also rated as the national "Green Factory" and an iconic company in intelligent manufacturing in Shandong.

Hongfa Aluminium had the production capacity of 760,000 tonnes of aluminium processing products and was rated as the national "Green Factory" in 2023. Furthermore, Hongfa Aluminium has passed the certification of Aluminium Stewardship Initiative (ASI). ASI is a global, multi-stakeholder, non-profit standards setting and certification organisation, which promotes the sustainable development of the aluminium value chain by defining environmental, social and governance principles and criteria.



Shandong Hongqiao's Intelligent Factory



Hongfa Aluminium's Green Factory



03 | Chiyu Fujian-Hong Kong ESG Index

Figure 1: Chiyu Fujian-Hong Kong ESG Index: The Main Index and Three Sub-indices

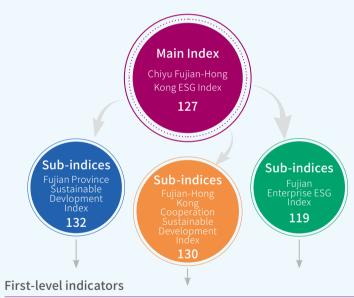


Source: Fujian Province's official statistical database, third-party databases, public sources, CECEPEC

Note: The Fujian Enterprise ESG Index is a sub-index of the Chiyu Fujian-Hong Kong ESG Index, which has been updated in this report. The Fujian Enterprise ESG index is updated to 117 points in the second half of 2023, and the main index is updated to 124 points in the second half of 2023 correspondingly.

The main index of the Chiyu Fujian-Hong Kong ESG Index showed a continuous upward trend, reaching 127 points in the first half of 2024, with a year-on-year growth of 6.1%. Specifically, the Fujian Province Sustainable Development Index and the Fujian-Hong Kong Cooperation Sustainable Development Index reached 132 points and 130 points, with year-on-year growth rates of 7.3 % and 7.2%, respectively. Additionally, the Fujian Enterprise ESG Index has been updated for the first time in the first half of 2024, reaching 119 points, with a year-on-year increase of 3.7%.

Figure 2: Composition and Relation of the Index and Index Values for the First Half of 2024



Environmental Performanceand Resource Management Development Economic Development Development Social Development 130 and Livelihood 133 Sustainable Finance

Supportive Policies Social **Exchange Activities** Financial, Economic 121

137 Environment 127 111 121

Corporate Governance

Data Sources, Data Processing and Sample Selection of the Indices

The compilation of the Chiyu Fujian-Hong Kong ESG Index involved collecting data from official databases, public sources, industry association statistics, and public disclosures of listed companies. The raw data was then normalised to ensure uniformity. To address missing data, particularly for half-year periods, data imputation was carried out by utilising historical values.

There was no sample selection in the compilation of the Fujian Province Sustainable Development Index and the Fujian-Hong Kong Cooperation Sustainable Development Index. For the Fujian Enterprises ESG Index, 80 listed Fujian enterprises were randomly selected as representative samples. In addition, the report also analyses the ESG performance level of overseas Chinese enterprises ("overseas Chinese Fujian enterprises") among listed Fujian enterprises to observe the difference between the overall ESG performance level of overseas Chinese Fujian enterprises and Fujian enterprises.



3.1Fujian Province Sustainable Development Index

Figure 3: Fujian Province Sustainable Development Index



Source: Fujian Province' s official statistical database, third-party databases, public sources, CECEPEC

In the "Environmental Performance and Resource Management", "Economic Development", "Social Development and Livelihood" and "Sustainable Finance", Fujian Province showed an obvious growth with excellent performance during the first half of 2024.

Fujian Province Sustainable Development Index reached

132 points in the first half of 2024

with a year-on-year increase of

7.3%

In the first half of 2024, Fujian Province issued management measures and policies to optimise environmental impact assessments and measures for deepening the comprehensive ecological management of the Min River basin.

In the "Innovation advancement", the number of invention patents granted in Fujian Province reached a new high of 11,191 in the first half of 2024, with a year-on-year increase of 37.2%.

Fujian Province's government expenditures on social security and employment in the first half of 2024 reached RMB 41.601 billion, with a year-on-year increase of 8.77%. The per capita disposable income of residents reached RMB 25,112, with a year-on-year increase of 5.5%.

As of the end of June 2024, the balance of green loans in Fujian Province reached RMB 965.195 billion, with 22.06% higher than the growth rate of other loans. The issuance volume of GSSS bonds reached RMB 12.7 billion.

ⁱFujian enterprises listed domestically or internationally were included.

3.1.1 Fujian Province Sustainable Development Index: Environmental Performance and Resource Management

Figure 4: Fujian Province Sustainable Development Index: Environmental Performance and Resource Management



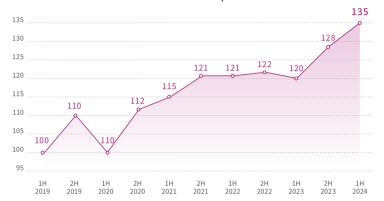
Source: Fujian Province' s official statistical database, third-party databases, public sources. CECEPEC

Research showed that the first-level indicator for environmental resources in the first half of 2024 depicted a noticeable upward trend, reaching 132 points, with a year-on-year increase of 6.0%. In February 2024, Fujian Province issued management measures and policies to optimise environmental impact assessments⁷, further enhancing the preventive effectiveness of the environmental assessment system at the source and formulating implementation measures based on the characteristics of Fujian Province.

In April 2024, the People's Government of Fujian Province issued the "Measures for Deepening the Comprehensive Ecological Management of the Min River Basin"s, aiming to continuously optimise the industrial structure, strengthen the comprehensive management of agricultural pollution, industrial pollution, and domestic sewage, and propose measures to consolidate ecosystem functions, thereby promoting further improvement in the water quality of the Min River Basin. The document mentioned that by 2025, the proportion of Class I to III water quality in national and provincial control sections of the Min River Basin will reach 100%, with Class I to II water quality maintained at over 86%; the proportion of Class I to II water quality in the mainstream national control sections of the Min River will reach 100%.

3.1.2 Fujian Province Sustainable Development Index: Economic Development

Figure 5: Fujian Province Sustainable Development Index: Economic Development



Source: Fujian Province's official statistical database, third-party databases, public sources, CECEPEC

As shown in Figure 5, Fujian Province's performance on the first-level indicator "Economic Development" rose significantly during the first half of 2024, reaching 135 points with a 12.0% year-on-year increase.

According to public data, Fujian Province achieved a GDP of RMB 2,638.048 billion in the first half of 2024, with a year-on-year increase of 5.6% at comparable prices. Fujian Province's GDP ranked eighth nationally in the first half of 2024, with its per capita GDP is also at a leading level in the country. Fujian Province performed particularly well in the tertiary industry and innovation level indicators. In the first half of 2024, the added value of the tertiary industry in Fujian Province was RMB 1,358.740 billion, with a year-on-year increase of 7.7%. From January to May, the operating income of software and information technology services above designated in Fujian Province increased by 19.3% year-on-year, while the operating income of leasing and business services increased by 28.9% increased

In the context of the national strategy for high-quality development driven by technological innovation, Fujian Province proposed a strategy to strengthen the private economy and introduced relevant policies and measures in the first half of 2024 to promote technological innovation in the private economy. In May 2024, the Fujian Provincial Department of Science and Technology issued the "Detailed Rules for the Management on Science and Technology Innovation Voucher Subsidies of Fujian Province"12, subsidising the cost of science and technology innovation services purchased externally by technology-based SMEs in their R&D activities. In June 2024, the Fujian Provincial Department of Science and Technology, together with the Fujian Provincial Federation of Industry and Commerce, formulated the "Several Measures to Support Technological Innovation in Private Enterprises"13, aiming to enhance the technological innovation capabilities of private enterprises, including supporting the cultivation of science and technology innovation enterprises and increasing open cooperation in innovation. According to the patent publication survey on the China National Intellectual Administration, as shown in Figure 6, the number of invention patent grants in Fujian Province reached a new high of 11,191 in the first half of 2024, with a year-on-year increase of 37.2%.

Figure 6: The Number of Invention Patent Grants in Fujian Province



Source: China National Intellectual Property Administration, CECEPEC

3.1.3 Fujian Province Sustainable Development Index: Social Development and Livelihood

Figure 7: Fujian Province Sustainable Development Index: Social Development and Livelihood



Source: Fujian Province's official statistical database, third-party databases, public sources. CECEPEC

According to Figure 7, the first-level indicator of social and livelihood showed a significant growth trend in the first half of 2024, reaching 130 points, a year-on-year increase of 6.8%. Additionally, the growth in expenditure on social security and employment and per capita disposable income of residents was particularly notable.

In the first half of 2024, Fujian Province issued multiple policy documents focusing on housing security, poverty relief, employment subsidies, medical service capacity improvement, and medical security. In terms of medical security, the Fujian Provincial Medical Security Bureau issued the "Notice on Implementing and Improving the Outpatient Mutual Aid Guarantee Mechanism for Employee Basic Medical Insurance" 14, further improving the implementation of the outpatient mutual aid guarantee mechanism for employee medical insurance by implementing personal account crediting methods, lowering the deductible, increasing the payment limit, and raising the reimbursement ratio.

3.1.4 Fujian Province Sustainable Development Index: Sustainable Finance

Figure 8: Fujian Province Sustainable Development Index: Sustainable Finance



Source: Fujian Province' s official statistical database, third-party databases, public sources, CECEPEC

As shown in Figure 8, the first-level indicator "Sustainable Finance" reached 133 points in the first half of 2024, with a year-on-year increase of 7.9%. Additionally, the second-level indicators of "Balance of Green Loans", "Issuance of GSSS bonds" and "Policies for sustainable finance" were prominent.

The expenditure on social security and employment reached RMB

41.6 billion in the first half of 2024

with a year-on-year increase of

8.77%

The per capita disposable income of residents in Fujian Province in the first half of 2024 reached RMB

25,122

with a year-on-year increase of

5.5 %

As of the end of June 2024, the balance of green loans in Fujian Province reached RMB 965.195 billion, with a year-on-year increase of 27.47% and 22.06% higher than the growth rate of other loans. In the first half of 2024, the issuance scale of GSSS bonds in Fujian Province also increased compared to the second half of 2023, with a total issuance scale of RMB 12.7 billion, mainly concentrated in the power and transportation infrastructure industries

In the first half of 2024, Fujian Province successively issued the "Implementation Plan for Carbon Peaking in the Petrochemical and Chemical Industry of Fujian Province" the "Implementation Plan for Carbon Peaking in the Steel Industry of Fujian Province", and the "Implementation Plan for Carbon Peaking in the Non-ferrous Metals Industry of Fujian Province" the guiding role of fiscal funds and the support of fiscal and tax policies. The documents support financial institutions in providing preferential interest rate financing for key projects with significant carbon reduction effects, and guide financial institutions to innovate green and low-carbon financial products. In this case, the carbon peaking in the petrochemical, steel, and non-ferrous metals industries can be strongly supported with the green transformation of traditional highemission industries. Meanwhile, it can also drive more social capital to participate in low-carbon transformation and development.

In May 2024, the Fujian Provincial Department of Finance and the Department of Industry and Information Technology also issued the "Management Measures for Provincial Industrial Energy Conservation, Carbon Reduction, and Circular Economy Special Funds" aiming to strengthen the use and management of provincial industrial energy conservation, carbon reduction, and circular economy special funds, improve the efficiency of fund use, promote the development of energy conservation and circular economy in Fujian Province, and comprehensively promote the high-quality development of the manufacturing industry.

"Include green bonds, social bonds, sustainability bonds, and sustainability-linked bonds.

📶 3.2 Fujian-Hong Kong Cooperation Sustainable Development Index

Figure 9: Fujian-Hong Kong Cooperation Sustainable Development Index



Source: Fujian Province's official statistical database, third-party databases, public sources, CECEPEC

Fujian-Hong Kong Cooperation Sustainable Development Index reached

130 points in the first half of 2024

with a year-on-year increase of

7.2 %

The indicators "Exchange Activities on Sustainable Development" and "Financial, Economic and Trade Cooperation" in the Fujian-Hong Kong Cooperation Sustainable Development Index showed notable increase in the first half of 2024.

In March 2024, government officials, economists, entrepreneurs' representatives and heads of financial institutions from Fujian and Hong Kong participated in the Fujian Hong Kong Development Cooperation Forum on Financial Services in Hong Kong, and carried out comprehensive cooperation and exchanges between Fujian and Hong Kong in various fields such as finance, economy, trade and investment.

In terms of financial, economic and trade cooperation, benefiting from a series of policies and measures introduced by Fujian Province since 2023 to enhance the foreign investment environment, the amount of direct investment from Hong Kong to Fujian exceeded USD 10 billion in 2023.



3.2.1 Fujian-Hong Kong Cooperation Sustainable Development Index: Supportive Policies for Sustainable Development

Figure 10: Fujian-Hong Kong Cooperation Sustainable Development Index:
Supportive Policies for Sustainable Development



Source: Fujian Province' s official statistical database, third-party databases, public sources, CECEPEC

In the first half of 2024, the policy support for cooperation between Fujian and Hong Kong maintained at a high level, and the first-level indicator "Supportive Policies for Sustainable Development" remained at 137 points, with a year-on-year increase of 14.8%.

In the first half of 2024, The Hong Kong Monetary Authority (HKMA) and the People's Bank of China announced six policy measures to deepen the financial cooperation between Hong Kong and the Mainland¹⁹. These measures aim to further enhance the connectivity of financial markets between Hong Kong and the Mainland, strengthen Hong Kong's status as an international financial centre.

Six policy measures to deepen the financial cooperation between Hong Kong and the Mainland, including:

- 1 Expanding the list of eligible collateral for the HKMA's RMB Liquidity Facility to include RMB bonds issued onshore by the Ministry of Finance of the People's Republic of China and the policy banks of the People's Republic of China;
- 2 Further opening up the onshore repurchase agreement (repo) market to all foreign institutional investors (including Bond Connect investors) that already have access to the China Interbank Bond Market;
- 3 Releasing the amendments to the Implementation Arrangements for the Cross-boundary Wealth Management Connect Pilot Scheme in the Guangdong-Hong Kong-Macao Greater Bay Area (GBA);
- 4 Implementing facilitative measures on the remittances for property purchase by Hong Kong and Macao residents in the Mainland cities in the GBA;
- **6** Promoting the collaboration on cross-boundary credit referencing to facilitate corporates' cross-boundary financing activities;
- 6 Expanding the cross-boundary e-CNY pilots in Hong Kong.

3.2.2 Fujian-Hong Kong Cooperation Sustainable Development Index: Exchange Activities on Sustainable Development

Figure 11: Fujian-Hong Kong Cooperation Sustainable Development Index: Exchange Activities on Sustainable Development



In the first half of 2024, exchange activities on sustainable development between Fujian and Hong Kong became more frequent compared to 2023, the first-level indicator "Exchange Activities on Sustainable Development" reached 135 points, with a year-on-year increase of 2.8%.

Source: Fujian Province' s official statistical database, third-party databases, public sources, CECEPEC

In recent years, the cooperation between Fujian and Hong Kong in the financial field has continued to deepen and yielded fruitful results in many aspects. Significant progress has been made in capital market connection between two regions, with increasing opportunities for Fujian enterprises to raise funds through Hong Kong's capital market. Many Fujian enterprises have successfully gone public in Hong Kong and attracted international investment. The cooperation between financial institutions in Fujian and Hong Kong has become increasingly close, enhancing collaboration in areas such as cross-border financial services. On 20 March 2024, the Financial Services Fujian Hong Kong Development Cooperation Forum, with the theme of "Fujian Hong Kong Revitalisation Energy, Prosperity and Integration of the Two Regions", was held on the Hong Kong Stock Exchange²⁰. The forum was attended by government officials, economists, representatives of entrepreneurs, and heads of financial institutions from Fujian and Hong Kong. The forum focused on comprehensive cooperation and exchange in multiple fields, including finance, economic and trade, and investment between Fujian and Hong Kong.

The Chief Executive of the Hong Kong Special Administrative Region, Mr. John KC Lee, stated that:

Fujian is a famous hometown of overseas Chinese and has always had close relations with Hong Kong. At the same time, Hong Kong is also the largest source of foreign investment in Fujian, with broad cooperation space between the two regions. At present, the cooperation mechanism between Fujian and Hong Kong is constantly maturing and achieving fruitful results. We hope that the two regions will continue to work together and work together to create a brighter future for the cooperation between Fujian and Hong Kong.

3.2.3 Fujian-Hong Kong Cooperation Sustainable Development Index: Financial, Economic and Trade Cooperation

Figure 12: Fujian-Hong Kong Cooperation Sustainable Development Index:
Financial, Economic and Trade Cooperation



Source: Fujian Province's official statistical database, third-party databases, public sources, CECEPEC

As shown in Figure 12, in the first half of 2024, the first-level indicator "Financial, Economic and Trade Cooperation" reached the highest level in recent years at 121 points, with a year-on-year increase of 5.0%. This growth was primarily driven by a significant rise in the second-level indicator "Amount of direct investment from Hong Kong to Fujian".

Public data shows that in recent years, the number of contracts for direct investment from Hong Kong to Fujian has been increasing year by year. In 2023, the number of contracts was 972, with a year-on-year increase of 23.6%. The total contract amount of direct investment from Hong Kong to Fujian exceeded USD 10 billion in 2023²¹, with a year-on-year growth of 50.6%. Since 2023, Fujian Province has introduced a number of policies and measures to enhance the foreign investment's increment, stability and quality. These policies and measures aim at creating a first-class foreign investment environment and driving the high-quality economic development of Fujian Province.

Courtyard at Taiba Town, Shanghang County, Fujian.



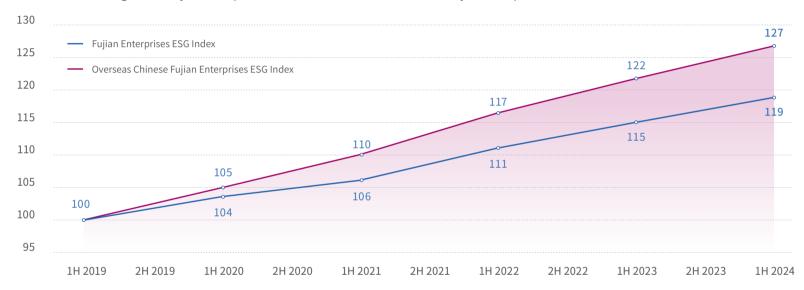
3.3 Fujian Enterprise ESG Index and Overseas Chinese Fujian Enterprise ESG Index

This chapter provides an analysis of the ESG performance of listed Fujian enterprises and overseas Chinese Fujian enterprises. The Fujian Enterprises ESG Index is a sub-index of the Chiyu Fujian-Hong Kong ESG Index, while the Overseas Chinese Fujian Enterprises ESG Index serves as supplementary information. The objective of the index is to highlight the disparities for the market in ESG performance between overseas Chinese Fujian enterprises and the Fujian enterprises.

Regarding the Fujian Enterprises ESG Index and the Overseas Chinese Fujian Enterprises ESG Index, we conduct research on the latest ESG disclosure informationⁱⁱⁱ of listed Fujian enterprises (including overseas Chinese Fujian enterprises) in the middle of each year to evaluate the ESG disclosure level of Fujian enterprises annually. A comprehensive set of indicators iv has been developed to assess the ESG performance of these companies, covering the three pillars of Environment, Social, and Corporate Governance, along with corresponding secondlevel indicators. Scores are assigned to each Fujian Enterprise based on their level of transparency in each second-level indicator. These scores are then normalised to ensure consistency, and the Fujian Enterprises ESG Index and the Overseas Chinese Fujian Enterprises ESG Index are developed accordingly.

3.3.1 Fujian Enterprises ESG Index and Overseas Chinese Fujian Enterprises ESG Index





Source: Public disclosures of listed companies, CECEPEC

As shown in Figure 13, the Fujian Enterprises ESG Index shown a steadily increasing trend, reaching 119 points in the first half of 2024, with a year-on-year increase of 3.7%. In April 2024, the Shanghai, Shenzhen and Beijing Stock Exchanges formally released the guidelines²² for listed companies to report on the sustainable development, and the Stock Exchange of Hong Kong Limited published conclusions²³ to its consultation on the enhancement of climate-related disclosures under its environmental, social and governance (ESG) framework. Under this circumstance, the listed Fujian enterprises have actively responded to regulatory requirements and continuously strengthened the ESG disclosure level. In addition, the Overseas Chinese Fujian Enterprises ESG Index has also gradually improved, reaching 127 points in the first half of 2024, with a year-on-year increase of 3.8%. Additionally, this performance surpasses that of the overall Fujian Enterprises.

[&]quot;Data and information were collected from various reports, including ESG reports, Corporate Social Responsibility (CSR) reports, and Sustainability reports, which are published by listed Fujian enterprises.

 $^{^{\}mathsf{Iv}}$ Both the Overseas Chinese Fujian Enterprise ESG Index and the Fujian Enterprise ESG Index utilise the same set of indicators.

135

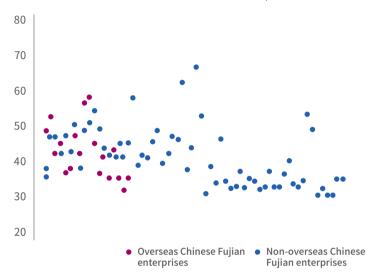
130 125

120

115

110

Figure 14: ESG Scores of Listed Enterprises in Fujian Province (by overseas Chinese Fujian enterprises and non-overseas Chinese Fujian enterprises, based on the assessment results as of the first half of 2024)

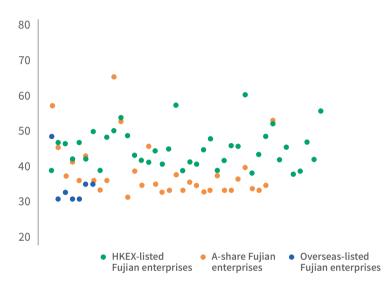


Source: Public disclosures of listed companies, CECEPEC

Note: The scores range from 20 to 80, wherein higher scores indicate a superior ESG disclosure level.

According to Figure 14, our data showed that the scores of overseas Chinese Fujian enterprises are more concentrated compared to Non-overseas Chinese Fujian enterprises. In addition, we also found that the overall ESG performance of Non-overseas Chinese Fujian enterprises in 2023 have significantly improved compared to that of 2022, with the majority of Non-overseas Chinese Fujian enterprises having an ESG score of more than 30. Overall, the ESG disclosure level of listed Fujian enterprises in 2023 have shown an upward trend. The broad global perspective of overseas Chinese enterprises enables them to demonstrate richer practices and experiences in ESG management and disclosure.

Figure 15: ESG Scores of Listed Enterprises in Fujian Province (by listed markets, based on the assessment results as of the first half of 2024)



Source: Public disclosures of listed companies, CECEPEC

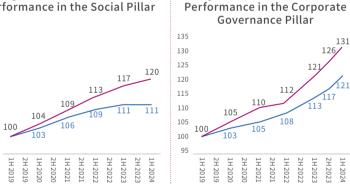
Note: The scores range from 20 to 80, wherein higher scores indicate a superior ESG disclosure level.

As shown in Figure 15, the sample is divided into the Hong Kong Exchanges and Clearing Limited (HKEX)-listed, A-share and overseas-listed enterprises according to the listed markets. The findings showed that the level of ESG disclosure varies across the listed markets. With the early development of ESG disclosure in Hong Kong, the average performance of HKEX-listed Fujian enterprises is slightly better than that of A-share and overseas-listed Fujian enterprises. The average ESG score of HKEX -listed Fujian enterprises in 2023 reaches 45, a slight increase from the previous period, maintaining a high level, while the average ESG score of A-share Fujian enterprises in 2023 reaches 38, with a notable increase from 35 in 2022.

Figure 16: ESG Disclosure Performance in the Environmental Pillar



Figure 17: ESG Disclosure Performance in the Social Pillar



Source: Public disclosures of listed companies. CECEPEC

Overseas Chinese Fujian
 Fujian enterprises

Figure 18: ESG Disclosure

The figures above depict the trends in disclosure levels for the three pillars, i.e., environment, social and corporate governance within the overall Fujian enterprises and overseas Chinese Fujian enterprises. Based on the figures, we can see that the average level of disclosure of overseas Chinese Fujian enterprises at the three pillars is generally better than the average level of Fujian enterprises. Benefitting to the updated guidelines for ESG information disclosure in the regulatory market, more and more enterprises have begun to disclose ESG information or strengthen their ESG information disclosure. Hence, we can see that in the first half of 2024, the overall performance of Fujian enterprises at the environmental level is gradually approach the average level of overseas Chinese Fujian enterprises.

3.3.2 Highlights of "Second-level Indicators" Performance

This section focuses on the specific performance of Fujian enterprises in the second-level indicators of environment, social and corporate governance, and identifies the room for ESG improvement of Fujian enterprises to provide reference for the market.

Second-level Indicators of Environment

Figure 19: Environmental Indicators Performance of Fujian Enterprises



Source: Public disclosures of listed companies, CECEPEC

Note: The 1H 2024 performance of the second-level indicators is based on the public information assessment of the latest ESG, CSR or sustainability reports of Fujian enterprises as of the first half of 2024, and the same applies to others.

Figure 20: Environmental Indicators Performance of Overseas Chinese Fujian Enterprises



Source: Public disclosures of listed companies, CECEPEC

Note: The 1H 2024 performance of the second-level indicators is based on the public information assessment of the latest ESG, CSR or sustainability reports of Fujian enterprises as of the first half of 2024, and the same applies to others.

Based on the Figures 19 and 20, the performance of Fujian enterprises in the second-level environmental indicators as a whole still shows a steady upward trend. Among them, both Fujian enterprises and overseas Chinese Fujian enterprises will perform well in the first and second tier indicators such as waste discharge and management in the first half of 2024. At the same time, the overall Fujian enterprises also showed an upward trend in the two second-level indicators of greenhouse gas emission and management, and water resource use and management, indicating that Fujian enterprises are gradually improving the data monitoring and disclosure of greenhouse gas and water resource use, and promoting the achievement of their own emission reduction targets by setting greenhouse gas emission reduction targets and water resources-related targets, so as to achieve their own sustainable development.

Second-level Indicators of Social

Figure 21: Social Indicators Performance of Fujian Enterprises



Source: Public disclosures of listed companies, CECEPEC

Note: The 1H 2024 performance of the second-level indicators is based on the public information assessment of the latest ESG, CSR or sustainability reports of Fujian enterprises as of the first half of 2024, and the same applies to others.

Figure 22: Social Indicators Performance of Overseas Chinese Fujian Enterprises



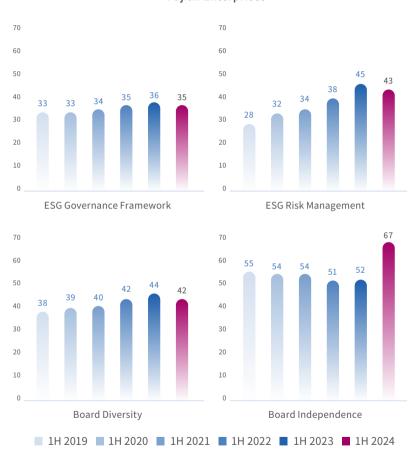
Note: The 1H 2024 performance of the second-level indicators is based on the public information assessment of the latest ESG, CSR or sustainability reports of Fujian enterprises as of the first half of 2024, and the same applies to others.

According to the assessment results in the first half of 2024, the upward trend of the two second-level indicators of supplier management, privacy and information security management at the social level is obvious, indicating that Fujian enterprises are gradually strengthening the monitoring and disclosure of supplier data, and are gradually improving their relevant systems on privacy and data security management.

For overseas Chinese and Fujian enterprises, the two indicators that perform more well in the evaluation in the first half of 2024 are supplier management and community participation, which means that overseas Chinese and Fuijan enterprises are gradually improving their supplier data disclosure, and at the same time, they are also investing more resources in public welfare, including manpower, time, in-kind donations, cash, etc.

Second-level Indicators of Corporate Governance

Figure 23: Corporate Governance Indicators Performance of Fujian Enterprises



Source: Public disclosures of listed companies, CECEPEC

Note: The 1H 2024 performance of the second-level indicators is based on the public information assessment of the latest ESG, CSR or sustainability reports of Fujian enterprises as of the first half of 2024, and the same applies to others.

Figure 24: Corporate Governance Indicators Performance of Overseas Chinese Fujian Enterprises



Source: Public disclosures of listed companies, CECEPEC

Note: The 1H 2024 performance of the second-level indicators is based on the public information assessment of the latest ESG, CSR or sustainability reports of Fujian enterprises as of the first half of 2024, and the same applies to others.

Our research showed that the Fuijan enterprises and overseas Chinese Fujian enterprises increased significantly in terms of the second-level indicator of board independence, indicating that listed Fujian enterprises have continuously strengthened the board independence, and the proportion of independent directors has reached a certain proportion. On 14 April 2023, the General Office of the State Council issued the "Opinions on the Reform of the Independent Director System of Listed Companies" ("Opinions")²⁴. The Opinions put forward eight reform tasks for accelerating the formation of a more scientific system of independent directors of listed companies, aiming to clarify the responsibilities of independent directors. optimise the performance of independent directors, strengthen the management of independent directors, improve the selection system of independent directors, strengthen the guarantee of independent directors' performance of duties, strictly supervise and manage the performance of independent directors, improve the responsibility restraint mechanism of independent directors, and improve the efficient internal and external supervision system. Driven by this reform policy, the effectiveness of the implementation of the independent director system by Fujian enterprises has been significantly enhanced during the research period, which facilitated the perfect and scientific implementation of the listed companies.

04 | Appendices



Table of Indicators

Figure 25: Fujian Province Sustainable Development Index

First-level indicators	Second-level indicators	
	Policies for environmental issues	
	Government expenditure on energy conservation and environmental protection	
Environmental	Proportion of installed capacity of clean energy	
Performance and Resource	Electric energy efficiency	
Management	Air quality	
	Water quality	
	Forest coverage rate	
	Number of green factories	
	Policies for economic development	
	Per capita GDP	
Economic	Economic contribution of tertiary industry	
Development	International trade and foreign capital utilisation	
	Infrastructure capacity	
	Innovation advancement	
	Policies for social development and livelihood	
Social Development and Livelihood	Government expenditure on social security	
	Coverage rate of social security	
	Level of elderly care services	
	Government expenditure on education	
	Per capita disposable income	
	Level of development in healthcare system	

First-level indicators	Second-level indicators	
Sustainable Finance ^v	Policies for sustainable finance	
	Balance of Green Loans	
	Issuance of GSSS bonds (including green, social, sustainability and sustainability-linked bonds)	
	Carbon emissions trading volume	

Source: CECEPEC

Figure 26: Fujian-Hong Kong Cooperation Sustainable Development Index

First-level indicators	Second-level indicators	
Financial, Economic and Trade Cooperation	Issuance of GSSS bonds (including green, social, sustainability and sustainability-linked bonds) issued in Hong Kong by entities from Fujian Province	
	Number of project collaborations between Fujian and Hong Kong	
	Amount of direct investment from Hong Kong to Fujian	
	Imports and exports between Fujian and Hong Kong	
Exchange Activities for Sustainable Development	Exchange activities in the field of environment	
	Exchange activities in the field of social development and livelihood	
	Exchange activities in the field of economic development	
	Exchange activities in the field of sustainable finance	

First-level indicators	Second-level indicators
Supportive Policies for Sustainable Development	Policies for promoting cooperation in the environmental issues between the two places
	Policies for promoting cooperation in the social development and livelihood between the two places
	Policies for promoting cooperation in the economic development between the two places
	Policies for promoting cooperation in sustainable finance between the two places

Source: CECEPEC

Figure 27: Fujian Enterprises ESG Index

First-level indicators	Second-level indicators	
Environment	Greenhouse gas emissions and management	
	Waste management	
	Water resource utilisation and management	
	Energy utilisation and management	
Social	Employee management	
	Supplier management	
	Privacy and data security	
	Community involvement and philanthropic contribution	
	Research and development (R&D) and innovation	
Corporate Governance	ESG governance framework	
	ESG risk management	
	Board diversity and independence	

Votice by the Ministry of Finance ("MOF") states that the MOF hereby decides to repeal the relevant public-private partnership (PPP) documents. Hence, we have removed the indicator "Total amount of sustainable-related Public and Private Partnership (PPP) projects" from the Fujian Province Sustainable Development Index.



Definitions and Terms

Terms/ Abbreviation	Interpretation
Biomass energy	The energy converted from natural plants, faeces, and urban and rural organic waste.
Carbon asset custody	Refers to carbon asset custody. A contract in which a carbon asset management institution and the carbon asset holder agree on rights and obligations such as the entrusted management of corresponding carbon assets and the sharing of returns.
Carbon asset pledge	Carbon asset pledge-based financing. That is, the holder of carbon assets uses the carbon assets they own as pledges to obtain a loan from the capital provider. Upon maturity, the financing contract is released by repaying the principal and interest.
CCER	Chinese Certified Emission Reduction.
GSSS bonds	Include green bonds, social bonds, sustainability bonds, and sustainability-linked bonds.
Hot molten aluminium metal	Aluminium in the liquid form.
Reclaimed Water	Non-potable water that has been treated from urban or domestic sewage to meet certain water quality standards and can be reused within a certain range.
Transition Finance	Financial activities that provide financing to economic entities to help them achieve transformation towards sustainable development goals.

Note: In alphabetical order



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About Chiyu Banking Corporation Limited

Chiyu Banking Corporation Limited was founded by Mr. Tan Kah Kee, a patriotic overseas Chinese leader in Yongan, Fujian Province, in 1943. The Bank was moved to Xiamen in 1945 after World War II, and was subsequently set up in Hong Kong on 15 July 1947, being the 39th licensed bank in Hong Kong. Upon completion of the share transfer on 27 March 2017, Chiyu Bank has become a member of Xiamen International Bank ("XIB") Group. XIB has been ranked 156th by total assets and ranked 168th by Tier 1 capital in the "Top 1000 World Banks 2024" by the UK magazine, The Banker, and has been listed among the top 200 world banks for many years.

Established for more than 80 years, Chiyu Bank has 24 branches in Hong Kong and 7 branches and sub-branches in Xiamen and Fuzhou, Fujian Province, and Shenzhen, Guangdong Province. The Bank strives to provide sincere, flexible, customised, and professional cross-border financial services to Hong Kong, Mainland and overseas Chinese customers. After the successful takeover by XIB in 2017, Chiyu Bank has been operating under new management directions and in new business culture. This enables the Bank to achieve steady growth in both customer deposits and loans to customers. By the end of 2024, the Bank's total assets have exceeded HKD 179.2 billion.



About CECEP Environmental Consulting Group Limited

CECEP Environmental Consulting Group Limited is a professional sustainability consulting company established by CECEP. We are headquartered in Hong Kong with branch offices in Beijing, Shenzhen, and Shanghai. Our partners and clients are found throughout Greater China, Europe, and America, covering national governments, industry associations, mainstream financial institutions and nearly 200 well-known enterprises in and out of China. We are committed to providing bespoke solutions to satisfy the specific sustainability needs for various industries, which include sustainability management consulting, green and sustainable finance consulting, climate change and carbon neutrality consulting with implementation solutions, and others.