



Project Summary Information

Date of Document Preparation: September 17, 2024	
Project Name	GLP China Logistics Fund III
Document Code	000559
Country	China
Sector/Subsector	Finance / Investment Funds
Status of Financing	Approved
Project Description	AIIB will invest in GLP's 3rd China flagship logistics development fund (the "Fund" or "CLFIII") as an investor. The Fund's strategy is to develop, own, manage and operate a diversified portfolio of institutional-grade logistics facilities across China's Tier-1, Tier-1.5 and Tier-2 cities with a focus on the 58 cities clustered around the Yangtze River Delta, Greater Bay Area, Bohai Economic Region and Central China Region.
Objective	The project's objective is to promote the development of smart, modern logistics facilities in China to enhance connectivity, improve efficiency and support sustainable growth.
Expected Results	<p>Project indicators include the following</p> <ul style="list-style-type: none"> ○ Number of investments into development of logistics facilities ○ Gross AIIB amount invested into development of logistics facilities ○ Percentage of investments into connectivity <ul style="list-style-type: none"> - Percentage of tenants engaging in regional activities - Percentage of tenants engaging in cross-border activities ○ Percentage of investments into digital and smart logistics warehouses
Environmental & Social Category	FI
Environmental and Social Information	AIIB's Environmental and Social Policy (ESP) is applicable to this project. The project has been placed in Category FI, because the financing structure involves the provision of funds through a financial intermediary (the Fund), whereby AIIB delegates to the Fund Manager the decision-making on the use of AIIB's proceeds for further investing in accordance with the conditions in the Project's legal documentation to be agreed with the Fund Manager in the form of eligibility criteria and investment guidelines, and applied through an Environmental, Social and Governance Framework (ESGF) which was prepared in congruence with AIIB's Environmental and Social Framework (ESF), Environmental

and Social Standards (ESSs) and the Environmental and Social Exclusion List. AIIB is finalizing its review of the ESGF to ensure consistency between the Fund Manager's ESGF and the Bank's ESP, documenting disclosure requirements, applicability of PPM to the project and of the ESP and Environmental and Social Standards.

This ESGF includes screening, categorizing, appraisal, contracting and monitoring of investments supported by AIIB. As per this ESGF, the Fund Manager (i) assesses and quantifies the ESG risks and impacts of potential investees against the applicable ESG regulatory requirements in their jurisdiction of operation and good international industry practices, (ii) defines measures to align their performance with the same, (iii) identifies and enhances ESG-value addition opportunities, (iv) monitors and assesses ESG performance during the investment holding period and (v) monitoring and reports regularly to the Limited Partners and external stakeholders.

For all investments supported by AIIB, potential environmental and social risks will be screened and mitigated using the Fund's ESGF and complemented by monitoring and supervision by AIIB. For each investment, the Fund Manager shall prepare an Environmental and Social Action Plan (ESAP) determining the required measures to align existing and future operations with the applicable standards. In addition, the Fund requires the establishment of a portfolio company-level ESGs in accordance with the ESF/ESP and, where applicable, the ESSs, including appropriate processes for timely disclosure of environmental and social (E&S) information, conduct of stakeholder engagement activities, and establishment of subproject-level Grievance Redress Mechanisms (GRMs) to address concerns and grievances from both project workers and project-affected people. The information regarding fund-level and subproject-level GRMs, including information regarding AIIB's Project-affected People's Mechanism will be timely disclosed in an appropriate manner. The Fund Manager will monitor these aspects as part of its portfolio monitoring process.

The Fund Manager is required to disclose the names, locations and sectors of portfolio companies that are being supported by AIIB's financing, subject to regulatory constraints and market sensitivities. Furthermore, the Fund Manager is required to create an external communication mechanism to address views of affected people, enquiries or concerns regarding its own E&S processes and outcomes as well as E&S impacts and performance of the portfolio companies invested by the Fund. AIIB will conduct a

	prior E&S review of the initial investments to be financed using AIIB funds. Subsequently, AIIB will conduct prior review of investments presenting significant E&S risks including issues related to supply chain, and will conduct regular monitoring of the Fund's activities, including visits to selected investments.
AIIB Commitment	USD125 million.
Fund Manager	GLP HK Investment Management Limited
Date of first disbursement	November 15, 2022

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Date of Final Review Decision	08 December 2021	
Date of Financing Approval	24 March 2022	

Independent Accountability Mechanism	<p>The Project-affected People's Mechanism (PPM) has been established by the AIIB to provide an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB's failure to implement its Environmental and Social Policy in situations <u>when their concerns cannot be addressed satisfactorily through subproject-level GRMs or AIIB Management's processes</u>. Information about AIIB's PPM can be found through visiting https://www.aiib.org/en/policies-strategies/operational-policies/policy-on-the-project-affected-mechanism.html</p>
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