

# Second-Party Opinion

## Genneia Green Bond Framework



### Evaluation Summary

Sustainalytics is of the opinion that the Genneia Green Bond Framework is credible and impactful and aligns with the four core components of the Green Bond Principles 2018 (GBP). This assessment is based on the following:



**USE OF PROCEEDS** The eligible category for the use of proceeds, Renewable Energy, is aligned with those recognized by the GBP. Sustainalytics considers that the eligible category will lead to positive environmental impacts and advance the UN Sustainable Development Goals, specifically SDG 7.



**PROJECT EVALUATION / SELECTION** Genneia's eligible projects will be assessed and evaluated by a Sustainable Finance Committee made up of representatives from the company's Sustainability, Development and Finance teams. The committee reports to the Chief Financial Officer. Sustainalytics considers the project selection process to be in line with market practice.



**MANAGEMENT OF PROCEEDS** Genneia's Finance department will be responsible for tracking bond proceeds. The Company intends to fully allocate bond proceeds within 36 months of issuance. Unallocated proceeds will be held in cash, cash equivalent instruments. This is in line with market practice.



**REPORTING** Genneia intends to report on allocation of proceeds on its website on an annual basis until full allocation. The company also intends to report on relevant impact metrics such as renewable energy output generated. Sustainalytics views Genneia's allocation and impact reporting as aligned with market practice.

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**Evaluation date** February 26, 2021

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**Issuer Location** Buenos Aires, Argentina

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## Introduction

Genneia (“Genneia”, or the “Company”) is an integrated energy company based in Argentina that owns and operates across renewable and thermal energy generation projects as well as projects related the distribution and commercialization of gas. The Company was founded in 1991 and has an installed renewable energy capacity of 1.13 gigawatts (GW) as of December 2020.

Genneia has developed the Genneia Green Bond Framework (the “Framework”) under which it intends to issue green bonds to finance and/or refinance, in whole or in part, existing and/or future projects in renewable energy. The Framework defines eligibility criteria in the following area:

### 1. Renewable Energy

Genneia engaged Sustainalytics to review the Genneia Green Bond Framework, dated February 2021, and to provide a Second-Party Opinion on the Framework’s environmental credentials and its alignment with the Green Bond Principles 2018 (GBP)<sup>1</sup>. This Framework will be published in a separate document.<sup>2</sup>

### Scope of work and limitations of Sustainalytics’ Second-Party Opinion

Sustainalytics’ Second-Party Opinion reflects Sustainalytics’ independent<sup>3</sup> opinion on the alignment of the reviewed Framework with the current market standards and the extent to which the eligible project categories are credible and impactful.

As part of the Second-Party Opinion, Sustainalytics assessed the following:

- The Framework’s alignment with the Green Bond Principles 2018, as administered by ICMA;
- The credibility and anticipated positive impacts of the use of proceeds; and
- The alignment of the issuer’s sustainability strategy and performance and sustainability risk management in relation to the use of proceeds.

For the use of proceeds assessment, Sustainalytics relied on its internal taxonomy, version 1.7.1, which is informed by market practice and Sustainalytics’ expertise as an ESG research provider.

As part of this engagement, Sustainalytics held conversations with various members of Genneia’s management team to understand the sustainability impact of their business processes and planned use of proceeds, as well as management of proceeds and reporting aspects of the Framework. Genneia representatives have confirmed (1) they understand it is the sole responsibility of Genneia to ensure that the information provided is complete, accurate or up to date; (2) that they have provided Sustainalytics with all relevant information and (3) that any provided material information has been duly disclosed in a timely manner. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics’ opinion of the Framework and should be read in conjunction with that Framework.

Any update of the present Second-Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and Genneia.

Sustainalytics’ Second-Party Opinion, while reflecting on the alignment of the Framework with market standards, is no guarantee of alignment nor warrants any alignment with future versions of relevant market standards. Furthermore, Sustainalytics’ Second-Party Opinion addresses the anticipated impacts of eligible projects expected to be financed with bond proceeds but does not measure the actual impact. The measurement and reporting of the impact achieved through projects financed under the Framework is the responsibility of the Framework owner.

In addition, the Second-Party Opinion opines on the potential allocation of proceeds but does not guarantee the realised allocation of the bond proceeds towards eligible activities.

<sup>1</sup> The Green Bond Principles are administered by the International Capital Market Association and are available at <https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/>.

<sup>2</sup> The Genneia Green Bond Framework will be available on Genneia’s website at: [www.genneia.com.ar/greenbond](http://www.genneia.com.ar/greenbond)

<sup>3</sup> When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not the least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics’ hallmarks is integrity, another is transparency.

No information provided by Sustainalytics under the present Second-Party Opinion shall be considered as being a statement, representation, warrant or argument, either in favour or against, the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that Genneia has made available to Sustainalytics for the purpose of this Second-Party Opinion.

## Sustainalytics' Opinion

### Section 1: Sustainalytics' Opinion on the Genneia Green Bond Framework

Sustainalytics is of the opinion that the Genneia Green Bond Framework is credible and impactful and aligns with the four core components of the GBP. Sustainalytics highlights the following elements of Genneia's Green Bond Framework:

- Use of Proceeds:
  - The eligible category, Renewable Energy, is aligned with those recognized by the GBP.
  - Genneia may finance or refinance the development, construction, acquisition and maintenance of wind, solar, biomass, small-scale hydro and green hydrogen generation projects as well as battery storage technologies for Renewable Energy according to the following eligibility criteria:
    - Biomass projects are subject to a life-cycle emissions threshold of 100g CO<sub>2</sub>e/kWh. Genneia confirms that plants will rely on sustainable feedstock certified under credible certification schemes such as Bonsucro (see Appendix 1 for an overview), or other equivalent schemes. Sustainalytics considers the use of this certification scheme as credible and aligned with market practice. In addition, Sustainalytics encourages Genneia to report on the reliance on any other equivalent schemes.
    - Hydropower projects are considered eligible if they have: (i) an installed capacity less than 25MW, and/or (ii) reservoir power density less than 5W/m<sup>2</sup>. Genneia conducts environmental and social impact risk assessments as part of the due diligence process for the World Bank Group guarantees which the Company accesses for its projects (see Section 2 for further detail).
    - For green hydrogen projects, the Framework defines as eligible, hydrogen produced using a process of electrolysis.
    - Sustainalytics positively views investments into renewable energy technologies and considers the emissions thresholds and feedstock sourcing requirements set by Genneia to be credible and aligned with market practice.
- Project Evaluation and Selection:
  - Genneia's eligible projects ("Eligible Projects") will be assessed and evaluated by a Sustainable Finance Committee (the "Committee") based on the criteria set out in the Framework. The Committee is made up of representatives from the Company's Sustainability, Development and Finance teams and reports to the Chief Financial Officer.
  - Based on the establishment of a dedicated committee and involvement from senior management, Sustainalytics considers this process to be in line with market practice.
- Management of Proceeds:
  - Genneia's Finance department will be responsible for tracking bond proceeds and maintaining a record of all allocations made from issuances under the Framework.
  - The Company intends to fully allocate bond proceeds within 36 months of issuance. Pending allocation, unallocated proceeds will be held in cash, cash equivalents or other liquid market securities in line with its liquidity management policy.<sup>4</sup> In addition, Genneia has defined a look-back period of 36 months for its refinancing activities.
  - Sustainalytics considers this process to be in line with market practice.
- Reporting:
  - Genneia intends to publish a Green Bond report to its website on an annual basis until full allocation.<sup>5</sup> The report will include information on amounts allocated made towards eligible projects by category, description of projects and outstanding amounts unallocated.

<sup>4</sup> Genneia confirms that these funds will be held separate and not used for ineligible activities such as fossil-fuel related expenditure.

<sup>5</sup> The report will be published at: [www.genneia.com.ar](http://www.genneia.com.ar)

- The Company intends to include impact reporting annually which will provide information on key indicators such as annual electricity output (GWh) and annual GHG emissions avoided.
- Sustainalytics considers the allocation and impact reporting to be in line with market practice.

### Alignment with Green Bond Principles 2018

Sustainalytics has determined that the Genneia Green Bond Framework aligns to the four core components of the GBP. For detailed information please refer to Appendix 2: Green Bond/Green Bond Programme External Review Form.

## Section 2: Sustainability Performance of Genneia

### Contribution of the Framework to Genneia's Corporate Responsibility Strategy

The Company articulates its sustainability strategy based on the following pillars: (i) Innovation in Energy and Knowledge Management, (ii) Leadership in Renewable Energies, (iii) Reduction of environmental impact, (iv) Human Rights and Quality of Life of our Employees and Community, and (v) Inclusive Economy in the value chain.

In 2012, Genneia built one of the first utility-scale wind farms in Argentina and in 2016, the Company commenced a \$1 billion renewable energy investment plan to increase capacity by over 700 megawatts (MW). More recently, Genneia added 623 MW of renewable energy capacity to its portfolio of assets from 2018 to 2021 across wind and solar sources.<sup>6</sup> As at 2019, renewables accounted for 52% of the Company's total installed capacity of 1.28 GW, up from approximately 22% in 2012.<sup>6</sup>

Sustainalytics is of the opinion that the Genneia Green Bond Framework is aligned with the company's overall sustainability strategy and will further the Company's actions on its key environmental priorities. Sustainalytics encourages Genneia to set quantitative, time-bound sustainability targets to further strengthen its commitment to sustainability.

### Well-positioned to address common environmental and social risks associated with the projects

While Sustainalytics recognizes that the net proceeds from the bonds issued under the Framework will be directed towards eligible projects that are recognized by the GBP to have positive environmental impact, Sustainalytics is aware that such eligible projects could also lead to negative environmental and social outcomes. Some key environmental and social risks associated with the eligible projects could include occupational health and safety, community relations, effluents and waste generated during construction and operations.

Genneia addresses some of the risks mentioned above through compliance with existing Federal regulations under the Government of Argentina's RenovAr Program for renewable energy project auction bids. In particular, the Company's power purchase agreements (PPAs) are guaranteed by the World Bank Group which requires a due diligence process aligned with the eight standards set by the International Finance Corporation ("IFC"). These standards offer a guide to identify risks and impacts with the aim of helping to prevent, mitigate and manage impacts in a sustainable manner.<sup>7</sup>

Sustainalytics is of the opinion that Genneia is able to manage and mitigate potential risks through implementation of the following:

- The Company's Integrated Management System Policy which encompasses Genneia's Quality, Safety, Health and Environment procedures.<sup>8</sup> Through the policy, Genneia articulates its commitment to addressing hazards and reducing risks to which workers are exposed, minimizing environmental impacts of its activities and overall community engagement.
- Genneia holds ISO 14001 (Environmental) and ISO 45001 (Occupational health and safety) certifications for its headquarters and several projects which indicate its commitment to approved standards.

<sup>6</sup> Genneia Investor Presentation December 2020 at: [www.genneia.com.ar/ir](http://www.genneia.com.ar/ir)

<sup>7</sup> The International Finance Corporation (IFC), "Performance Standards", at:

[https://www.ifc.org/wps/wcm/connect/Topics\\_Ext\\_Content/IFC\\_External\\_Corporate\\_Site/Sustainability-At-IFC/Policies-Standards/Performance-Standards](https://www.ifc.org/wps/wcm/connect/Topics_Ext_Content/IFC_External_Corporate_Site/Sustainability-At-IFC/Policies-Standards/Performance-Standards)

<sup>8</sup> Genneia, "Genneia - CSR - Safety, Environment and Quality", at: [https://www.genneia.com.ar/wp-content/uploads/2020/08/Politica\\_SIG\\_web.pdf](https://www.genneia.com.ar/wp-content/uploads/2020/08/Politica_SIG_web.pdf)

- The Company's Code of Conduct which sets out its procedures regarding stakeholder relations, environmental protection, waste management and responsible procurement process.<sup>9</sup>

Based on these policies, standards and assessments, as well as the regulatory context in which Genneia operates, Sustainalytics is of the opinion that Genneia has implemented adequate measures and is well-positioned to manage and mitigate environmental and social risks commonly associated with the eligible projects.

### Section 3: Impact of Use of Proceeds

The use of proceeds category is aligned with those recognized by the GBP. Sustainalytics has focused below on where the impact is specifically relevant in the local context.

#### The importance of promoting renewable energy in Argentina

Argentina is considered to be the third largest power market in Latin America, but its energy supply system is currently dominated by fossil fuels.<sup>10</sup> Notably, the country has some of Latin America's most abundant renewable energy resources – including favourable wind and solar power conditions in different parts of the country. Yet, as of 2015, renewables represented only 2% of its power generation capacity.<sup>11</sup>

In response, the Argentine Congress passed a Law in 2015 to promote power generation through renewable sources with a specific target of 12% of energy from renewables in 2019 and 20% by 2025.<sup>12</sup> To meet these goals, Argentina's government awarded contracts for 6.5 GW of new renewable energy capacity making solar and wind the country's cheapest unsubsidized sources of energy.<sup>11</sup> The effect was an incremental contribution to renewables portion in power supply.

As of January 2021, about 12% of electricity generated in Argentina came from renewable energy sources marking substantial increase in the country's renewables capacity.<sup>13</sup> With expected population growth of 8.3% to about 48 million by 2025,<sup>14</sup> the nation's energy demands are anticipated to rise in tandem. In addition, the Argentine government has set a goal of achieving carbon neutrality by 2050.<sup>15</sup> These factors coupled with the reality that the second largest share of Argentina's greenhouse gas emissions come from energy, indicate the need to increase the country's renewable energy capacity.<sup>16</sup>

Sustainalytics is of the opinion that investments in renewable energy projects by Genneia will contribute to Argentina meeting its renewable energy targets while likely contributing towards its national and global GHG emission reduction targets.

<sup>9</sup> Genneia, "Genneia Code of Conduct", (2020), at: <https://www.genneia.com.ar/wp-content/uploads/2020/contenidos/Code%20of%20Conduct%20-%20Genneia%2010-09-2020.pdf>

<sup>10</sup> Norton Rose Fulbright, "Renewable Energy in Latin America", (2017), at: <https://www.nortonrosefulbright.com/-/media/files/nrf/nrfweb/imported/renewable-energy-in-latin-america.pdf?la=en&revision=66edb636-af27-43d7-8c44-c65564b1833b>

<sup>11</sup> Forbes, "Argentina May Be the Hottest Renewable Energy Market You Haven't Heard Of. Can It Spur a Global Boom?", at: <https://www.forbes.com/sites/energyinnovation/2019/10/15/argentina-may-be-the-hottest-renewable-energy-market-you-havent-heard-of-can-it-spur-a-global-boom/?sh=4bb05217eeb2>

<sup>12</sup> KPMG, "Development of Renewable Energy in Argentina", (2019), at: <https://assets.kpmg/content/dam/kpmg/ar/pdf/development-renewable-energy-argentina-2019.pdf>

<sup>13</sup> Compañía Administradora del Mercado Eléctrico Mayorista (CAMMESA), "Monthly Energy History", at: <https://cammesaweb.cammesa.com/historico-energias-mensuales/>

<sup>14</sup> Statista, "Argentina: Total population from 2015 to 2025", at: <https://www.statista.com/statistics/314610/total-population-of-argentina/>

<sup>15</sup> Dialogo Chino, "Argentina can be carbon neutral – but does it want to be?" (2020), at: <https://dialogochino.net/en/climate-energy/37304-argentina-can-be-carbon-neutral-but-does-it-want-to-be/>

<sup>16</sup> Climate Transparency, "The G20 Transition to a Low-Carbon Economy – Argentina", (2018), at: [https://www.climate-transparency.org/wp-content/uploads/2019/01/BROWN-TO-GREEN\\_2018\\_Argentina\\_FINAL.pdf](https://www.climate-transparency.org/wp-content/uploads/2019/01/BROWN-TO-GREEN_2018_Argentina_FINAL.pdf)

### Alignment with/contribution to SDGs

The Sustainable Development Goals (SDGs) were set in September 2015 by the United Nations General Assembly and form an agenda for achieving sustainable development by the year 2030. The bonds issued under the Genneia Green Bond Framework advances the following SDG and target:

Use of Proceeds Category	SDG	SDG target
Renewable Energy	7 – Affordable and Clean Energy	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix

### Conclusion


Genneia has developed the Genneia Green Bond Framework under which it will issue green bonds and the use of proceeds to finance and/or refinance renewable energy projects including wind, solar, hydropower, biomass and green hydrogen. Sustainalytics considers that the projects funded by the green bond proceeds are expected to provide positive environmental impact.

The Genneia Green Bond Framework outlines a process by which proceeds will be tracked, allocated, and managed, and commitments have been made for reporting on the allocation and impact of the use of proceeds. Furthermore, Sustainalytics believes that the Genneia Green Bond Framework is aligned with the overall sustainability strategy of the company and that the green use of proceeds category will contribute to the advancement of the UN Sustainable Development Goal 7. Additionally, Sustainalytics is of the opinion that Genneia has adequate measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects funded by bond proceeds.

Based on the above, Sustainalytics is confident that Genneia is well-positioned to issue green bonds and that the Genneia Green Bond Framework is robust, transparent, and in alignment with the four core components of the Green Bond Principles 2018.

## Appendix

### Appendix 1: Overview of certification scheme

	<b>Bonsucro<sup>64</sup></b>
<b>Background</b>	Bonsucro was developed out of the Better Sugarcane Initiative, an international multi-stakeholder NGO whose purpose is to lower the environmental and social impacts of sugarcane production. The Bonsucro Production Standard aims to ensure that the sugarcane production and sugarcane derived products are sustainably produced.
<b>Clear positive impact</b>	Promoting sustainable sugarcane production.
<b>Minimum standards</b>	The Bonsucro Production Standard sets minimum requirements in the areas of legal compliance, biodiversity and ecosystem impacts, human rights, production and processing and continuous improvement.
<b>Scope of certification or programme</b>	Bonsucro addresses key risks such as human and labour rights, ecosystem management, biodiversity and land use through its criteria.
<b>Verification of standards and risk mitigation</b>	Certified entities undergo third-party audits to ensure compliance with criteria.
<b>Third party expertise and multi-stakeholder process</b>	Bonsucro is a full member of the ISEAL Alliance and respects the ISEAL Code of Good Practice for Setting Social and Environmental Standards and the Impacts Code.
<b>Performance Display</b>	
<b>Qualitative considerations</b>	Bonsucro has certified around 3.37% of global sugarcane production and covers 3.70% of global area of sugarcane, having 207 member organizations in over 20 countries.

## Appendix 2: Green Bond / Green Bond Programme - External Review Form

### Section 1. Basic Information

Issuer name:	Genneia
Green Bond ISIN or Issuer Green Bond Framework Name, if applicable:	Genneia Green Bond Framework
Review provider's name:	Sustainalytics
Completion date of this form:	February 26, 2021
Publication date of review publication:	

### Section 2. Review overview

#### SCOPE OF REVIEW

The following may be used or adapted, where appropriate, to summarise the scope of the review.

The review assessed the following elements and confirmed their alignment with the GBP:

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Use of Proceeds        | <input checked="" type="checkbox"/> Process for Project Evaluation and Selection |
| <input checked="" type="checkbox"/> Management of Proceeds | <input checked="" type="checkbox"/> Reporting                                    |

#### ROLE(S) OF REVIEW PROVIDER

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> Consultancy (incl. 2 <sup>nd</sup> opinion) | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification   | <input type="checkbox"/> Rating        |
| <input type="checkbox"/> Other ( <i>please specify</i> ):                       |  |

Note: In case of multiple reviews / different providers, please provide separate forms for each review.

#### EXECUTIVE SUMMARY OF REVIEW and/or LINK TO FULL REVIEW (*if applicable*)

Please refer to Evaluation Summary above.

### Section 3. Detailed review

Reviewers are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.

#### 1. USE OF PROCEEDS

Overall comment on section (*if applicable*):



The eligible category for the use of proceeds, Renewable Energy, is aligned with those recognized by the GBP. Sustainalytics considers that the eligible category will lead to positive environmental impacts and advance the UN Sustainable Development Goals, specifically SDG 7.

**Use of proceeds categories as per GBP:**

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> Renewable energy  | <input type="checkbox"/> Energy efficiency   |
| <input type="checkbox"/> Pollution prevention and control   | <input type="checkbox"/> Environmentally sustainable management of living natural resources and land use |
| <input type="checkbox"/> Terrestrial and aquatic biodiversity conservation  | <input type="checkbox"/> Clean transportation  |
| <input type="checkbox"/> Sustainable water and wastewater management  | <input type="checkbox"/> Climate change adaptation   |
| <input type="checkbox"/> Eco-efficient and/or circular economy adapted products, production technologies and processes                            | <input type="checkbox"/> Green buildings   |
| <input type="checkbox"/> Unknown at issuance but currently expected to conform with GBP categories, or other eligible areas not yet stated in GBP | <input type="checkbox"/> Other <i>(please specify)</i> :   |

If applicable please specify the environmental taxonomy, if other than GBP:

**2. PROCESS FOR PROJECT EVALUATION AND SELECTION**

Overall comment on section (if applicable):

Genneia’s eligible projects will be assessed and evaluated by a Sustainable Finance Committee made up of representatives from the Company’s Sustainability, Development and Finance teams and reports to the Chief Financial Officer. Sustainalytics considers the project selection process to be in line with market practice.

**Evaluation and selection**

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Credentials on the issuer’s environmental sustainability objectives            | <input checked="" type="checkbox"/> Documented process to determine that projects fit within defined categories    |
| <input checked="" type="checkbox"/> Defined and transparent criteria for projects eligible for Green Bond proceeds | <input type="checkbox"/> Documented process to identify and manage potential ESG risks associated with the project |
| <input checked="" type="checkbox"/> Summary criteria for project evaluation and selection publicly available       | <input type="checkbox"/> Other <i>(please specify)</i> :   |

**Information on Responsibilities and Accountability**

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Evaluation / Selection criteria subject to external advice or verification | <input type="checkbox"/> In-house assessment |
|--|--|

- Other (please specify):

### 3. MANAGEMENT OF PROCEEDS

Overall comment on section (if applicable):

Genneia's Finance department will be responsible for tracking bond proceeds. The Company intends to fully allocate bond proceeds within 36 months of issuance. Unallocated proceeds will be held in cash, cash equivalent instruments. This is in line with market practice.

#### Tracking of proceeds:

- Green Bond proceeds segregated or tracked by the issuer in an appropriate manner
- Disclosure of intended types of temporary investment instruments for unallocated proceeds
- Other (please specify):

#### Additional disclosure:

- |  |   |
|--|---|
| <input type="checkbox"/> Allocations to future investments only                  | <input checked="" type="checkbox"/> Allocations to both existing and future investments |
| <input type="checkbox"/> Allocation to individual disbursements                  | <input type="checkbox"/> Allocation to a portfolio of disbursements                     |
| <input type="checkbox"/> Disclosure of portfolio balance of unallocated proceeds | <input type="checkbox"/> Other (please specify):  |

### 4. REPORTING

Overall comment on section (if applicable):

Genneia intends to report on allocation of proceeds on its website on an annual basis until full allocation. The company also intends to report on relevant impact metrics such as renewable energy output generated. Sustainalytics views Genneia's allocation and impact reporting as aligned with market practice.

#### Use of proceeds reporting:

- |  |  |
|--|--|
| <input type="checkbox"/> Project-by-project            | <input checked="" type="checkbox"/> On a project portfolio basis |
| <input type="checkbox"/> Linkage to individual bond(s) | <input type="checkbox"/> Other (please specify):                 |

#### Information reported:

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> Allocated amounts | <input type="checkbox"/> Green Bond financed share of total investment |
|---|--|

Other (*please specify*):

**Frequency:**

Annual

Semi-annual

Other (*please specify*):

**Impact reporting:**

Project-by-project

On a project portfolio basis

Linkage to individual bond(s)

Other (*please specify*):

**Information reported (expected or ex-post):**

GHG Emissions / Savings

Energy Savings

Decrease in water use

Other ESG indicators (*please specify*):

**Frequency**

Annual

Semi-annual

Other (*please specify*):

**Means of Disclosure**

Information published in financial report

Information published in sustainability report

Information published in ad hoc documents

Other (*please specify*):

Reporting reviewed (if yes, please specify which parts of the reporting are subject to external review):

Where appropriate, please specify name and date of publication in the useful links section.

**USEFUL LINKS** (e.g. to review provider methodology or credentials, to issuer's documentation, etc.)

**SPECIFY OTHER EXTERNAL REVIEWS AVAILABLE, IF APPROPRIATE**

**Type(s) of Review provided:**

Consultancy (incl. 2<sup>nd</sup> opinion)

Certification

Verification / Audit

Rating

Other (*please specify*):

**Review provider(s):**

**Date of publication:**

#### ABOUT ROLE(S) OF INDEPENDENT REVIEW PROVIDERS AS DEFINED BY THE GBP

- i. **Second-Party Opinion:** An institution with environmental expertise, that is independent from the issuer may issue a Second-Party Opinion. The institution should be independent from the issuer's adviser for its Green Bond framework, or appropriate procedures, such as information barriers, will have been implemented within the institution to ensure the independence of the Second-Party Opinion. It normally entails an assessment of the alignment with the Green Bond Principles. In particular, it can include an assessment of the issuer's overarching objectives, strategy, policy and/or processes relating to environmental sustainability, and an evaluation of the environmental features of the type of projects intended for the Use of Proceeds.
- ii. **Verification:** An issuer can obtain independent verification against a designated set of criteria, typically pertaining to business processes and/or environmental criteria. Verification may focus on alignment with internal or external standards or claims made by the issuer. Also, evaluation of the environmentally sustainable features of underlying assets may be termed verification and may reference external criteria. Assurance or attestation regarding an issuer's internal tracking method for use of proceeds, allocation of funds from Green Bond proceeds, statement of environmental impact or alignment of reporting with the GBP, may also be termed verification.
- iii. **Certification:** An issuer can have its Green Bond or associated Green Bond framework or Use of Proceeds certified against a recognised external green standard or label. A standard or label defines specific criteria, and alignment with such criteria is normally tested by qualified, accredited third parties, which may verify consistency with the certification criteria.
- iv. **Green Bond Scoring/Rating:** An issuer can have its Green Bond, associated Green Bond framework or a key feature such as Use of Proceeds evaluated or assessed by qualified third parties, such as specialised research providers or rating agencies, according to an established scoring/rating methodology. The output may include a focus on environmental performance data, the process relative to the GBP, or another benchmark, such as a 2-degree climate change scenario. Such scoring/rating is distinct from credit ratings, which may nonetheless reflect material environmental risks.

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In case of discrepancies between the English language and translated versions, the English language version shall prevail.

## About Sustainalytics, a Morningstar Company

Sustainalytics, a Morningstar Company, is a leading ESG research, ratings and data firm that supports investors around the world with the development and implementation of responsible investment strategies. The firm works with hundreds of the world's leading asset managers and pension funds who incorporate ESG and corporate governance information and assessments into their investment processes. The world's foremost issuers, from multinational corporations to financial institutions to governments, also rely on Sustainalytics for credible second-party opinions on green, social and sustainable bond frameworks. In 2020, Climate Bonds Initiative named Sustainalytics the "Largest Approved Verifier for Certified Climate Bonds" for the third consecutive year. The firm was also recognized by Environmental Finance as the "Largest External Reviewer" in 2020 for the second consecutive year. For more information, visit [www.sustainalytics.com](http://www.sustainalytics.com).



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