

# Second-Party Opinion

## R.Power Green Bond Framework



### Evaluation Summary

Sustainalytics is of the opinion that the R.Power Green Bond Framework is credible and impactful and aligns with the four core components of the Green Bond Principles 2018. 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 Green Bond Principles 2018. Sustainalytics considers that the eligible projects will lead to positive environmental impacts and advance the UN Sustainable Development Goal 7 (Affordable and Clean Energy).



**PROJECT EVALUATION / SELECTION** R.Power has established a Green Investment Committee (GIC) who will be responsible for reviewing and selecting eligible projects based on the Framework's eligibility criteria. The GIC will be comprised of board members of R.Power and internal investment professionals. This is in line with market practice.



**MANAGEMENT OF PROCEEDS** R.Power intends to track the allocation of the net proceeds from the Green Bonds using an internal tracking system. Unallocated proceeds will be held in form of temporary cash-like instruments. This is in line with market practice.



**REPORTING** R.Power intends to publish an allocation report to its website on an annual basis while there are green bonds outstanding. The company also intends to publish an impact report annually which will provide information on KPIs such as installed renewable capacity (MW), renewable electricity generated (MWh or GWh) or estimated CO<sub>2</sub> avoided. Sustainalytics views R.Power's allocation and impact reporting as aligned with market practice.

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**Evaluation Date** November 30, 2020

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**Issuer Location** Warsaw, Poland

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## Introduction

R.Power (“R.Power” or the “Company”) is a European integrated renewables company with a focus on solar photovoltaics (PV) technology. The Company operates across the full PV market value chain, including utility-scale solar project development, project construction, project technical services and PV asset investment. R.Power has a PV project portfolio of about 3,000 MW under development. The Company is headquartered in Warsaw, Poland and operates across Spain, Italy, Portugal, and Holland.

R.Power has developed the R.Power Green Bond Framework (the “Framework”) under which it intends to issue green bonds in order to finance the development, purchase, construction and operations of green projects that will have positive environmental impact. The Framework defines eligibility criteria in the following area:

- Renewable Energy investments in the:
  - Development of solar projects and/or construction of solar projects, in which solar electricity is generated from photovoltaic energy sources
  - Development or construction of hybrid solar + storage projects, in which solar electricity is generated from photovoltaic energy sources and utility scale storage system enhances renewable source contribution to energy system stability
  - Purchase of solar projects or assets or purchase of hybrid solar + storage projects or assets
  - Financing or re-financing new or existing solar projects, in which solar electricity is generated from photovoltaic energy sources
  - Financing the enhancement of the scope of services related to construction, operations and maintenance of solar projects and assets
  - Financing technologies allowing for more productivity from solar assets and more effective and less energy intensive construction or operation of solar energy (renewable) sources

R.Power engaged Sustainalytics to review the R.Power Green Bond Framework, dated November 2020, and 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 has been 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 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 1.6, 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 R.Power’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. R.Power representatives have confirmed (1) they understand it is the sole responsibility of R.Power 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.

<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 R.Power Green Bond Framework will be made available on R.Power’s website at [www.rpower.pl](http://www.rpower.pl)

<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.

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

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 intended allocation of proceeds but does not guarantee the realised allocation of the bond proceeds towards eligible activities.

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 R.Power has made available to Sustainalytics for the purpose of this Second-Party Opinion.

## Sustainalytics' Opinion

### Section 1: Sustainalytics' Opinion on the R.Power Green Bond Framework

Sustainalytics is of the opinion that the R.Power Green Bond Framework (the "Framework") is credible and impactful, and aligns with the four core components of the GBP 2018. Sustainalytics highlights the following elements of R.Power's Green Bond Framework:

- Use of Proceeds:
  - The green category for the use of proceeds, Renewable Energy, is recognized as impactful by the GBP 2018.
  - The Renewable Energy category includes the development, financing, re-financing, acquisition and construction of new and existing solar projects as well as the financing of technologies that allow for more productivity of solar assets, such as storage and less energy-intensive construction of solar projects.
    - The production of solar energy is clearly aligned with green bond market expectations.
    - Sustainalytics consider investments in ancillary services, such as project construction or the installation of tracking systems, to deliver positive impacts.
    - Sustainalytics views energy storage attached to renewable energy facilities to contribute to the overall uptake of renewable energy, and therefore to have positive overall impacts.
- Project Evaluation and Selection:
  - The Company has established a Green Investment Committee (GIC) who will be responsible for reviewing and selecting eligible projects based on the Framework's eligibility criteria. The GIC will be comprised of board members of R.Power as well as internal investment professionals from R.Power Investment B.V. (asset holding company within R.Power group).
  - Based on the clear definitions of selection responsibility, including the use of Board-level approval, Sustainalytics considers this process to be in line with market practice.
- Management of Proceeds:
  - R.Power intends to track the allocation of the net proceeds from the Green Bonds using an internal tracking system. Unallocated proceeds will be held in form of temporary cash-like instruments. The Issuer has disclosed its intention to allocate within 36 months, while noting that, pending market conditions, a minority of the proceeds (>20%) may not be fully allocated as of this date.
  - Based on the disclosure around management approaches and the intent to allocate on an established timeline, Sustainalytics considers this to be in line with market practice.
- Reporting:

- R.Power intends to publish an allocation report to its website on an annual basis while there are green bonds outstanding. The report will set out the aggregate allocation of funds and balance of unallocated proceeds.
- The company also intends to publish an impact report annually which will provide information on KPIs such as installed renewable capacity (MW), renewable electricity generated (MWh or GWh) or estimated CO<sub>2</sub> 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 R.Power Green Bond Framework aligns to the four core components of the GBP. For detailed information please refer to Appendix 1: Green Bond/Green Bond Programme External Review Form.

## **Section 2: Sustainability Strategy of R.Power**

### **Contribution of framework to R.Power's sustainability strategy**

Sustainalytics is of the opinion that R.Power demonstrates a commitment to enhancing access to renewable energy and the transition toward a low-carbon and climate resilient economy by virtue of the pure play nature of its business in solar PV projects. The Company's commitment to sustainability is enshrined in its mission to be a "leader of the photovoltaics sector in Poland".<sup>4</sup>

Furthermore, the Company demonstrates its sustainability strategy through its:

- Business goals extend beyond new renewables capacity to driving the pace of technological progress of the industry as a whole, with targets of being the leader of commercial applications of technologies that are driving sustainability of renewables.
- Development of a pipeline of solar projects amounting to about 3,000 megawatt peak MWp across Poland and over 100 MWp in Italy and Portugal, targeting the construction of 300-500 MWp annually over the next 3 years.<sup>5</sup>
- Role as a founding member in the Polish Association of Solar Energy.
- Use and investment in technology advancements that increase carbon reduction impact of PV technology, even if in some cases the technology is not yet commercially viable.
- Leadership efforts related to optimizing PV development to more efficient bi-facial modules, incorporating the use of trackers in projects, plans towards building hybrid installations of PV and storage and intentions to create combined hydrogen and PV installation projects.

Considering the above, Sustainalytics believes that R.Power's sustainability efforts demonstrate the importance it places on working towards a low-carbon future. Sustainalytics is of the opinion that the R.Power Green Bond Framework is aligned with the company's overall sustainability strategy and initiatives and will further the Company's action on its key environmental priorities.

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

While Sustainalytics recognizes that the net proceeds from R.Power's Framework will be directed towards eligible projects that are anticipated 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, land use and wildlife protection associated with solar power project infrastructure development as well as emissions, effluents, and waste generated during construction.

Sustainalytics is of the opinion that R.Power is able to manage and/or mitigate potential risks through implementation of the following:

- Adherence to permitting and safety requirements relevant to the regulatory environment in the jurisdictions in which its projects are sited. Sustainalytics notes that Poland and other EU states in which R.Power operates are recognized as "Designated Countries" by the Equator Principles, implying the presence of a robust environment and social governance systems, legislation and institutional capacity for protecting the environment and communities.<sup>6</sup> Sustainalytics notes that in

<sup>4</sup> R.Power's website available at: <https://rpower.pl>

<sup>5</sup> R.Power, Green Bond Framework

<sup>6</sup> The Equator Principles, "Designated Countries", at: <https://equator-principles.com/designated-countries/>

light of this designation, that R.Power's regulatory obligations support adequate management of occupational health and safety.

- Environmental assessments are carried out by the R.Power environmental team for smaller PV projects and outsourced to a specialist environmental impact company for larger projects. These assessments are an integral part of the permitting process for solar project development which seeks to address any risks regarding land use and wildlife impact.
- Site selection process that limits the development of projects in or within proximity of protected areas and to only certain classes of agricultural land.
- Multiple rounds of stakeholder engagement with local authorities, environment protection agencies and the local community prior to commencing construction of projects.

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

### Section 3: Impact of Use of Proceeds

The eligible category, renewable energy, is aligned with those recognized by the GBP. Sustainalytics has focused on the impact of investments in renewable energy in the local context.

#### The importance of promoting renewable energy use in Poland

Poland is considered among the least-carbon efficient economies in the European Union (EU) due to dominance of the power sector and significant dependence on coal, leading to a high carbon intensity.<sup>7</sup> Poland's energy sector is a key contributor to greenhouse gas (GHG) emissions in the country and accounts for about 50% of total emissions.<sup>7</sup> Notably, over 70% of electricity in Poland is generated from coal which has adverse effects on both the local environment as well as the climate.<sup>8</sup>

In the context of this high usage of coal and obligations to meet the regional and global GHG emissions reduction targets, efforts to diversify Poland's energy mix and promote the sustained use of renewable sources are particularly important. One of those initiatives is the European Commission National Renewable Energy Action Plans (NREAPs) with targets of 16% share of energy generated from renewable sources and 24% of heat consumption met by renewable energy sources in Poland.<sup>9</sup> Furthermore, the Paris Climate Agreement targets increasing the share of the world's energy supply from renewables to 65% by 2050.<sup>10</sup>

Poland has significant potential to increase its proportion of renewable energy sources, especially in wind and solar power. Solar PVs have been the most rapidly developing renewable energy sector in the country. The cumulative solar capacity of Poland increased substantially from less than 50 megawatts (MW) in 2013 to approximately 2 gigawatts (GW) as of May 2020.<sup>11</sup> It is estimated that the country's cumulative installed solar PV output will grow to 8 GW indicating that there is substantial room for additional projects in the sector and solidifying Poland's trajectory towards increasing its share of renewables.

Sustainalytics is of the opinion that investments in solar power projects by R.Power are likely to contribute to sustainably diversifying Poland's energy mix while contributing to European and global GHG emission reduction targets.

#### Alignment with/contribution to SDGs

The Sustainable Development Goals (SDGs) were set in September 2015 and form an agenda for achieving sustainable development by the year 2030. This green bond advances the following SDG and target:

Use of Proceeds Category	SDG	SDG target
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<sup>7</sup> The World Bank Energy Sector Management Assistance Program, "Transition to a Low Carbon Economy in Poland", at: [https://www.esmap.org/sites/default/files/esmap-files/ESMAP-LCCGP\\_POLAND%20\\_Web.pdf](https://www.esmap.org/sites/default/files/esmap-files/ESMAP-LCCGP_POLAND%20_Web.pdf)

<sup>8</sup> Institute for Energy Economics and Financial Analysis, "Poland emerging as major growth market for renewable energy", 2020, at: <https://ieefa.org/poland-emerging-as-major-growth-market-for-renewable-energy/>

<sup>9</sup> International Energy Agency, "National Renewable Energy Action Plan (NREAP)", (2018), at: <https://www.iea.org/policies/5409-national-renewable-energy-action-plan-nreap>

<sup>10</sup> International Renewable Energy Agency (IRENA), "Renewable Energy: A Key Climate Solution", (2017), at: [https://www.irena.org/-/media/Files/IRENA/Agency/Publication/2017/Nov/IRENA\\_A\\_key\\_climate\\_solution\\_2017.pdf?la=en&hash=A9561C1518629886361D12EFA11A051E004C5C98](https://www.irena.org/-/media/Files/IRENA/Agency/Publication/2017/Nov/IRENA_A_key_climate_solution_2017.pdf?la=en&hash=A9561C1518629886361D12EFA11A051E004C5C98)

<sup>11</sup> Institute of Renewable Energy (IEO), "Photovoltaic market in Poland 2020", (2020), at: <https://ieo.pl/en/pv-report>

Renewable Energy	7. Affordable and Clean Energy	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix
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## Conclusion

R.Power has developed the R.Power Green Bond Framework under which it intends to issue green bonds and the use of proceeds to finance and refinance, in whole or in part, future solar projects and technologies that have significant environmental benefits. Sustainalytics expects that the projects funded by the green bond proceeds will provide positive environmental impact.

The R.Power 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 R.Power Green Bond Framework is aligned with the overall sustainability strategy of the company and that the use of proceeds category, Renewable Energy will contribute to the advancement of the UN Sustainable Development Goal 7 (Affordable and Clean Energy). Additionally, Sustainalytics is of the opinion that R.Power has adequate measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects funded by the use of proceeds.

Based on the above, Sustainalytics is of the opinion that the R.Power Green Bond Framework is robust, transparent, and in alignment with the four core components of the Green Bond Principles 2018.

## Appendix

### Appendix 1: Green Bond / Green Bond Programme - External Review Form

#### Section 1. Basic Information

<b>Issuer name:</b>	R.Power
<b>Green Bond ISIN or Issuer Green Bond Framework Name, if applicable:</b>	R.Power Green Bond Framework
<b>Review provider's name:</b>	Sustainalytics
<b>Completion date of this form:</b>	November 30, 2020
<b>Publication date of review publication:</b>	

#### 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 Green Bond Principles 2018. Sustainalytics considers that the eligible projects will lead to positive environmental impacts and advance the UN Sustainable Development Goal 7 (Affordable and Clean Energy).

### 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 (please specify):                                                         |

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

## 2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Overall comment on section (if applicable):

R.Power has established a Green Investment Committee (GIC) who will be responsible for reviewing and selecting eligible projects based on the Framework's eligibility criteria. The GIC will be comprised of board members of R.Power and internal investment professionals. This is 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 checked="" 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 (please specify):                                                                              |

**Information on Responsibilities and Accountability**

- Evaluation / Selection criteria subject to external advice or verification
  In-house assessment
- Other (please specify):

**3. MANAGEMENT OF PROCEEDS**

Overall comment on section (if applicable):

R.Power intends to track the allocation of the net proceeds from the Green Bonds using an internal tracking system. Unallocated proceeds will be held in form of temporary cash-like 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:**

- Allocations to future investments only
  Allocations to both existing and future investments
- Allocation to individual disbursements
  Allocation to a portfolio of disbursements
- Disclosure of portfolio balance of unallocated proceeds
  Other (please specify):

**4. REPORTING**

Overall comment on section (if applicable):

R.Power intends to publish an allocation report to its website on an annual basis while there are green bonds outstanding. The company also intends to publish an impact report annually which will provide information on KPIs such as installed renewable capacity (MW), renewable electricity generated (MWh or GWh) or estimated CO2 avoided. Sustainalytics views R.Power's allocation and impact reporting as aligned with market practice.

**Use of proceeds reporting:**

- Project-by-project
  On a project portfolio basis

- Linkage to individual bond(s)  Other (please specify):

**Information reported:**

- Allocated amounts  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): Installed capacity (MW), energy generated (MWh)

**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:**

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

**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.

## Disclaimer

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These are based on information made available by the issuer and therefore are not warranted as to their merchantability, completeness, accuracy, up-to-dateness or fitness for a particular purpose. The information and data are provided "as is" and reflect Sustainalytics' opinion at the date of their elaboration and publication. Sustainalytics accepts no liability for damage arising from the use of the information, data or opinions contained herein, in any manner whatsoever, except where explicitly required by law. Any reference to third party names or Third Party Data is for appropriate acknowledgement of their ownership and does not constitute a sponsorship or endorsement by such owner. A list of our third-party data providers and their respective terms of use is available on our website. For more information, visit <http://www.sustainalytics.com/legal-disclaimers>.

The issuer is fully responsible for certifying and ensuring the compliance with its commitments, for their implementation and monitoring.

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).



**Named**  
2015: Best SRI or Green Bond Research or Rating Firm  
2017, 2018, 2019: Most Impressive Second Opinion Provider

