

# LINK REIT GREEN BOND

## FRAMEWORK OVERVIEW AND SECOND OPINION BY SUSTAINALYTICS

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## 1. PREFACE

Link Real Estate Investment Trust (“Link REIT”) plans to issue a Green Bond (“Green Bond”) and has engaged Sustainalytics to review and provide an opinion on the bond’s green credentials. As part of this engagement, Sustainalytics reviewed relevant public and internal documents and held conversations with Link REIT to understand the use of proceeds, management of proceeds and reporting aspects of its Green Bonds, as well as Link REIT’s sustainability plan for its own operations. This report contains two sections: Framework Overview – summary of Link REIT’s Green Bond framework; and Sustainalytics’ Opinion – an opinion on the framework.

## 2. INTRODUCTION

Link REIT is the first real estate investment trust listed in Hong Kong, and currently Asia’s largest REIT and one of the world’s largest retail focused REITs in terms of market capitalisation. Wholly owned by private and institutional investors, with 100% free float, Link REIT has been listed on The Stock Exchange of Hong Kong Limited since 25 November 2005 (HKEx stock code: 823). In 2014, Link REIT became a constituent stock of the Hang Seng Index.

Link REIT’s overarching goal is to offer tenants, shoppers, and communities vibrant centres for modern living. These in turn provide unitholders with a prudently growing business and steadily increasing total return. As at 31 March 2016, the portfolio owned by Link REIT, spanning Hong Kong, Beijing and Shanghai, consists of properties with approximately 10 million square feet of retail space, around 72,000 car park spaces, and a project under development in Hong Kong, as well as properties with about 1.8 million square feet of retail and office space in Mainland China.

The investment strategy of Link REIT is to invest in sustainable retail and commercial properties (excluding hotels and serviced apartments) in Hong Kong and other overseas jurisdictions. Link REIT’s business model provides a full range of growth drivers encompassing:

- a) Asset enhancement to properties with further income growth potential;
- b) Asset management of the entire portfolio;
- c) Acquisition of quality assets with both income and capital growth potential;
- d) Capital recycling through disposal of non-core assets;
- e) Property development to design, build and hold new properties; and
- f) Re-development of existing properties for long-term sustainable growth.

### Link REIT’s Sustainability Framework

Link REIT’s Sustainability Framework comprises seven elements - Staff, Corporate Governance, Environment, Asset/Brand, Tenants, Community and Economy. The sustainability framework provides the structure to deliver Link REIT’s strategic priorities and help guide its environmental, social and governance contributions. In the Environment aspect of the sustainability framework, Link REIT’s objective is to minimise its environmental footprint. In line with that objective, it has identified and implemented the following set of Green Initiatives.

## Green Initiatives

### 1. Energy Efficiency

Link REIT manages its energy efficiency through its Link Energy Management Programme (LEMP). Link REIT has set a “30/20” vision which aims to reduce total energy consumption by 30% by 2020 using 2010 as a baseline. To achieve this, Link REIT has identified projects such as energy efficient lighting, chiller replacement and variable speed drives to improve energy efficiency to which the proceeds of the Notes may be applied.

### 2. Greenhouse Gas (“GHG”) Emissions

With buildings accounting for over 60% of Hong Kong’s GHG emissions, Link REIT is committed to taking a comprehensive account of and reducing its GHG emissions including Scopes 1, 2 and 3. This includes raising awareness and aligning GHG reduction strategies with stakeholders throughout Link REIT’s value chain as well as retrofitting existing buildings to third party verified green building standards.

### 3. Water Management

Link REIT has begun to explore reducing its water consumption by adopting and implementing storm water management, grey water reuse and water efficient technologies in its shopping centres.

### 4. Waste Management

With the impending introduction of waste tariffs in Hong Kong, treatment and disposal of waste could result in significant additional operating costs. In light of this, Link REIT initiated a study to measure and quantify the daily total amount of waste produced from its properties. In 2014/15 Link REIT completed a comprehensive waste audit, which established a baseline to monitor performance of future waste reduction strategies. The pilot phase selected seven properties, to assess total waste production and to examine practical and responsible options of minimising waste streams. Link REIT aims to reduce waste to landfill by 40% by the year 2022.

### 5. Low Carbon Transportation

Link REIT promotes low carbon transportation by integrating properties with public transportation infrastructure and encouraging the use of zero-carbon modes of transportation such as bicycles and electric vehicles by installing bicycle racks and electric vehicle charging stations.

## 3. FRAMEWORK OVERVIEW

### 3.1 Use of Proceeds

The net proceeds of the issuance of Notes will be used to refinance or fund, in whole or in part, existing and future projects that are eligible as per the criteria specified below.

#### *Eligibility Criteria*

In order for net proceeds of the Note to be allocated to a project, the project must meet one or more of the following eligibility criteria:

1. Any project for an existing or new building that has received, or expects to receive, certification according to third party verified green building standards including a) Hong Kong BEAM - Silver, Gold or Platinum; or b) LEED Silver, Gold or Platinum<sup>1</sup>. Building project types can include:
  - a. Building developments and redevelopments
  - b. Renovations to existing buildings
  - c. Tenant improvements
2. Projects which result in achieving, based on third-party assessment, at least a 15% improvement in energy efficiency or, a NABERS Shopping Centres rating equal to or greater than 3<sup>2</sup> or similar rating scheme to an equivalent rating level;
3. Projects such as those that reduce waste to landfill, improve water efficiency, promote adoption of low carbon transportation including electric vehicles, and improve climate change resilience.

### 3.2 Project Evaluation and Selection Process

The eligible green projects are selected by Link REIT's sustainability team together with the treasury team in accordance with Link REIT's Sustainability Framework, Green Initiatives and the eligibility criteria outlined above.

### 3.3 Management of Proceeds

As long as the Notes are outstanding, Link REIT's internal records will show the allocation of the net proceeds of the Notes to existing and future eligible green projects. Pending the allocation of the net proceeds of the Notes to existing and new eligible green projects, the net proceeds will be used to repay

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<sup>1</sup> Please see Appendix 2 for details on all external certifications and ratings (HK-BEAM, LEED, and NABERS)

<sup>2</sup> NABERS is an Australian national rating system for measuring energy efficiency, water usage, waste management, and indoor environmental quality of a building or tenancy and its impact on the environment. NABERS, Link REIT, and CBRE (an external consultant hired by Link REIT) engaged in the first pilot to assess the suitability of using the NABERS rating for shopping centers outside Australia. CBRE applied the NABERS methodology to Link REIT's assets in Hong Kong, with the objective of testing and establishing a framework for NABERS at shopping centers in markets outside Australia. Initial results have indicated that the Australian methodology is not directly applicable to Hong Kong's environment, and will need to be adjusted accordingly. Link REIT has been discussing this adjustment directly with NABERS, and with its consultant CBRE. Given that this methodology may not be directly applicable to the Hong Kong context, Link REIT has concluded that a target NABERS rating 3 is the most feasible to include in the use of proceeds eligibility criterion.

amounts of outstanding debt. Link REIT will not hold any unallocated proceeds as cash; this is consistent with the cash management practices for REITs.

### 3.4 Reporting

#### Allocation Reporting

Throughout the life of the Notes, Link REIT will make and keep readily available through Link REIT's integrated annual report, and on a dedicated page of Link REIT's corporate sustainability website, up to date information on the allocation of the net proceeds, to be renewed annually until full allocation and as necessary thereafter in the event of new developments. This information will contain at a minimum:

1. The list of eligible green project categories and amounts allocated to these categories;
2. The balance amount of unallocated note proceeds; and
3. A selection of project examples financed by the net proceeds of the Note.

By including this information in Link REIT's integrated annual report, the allocation of net proceeds receives an external review from an independent third party.

#### Impact Reporting

Where feasible, Link REIT will include qualitative and (if reasonably practicable) quantitative environmental performance indicators on the eligible green projects. Link REIT will disclose impact reporting on its corporate sustainability website. Performance indicators may change from year to year and may include some of the following indicators:

1. List of eligible buildings that received third party verified green building certification;
2. Energy consumption reduced per square foot;
3. Greenhouse gas emissions reduced by an eligible green project;
4. Water consumption reduced; and
5. Amount of waste sent to landfill reduced

## 4. SUSTAINALYTICS' OPINION

### ***Importance of green real estate in climate change mitigating in Hong Kong:***

Hong Kong is a service-based city and does not have energy-intensive industries. As per the Hong Kong Government's Environmental Protection Department (EPD), the burning of fossil fuels to generate electricity is Hong Kong's major contributor of greenhouse gases, accounting for some 68% of total emissions in the city<sup>3</sup>. Since 1997, the Hong Kong government banned the construction of new coal-fired generating units in favour of natural gas, which emits less greenhouse gas per unit of electricity produced. Nonetheless, the major source of power generation in Hong Kong remains fossil fuels. Although the two main power companies in Hong Kong are exploring the feasibility of developing large-scale offshore wind farms, it is estimated to meet merely 1 to 2% of total electricity demand by 2020. Therefore, energy conservation becomes top priority. With buildings accounting for 89% of the total electricity consumption at end-use level in Hong Kong (and 60% of GHGs), promoting energy efficiency in buildings is an effective way to achieve energy conservation and help address climate change. Given this scenario, it is clear that real estate companies have a large role to play in Hong Kong in mitigating climate change. Link REIT's efforts to improve energy efficiencies of its properties is a step in the right direction.

### ***Importance of waste reduction and water management in Hong Kong:***

According to the Hong Kong Government's EPD<sup>4</sup>, with the continued growth in waste levels, Hong Kong is expected to exhaust its existing landfills by 2020 if waste levels continue to increase at current levels. In 2013, the Hong Kong Government is released the Blueprint for Sustainable Use of Resources 2013-2022, which aims to reduce the Municipal Solid Waste (MSW) disposal rate by 40% on a per capita basis by 2022<sup>5</sup> by expanding recycling, levying duties on waste and improving waste-related infrastructure. Waste is a major issue in Hong Kong and so is water management.

The annual per capita consumption of water in Hong Kong is 172.1 m<sup>3</sup>, making it one of the highest water consumers per capita when compared to other advanced cities such as Paris, London, Singapore, or Melbourne<sup>6</sup>. Hong Kong does not have any significant agricultural or industrial users, and over 50% of its water is for domestic use. However, Hong Kong has few natural lakes and rivers, inadequate groundwater sources and extreme seasonable variations in rainfall. Hong Kong relies on mainland China for 70-80% of its water, which comes from the Dongjiang River, a major tributary to the Pearl River, 83 km north of Hong Kong. The Dongjiang River also serve as a major supplier of fresh water to seven other cities including the heavy industrial and commercial centres of Guangzhou, Shenzhen, and Dongguan which means that Hong Kong will face increasing competition for water. In addition, this region is water stressed and in the near future, Hong Kong may find itself subject to a cap on water or even decreasing total supply of water from Dongjiang River.

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<sup>3</sup> [http://www.epd.gov.hk/epd/english/climate\\_change/hkactions.html](http://www.epd.gov.hk/epd/english/climate_change/hkactions.html)

<sup>4</sup> [http://www.epd.gov.hk/epd/english/environmentinhk/waste/waste\\_maincontent.html](http://www.epd.gov.hk/epd/english/environmentinhk/waste/waste_maincontent.html)

<sup>5</sup> <http://www.enb.gov.hk/en/files/WastePlan-E.pdf>

<sup>6</sup> <http://chinawaterrisk.org/resources/analysis-reviews/8-things-you-should-know-about-hong-kong-water/>

**Established environmental targets:** Link REIT discloses a number of environmental priorities that are aligned with addressing major issues facing Hong Kong, including energy efficiency, greenhouse gas (GHG) emission reduction, water and waste management and low carbon transportation. In March 2014, the company achieved its target to reduce energy consumption by 20% from a 2010 baseline. It now plans to reduce energy consumption by 30% from the 2010 baseline by 2020. In 2015 Link REIT completed a waste audit of their entire portfolio, which established a baseline to monitor performance of future waste reduction strategies. Link REIT aims to reduce waste to landfill by 40% by the year 2022. With regard to water consumption, Link REIT plans to identify and implement water reduction initiatives. Establishing environmental targets and implementing initiatives that help meet these targets indicates a longer-term commitment to environment and overall transparency regarding its environmental goals.

**Link REIT's Green Bond Framework:** Link REIT's Green Bond Framework is aligned with the 2016 Green Bond Principles with regard to use of proceeds, project selection process, management of the bond and reporting (see Appendix 1 for details). Link REIT's commitment to have a third party such as HK-BEAM or LEED certify its green buildings and obtain a third party (NABERS) energy efficiency rating will provide confidence that green initiatives have been successfully implemented. The majority of the Green Bond funds will be used for upcoming HK-BEAM GOLD and LEED-GOLD Certified buildings. For existing buildings, considering the building and site constraints in Hong Kong, Link REIT would target at least LEED SILVER certification. It is to be noted that Link REIT has one existing building that is HK-BEAM Platinum certified. With regard to reporting, Link REIT's commitment to provide, on a best efforts basis, GHG emissions and energy consumption reductions, is in line with industry best practice. An assurance from an independent third party about fund allocation further adds transparency to the Green Bond.

## Conclusion

Overall, Link REIT's Green Bond framework is transparent and provides clarity regarding the outcomes of the Green Bond investments. Furthermore, the projects that are expected to be funded using the Green Bond proceeds are in line with the climate change mitigation priorities of Link REIT as well as that of Hong Kong.



## APPENDICES

### Appendix 1: Adherence to the Green Bond Principles 2016

#### Green Bond / Green Bond Programme External Review Form

##### Section 1. Basic Information

Issuer name: Link REIT

Review provider's name: Sustainalytics

##### 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 GBPs:

- |                                                            |                                                                                  |
|------------------------------------------------------------|----------------------------------------------------------------------------------|
| <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 (please specify):                                |                                        |

*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)**

### 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):**

Link REIT's project eligibility criteria align with the 'Green Initiatives' laid out in its sustainability framework. Eligibility criteria for real estate projects also align with recognised external ratings and certifications like HK-BEAM, LEED, and NABERS. Sustainalytics considers the eligibility criteria for the use of proceeds to be credible. Based on its review, Sustainalytics is of the opinion that by funding eligible projects, Link REIT will contribute to creating environmental impact in areas that are most contextually relevant in Hong Kong: Green House Gas (GHG) emissions from real estate, waste reduction, and sustainable management of water resources.

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

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

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

## 2. PROCESS FOR PROJECT EVALUATION AND SELECTION

### Overall comment on section (if applicable):

The projects will be selected in accordance with Link REIT's 'Green Initiatives,' its sustainability framework, and the eligibility criteria outlined in the framework. Link REIT's sustainability team will work with its treasury department to select eligible projects. Sustainalytics is of the opinion that the process to select this building for use of green bond proceeds is robust.

### Evaluation and selection

- |                                                                                                                    |                                                                                                      |
|--------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Defined and transparent criteria for projects eligible for Green Bond proceeds | <input type="checkbox"/> Documented process to determine that projects fit within defined categories |
| <input checked="" type="checkbox"/> Summary criteria for project evaluation and selection publicly available       | <input type="checkbox"/> Other (please specify):                                                     |

### Information on Responsibilities and Accountability

- |                                                                                                                |                                                         |
|----------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|
| <input checked="" type="checkbox"/> Evaluation / Selection criteria subject to external advice or verification | <input checked="" type="checkbox"/> In-house assessment |
| <input type="checkbox"/> Other (please specify):                                                               |                                                         |

## 3. MANAGEMENT OF PROCEEDS

### Overall comment on section (if applicable):

Link REIT's treasury has sufficient oversight over the management of proceeds. Link REIT has established an internal process to track the disbursement of proceeds to eligible projects; this is in line with industry norms.

### Tracking of proceeds:

- |                                                                                                                               |
|-------------------------------------------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Green Bond proceeds segregated or tracked by the issuer in a systematic manner            |
| <input checked="" type="checkbox"/> Disclosure of intended types of temporary investment instruments for unallocated proceeds |
| <input type="checkbox"/> 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 checked="" type="checkbox"/> Allocation to a portfolio of disbursements          |
| <input checked="" type="checkbox"/> Disclosure of portfolio balance of unallocated proceeds | <input type="checkbox"/> Other ( <i>please specify</i> ):                               |

**4. REPORTING**

**Overall comment on section (*if applicable*):**

Link REIT will annually disclose the amount of proceeds that have been allocated to eligible green project categories described in the framework. Additionally, it will also report on the balance of unallocated proceeds, and on verification of allocation of proceeds conducted by an independent third party. Link REIT has also committed to reporting on the impact of the bond, where feasible. This is in line with industry norms.

**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 ( <i>please specify</i> ):        |

**Information reported:**

- |                                                                                                                                                                    |                                                                |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|
| <input checked="" type="checkbox"/> Allocated amounts                                                                                                              | <input type="checkbox"/> GB financed share of total investment |
| <input checked="" type="checkbox"/> Other ( <i>please specify</i> ): Balance amount of unallocated note proceeds; selection of eligible projects financed by notes |                                                                |

**Frequency:**

- |                                                           |                                      |
|-----------------------------------------------------------|--------------------------------------|
| <input checked="" type="checkbox"/> Annual                | <input type="checkbox"/> Semi-annual |
| <input type="checkbox"/> Other ( <i>please specify</i> ): |                                      |

**Impact reporting:**

- Project-by-project
- On a project portfolio basis
- Linkage to individual bond(s)
- Other (please specify):

**Frequency:**

- Annual
- Semi-annual
- Other (please specify): When feasible

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

- GHG Emissions / Savings
- Energy Savings
- Other ESG indicators (please specify):  
Water consumption reduced; reduction in amount of waste sent to landfill; list of eligible buildings that received third party verified green building certification

**Means of Disclosure**

- Information published in financial report: Only allocation reporting will be published in the integrated annual report and is subject to an external review.
- Information published in sustainability report
- Information published in ad hoc documents
- Other (please specify): Link REIT will publish impact data on its corporate sustainability website
- 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.)

LEED certification website: <http://www.usgbc.org/leed>  
HK-BEAM certification website: [http://www.beamsociety.org.hk/en\\_index.php](http://www.beamsociety.org.hk/en_index.php)  
NABERS rating website: <http://www.nabers.gov.au/public/WebPages/Home.aspx>  
Link REIT sustainability framework: <http://www.linkreit.com/EN/corporate/Pages/The-Link-Sustainability-Framework.aspx>

**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):** N/A

**Date:**

## Appendix 2: External Certifications and Ratings

### **Building Environmental Assessment Method (HK-BEAM)**

HK-BEAM is a voluntary, third party building certification process, developed in 2009 by BEAM Society Limited, providing an independently certified performance rating for a building in clearly defined terms. BEAM covers all types of new and existing buildings: residential, commercial, institutional, and industrial. It embraces and endorses exemplary practices in the planning, design, construction, commissioning, management and operation of buildings in the context of Hong Kong's densely populated, predominantly high-rise cityscape. New buildings that are planned, designed, built and commissioned to the standards set under BEAM Plus for New Buildings are safe, healthy, comfortable and efficient buildings that sustain the quality of life and workplace productivity, whilst minimising the depletion of natural resources and reducing environmental loadings. Existing buildings managed and operated to the standards set under BEAM Plus for Existing Buildings can maintain high level performance over the life of the buildings.

BEAM is owned and operated by BEAM Society Limited, an independent non-profit organisation whose membership is drawn from many professional and interest groups in Hong Kong's building construction and real estate sectors. Following initial funding from The Real Estate Developers Association of Hong Kong (REDA), BEAM development is funded from assessment fees with voluntary support from the efforts of BEAM Society's members and associates, and the professional supporting team.

### **Leadership in Energy and Environmental Design (LEED)**

LEED is a voluntary, third party building certification process developed by the U.S. Green Building Council ("USGBC"), a non-profit organization. The USGBC developed the LEED certification process to (i) evaluate the environmental performance from a whole-building perspective over a building's life cycle, (ii) provide a definitive standard for what constitutes a "green building," (iii) enhance environmental awareness among architects and building contractors, and (iv) encourage the design and construction of energy-efficient, water-conserving buildings that use sustainable or green resources and materials.

### **National Australian Built Environment Rating System (NABERS)**

NABERS is a national rating system that measures the environmental performance of Australian buildings, tenancies and homes. Put simply, NABERS measures the energy efficiency, water usage, waste management and indoor environment quality of a building or tenancy and its impact on the environment.

It does this by using measured and verified performance information, such as utility bills, and converting them into an easy to understand star rating scale from one to six stars. For example, a 6-star rating demonstrates market-leading performance, while a 1-star rating means the building or tenancy has considerable scope for improvement.

**Disclaimer**

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*The Opinion was drawn up with the aim to explain why the analysed bond is considered sustainable and responsible. Consequently, this Opinion is for information purposes only and Sustainalytics will not accept any form of liability for the substance of the opinion and/or any liability for damage arising from the use of this Opinion and/or the information provided in it.*

*As the Opinion is based on information made available by the client, Sustainalytics does not warrant that the information presented in this Opinion is complete, accurate or up to date.*

*Nothing contained in this Opinion shall be construed as to make a representation or warranty, express or implied, regarding the advisability to invest in or include companies in investable universes and/or portfolios. Furthermore, this Opinion shall in no event be interpreted and construed as an assessment of the economic performance and credit worthiness of the bond, nor to have focused on the effective allocation of the funds’ use of proceeds.*

*The client is fully responsible for certifying and ensuring its commitments` compliance, implementation and monitoring.*

## ABOUT SUSTAINALYTICS

Sustainalytics is the largest independent provider of sustainability research, analysis, and services to investors. We serve over 250 institutional investors which include some of the world's largest asset owners and asset managers. Through over 20 years of experience serving the responsible investment (RI) market, we have gained a reputation for providing high-quality ESG research solutions and excellent client service.

Sustainalytics is headed by seasoned professionals in the field of business, finance, and sustainability, with a wealth of experience in the Responsible Investment area. After more than 20 years of local experience and expertise in the Responsible Investment (RI) market Sustainalytics has developed a comprehensive understanding of trends and best practices and a solid process to assist organisations in integrating ESG considerations into their policies and strategies. We have worked with some of the world's financial institutions including pension plans, investment managers and banks providing customised support to help them achieve their RI objectives. Clients include ABN AMRO, APG, BBVA, BNP Paribas, Deutsche Bank, ING Bank, Lombard Odier, Lloyds Bank, Triodos Bank, UBS and over 250 other financial institutions and organisations.

Sustainalytics now has a staff of 250 employees globally, including over 120 analysts, with operations in Amsterdam, Boston, Bucharest, Frankfurt, New York, Paris, London, Singapore, Sydney, Timisoara, and Toronto, and representation in Brussels and Washington DC.



In 2015, Sustainalytics was named the Best SRI or Green Bond Research Firm by GlobalCapital. In December 2014, for the third year in a row, Sustainalytics was named best sustainable and responsible investment research firm in the Independent Research in Responsible Investment (IRRI)

Survey, conducted by Thomson Reuters and SRI-CONNECT.

### SUSTAINALYTICS At a Glance

#### Our Coverage

- Company ESG Research  
4,500 Issuers
- Corporate Governance Research  
4,000 Issuers
- Global Compact Research  
20,000+ Issuers
- Product Involvement  
40,000 Issuers
- Controversial Weapons Radar  
40,000 Issuers
- Sector Research  
42 Peer Groups

#### Our Team

Michael Jantzi, CEO

More than 250 staff members, including over 120 analysts with multidisciplinary and industry expertise

Shareholders: ABN AMRO MeesPierson, Michael Jantzi and senior staff, Mooncrest Holdings Limited, PGGM, Renewal Partners, Silver Box Holdings Limited and Triodos

Board Members:  
Else Bos, CEO, PGGM

Alan Broadbent, CEO, Avana Capital Corporation

Melissa Brown, Partner, Daobridge Capital

Mike Musuraca, Managing Director, Blue Wolf Capital Partners LLC

Glen Saunders, Former board member and current senior adviser, Principles for Responsible Investment (PRI)

Georg Schürmann, Managing Director of Triodos Bank Germany

#### Our Offices

Offices in Amsterdam (Headquarters), Boston, Bucharest, Frankfurt, London, New York City, Paris, Singapore, Sydney, Timisoara, and Toronto. Representative offices in Brussels and Washington D.C.

#### Our Clients

Our 300+ clients worldwide include financial institutions, asset managers, mutual funds, pension funds, banks, insurance companies, international organizations and academic networks

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