

Second-Party Opinion

South Central Connecticut Regional Water Authority Green Bond

Evaluation Summary

Sustainalytics is of the opinion that the South Central Connecticut Regional Water Authority (the Authority) Green Bond 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 – Sustainable Water Management (Drinking Water Infrastructure Upgrades) – is aligned with those recognized by the Green Bond Principles 2018. Sustainalytics considers the eligible category to have positive environmental impact and to advance the UN Sustainable Development Goal 6 (Clean Water and Sanitation).



PROJECT EVALUATION / SELECTION The Authority has selected the eligible Great Hill Tunnel and Pipeline Restoration project, based on its assessment against several criteria that required involvement of cross-functional teams of internal and external stakeholders, as well as the Authority's governing boards who oversaw and approved the project. Sustainalytics considers the Authority's project selection process to be in line with market best practice.



MANAGEMENT OF PROCEEDS The Authority intends to immediately allocate the amount equal to net proceeds of the green bond to the eligible project, followed by the final review of use of net proceeds by C-level and executive management. This is in line with market best practice.



REPORTING The Authority intends to publish a report on the Electronic Municipal Market Access (EMMA) website. The reporting will include the amount allocated to eligible project and description of project funded, as well as potential ramifications prevented (if the project was not undertaken) as an impact metric. Sustainalytics considers the Authority's allocation and impact reporting to be in line with market practice.

Evaluation date	June 2019
Issuer Location	New Haven, Connecticut, USA

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For inquiries, contact the Sustainable Finance Solutions project team:

Ankita Shukla (New York)
 Project Manager
 ankita.shukla@sustainalytics.com
 (+1) 617 603 3329

Mayur Mukati (Toronto)
 Project Support
 mayur.mukati@sustainalytics.com
 (+1) 647 936 5656

Melissa Menzies (Toronto)
 Client Relations
 susfinance.americas@sustainalytics.com
 +1 646 518 9623

Introduction

The South Central Connecticut Regional Water Authority (the "Authority", or the "Issuer") is a non-profit public corporation that engages in water supply in various regions in South Connecticut. The Authority owns more than 27,000 acres of land and provides a wide array of recreational opportunities and water-related services, including hands-on water science programs to students annually. The organization was founded in 1977 and is based in New Haven, Connecticut.¹

The Authority has developed the South Central Connecticut Regional Water Authority Green Bond Framework (the "Framework") under which it intends to issue a green bond and use the proceeds to refinance improvements to existing water infrastructure project (Great Hill Tunnel and Pipeline Restoration project) that has restored critical infrastructure preventing water leakage and supported the continuing provision of water to the local community.

The Framework defines the following eligible green category area:

- Sustainable Water Management: Drinking Water Infrastructure Upgrades

The Authority engaged Sustainalytics to review its Framework, dated June 2019, and provide a second-party opinion on the Framework's environmental credentials and its alignment with the Green Bond Principles 2018 (GBP).² This Framework will be available at EMMA website.³

As part of this engagement, Sustainalytics held conversations with various members of the Authority's management team to understand the sustainability impact of their business processes and planned use of proceeds, as well as the management of proceeds and reporting aspects of the Framework. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics' opinion of the South Central Connecticut Regional Water Authority Green Bond Framework and should be read in conjunction with that Framework.

¹ Bloomberg, Company Overview of South Central Connecticut Regional Water Authority, Inc.:

<https://www.bloomberg.com/research/stocks/private/snapshot.asp?privcapId=4304133>

² 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/>

³ EMMA (Electronic Municipal Market Access) is designated by the U.S. Securities and Exchange Commission as "the official source for municipal securities data and disclosure documents." The website supports municipal market transparency by providing free public access to municipal securities information with some interactive tools for investors, municipal entities and others. Regional Water Authority Green Bond Framework will be available at EMMA website: <https://emma.msrb.org>

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the Authority's Green Bond Framework

Summary

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

- Use of Proceeds:
 - The green category eligible for the use of proceeds, sustainable water management, is recognized as impactful by the GBP 2018.
 - The eligible project defined under the use of proceeds continue to provide meaningful environmental contributions. Sustainable Water Management specifically includes the Great Hill Tunnel and Pipeline Restoration project. Sustainalytics believes that improvements in critical infrastructure (drinking water infrastructure upgrades) create significant environmental benefits, such as prevention of water leakages while extending the service life and resilience of related physical assets. Moreover, Sustainalytics recognizes that such rehabilitation projects enabled the Authority to continue supplying water to a significant number of households and businesses that would otherwise be adversely affected due to downtimes in service and associated water shortages.
- Project Evaluation and Selection:
 - The Authority has selected the Great Hill Tunnel and Pipeline Restoration project based on its assessment against several criteria that required involvement of cross-functional teams of internal and external stakeholders and approval by the Authority's governing boards. Sustainalytics considers the Authority's project selection process to be in line with market best practice.
 - The stakeholders involved in the process included capital project managers, members of capital program control team, a consulting engineer for technical oversight, an expert related to the design of the bypass system, a tunnel expert, as well as the Authority's governing boards who oversaw and approved the project. Additionally, the assessment criteria included customer service and satisfaction, water resource adequacy and quality, personnel and public safety, infrastructure attributes (such as stability, security, reliability and vulnerability), and sustainability. The Authority's five-person board, as well as the Representative Policy Board (RPB) comprised of one member from each of the District's municipalities and one member appointed by the Governor, oversaw and approved the projects.
- Management of Proceeds:
 - The Authority intends to track the net use of proceeds. The amount equal to net proceeds of the green bond will be immediately allocated to eligible project, followed by the final review of use of net proceeds from the Executive Vice President and Chief Financial Officer, as well as the Vice President of Finance and Controller. This is in line with market best practice.
- Reporting:
 - The Authority intends to publish a report on the Electronic Municipal Market Access (EMMA) website of the Municipal Securities Rulemaking Board (MSRB),³ on or before (the date) eight months after FY2019 close. Sustainalytics considers this in line with market practice.
 - The reporting will include amount allocated to eligible project and description of project funded, as well as the potential ramifications prevented (if the project was not undertaken) as an impact metric.

Alignment with Green Bond Principles 2018

Sustainalytics has determined that the South Central Connecticut Regional Water Authority Green Bond Framework aligns to the four core components of the GBP 2018. For detailed information please refer to Appendix 1: Green Bond/Green Bond Programme External Review Form.

Section 2: Sustainability Strategy of the Issuer

Contribution of the Framework to the Authority's sustainability strategy

Sustainalytics is of the opinion that the Authority has demonstrated a commitment to provide enhanced access to high-quality, affordable water and related services while promoting the preservation of watershed land and aquifers, as aligned with its mission.⁴ This opinion is based on the following considerations:

- The Authority is actively engaged in protecting and restoring ecosystems, reducing energy consumption and carbon emissions, as well as minimizing waste and pollution.
- The Authority operates HazWaste Central to protect water resources in Greater New Haven by providing municipal services to residents of member communities for safe disposal of household hazardous waste.⁵ HazWaste Central's collected waste is stringently regulated for handling, storage, transportation and disposal by the Connecticut's Department of Energy and Environmental Protection and the U.S. Environmental Protection Agency. HazWaste Central expanded its services in 2018, through Clean Harbors Environmental Services, Inc., to small businesses who can participate in hazardous waste program for the safe disposal of typical hazardous wastes,⁶ such as oil-based paints, acids and solvents, pesticides, and gasoline.
- The Authority established the Management Plan for Lake Whitney Water Treatment Plant⁷ for the purpose of protecting the environmental quality of the Lake and the downstream corridor, while preventing adverse impacts on surrounding ecology and aesthetics. The Authority consults with the City of New Haven and the Town of Hamden in case of periodic updates or any changes to the plan.
- The Authority's Land Use Plan⁸ guides its land use decisions for more than 27,000-acre landholdings. Five categories of land use, each with specific policies, were defined with the Plan: (i) Water Supply Facilities and Source Protection, (ii) Preservation, (iii) Recreation and Education, (iv) Natural Resources, and (v) Non-Water System Uses. The goals of such plan include, but are not limited to, ensuring an adequate supply of pure drinking water and protection of natural and historical attributes, while balancing the provision of opportunities for recreation and education, as well as developments that serve the regional and local needs.

Considering the above, Sustainalytics is of the opinion that the Authority's sustainability strategy and efforts demonstrate the importance it places on achieving positive environmental and social outcomes. Sustainalytics also believes that the Authority's Framework is aligned with the Authority's overall sustainability strategy and efforts and can support its commitment to supply of high-quality water to its served community.

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

While Sustainalytics recognizes that the use of proceeds from the Authority's Framework will be directed to refinance projects that are recognized by the GBP 2018 to have positive environmental impact, Sustainalytics is aware that such projects could have led to negative environmental and social outcomes, such as a lack of pollution control and worker safety during infrastructure renovation, and potential for extensive failure and associated ramifications.

Nevertheless, the Authority has confirmed that during the lifecycle of an eligible project, internal and external stakeholders, including engineering contractors and a rescue team, conducted project evaluations,⁹ such as inspections, by-pass installation, leak detection, tunnel rehabilitation and pipeline repair, while conforming to a set of operational and management guidelines in place, as well as applicable laws and regulations. The Authority confirmed that such steps helped to mitigate any risk associated with the potential failure of the project, including through the following: (i) formation of Incident Command Structure within the Authority, (ii) planning and coordination with external stakeholders, such as police, fire, local elected officials and legislators, and local and state regulators, (iii) public dissemination of information for residents of proposed work sites through several media, and (iv) prevention of contamination of source water and reservoir area from potential spills or stormwater runoffs. Moreover, the environmental considerations for construction

⁴ Regional Water Authority, Sustainability: <https://www.rwater.com/conservation-stewardship/sustainability>

⁵ Regional Water Authority, Household HazWaste Central: <https://www.rwater.com/products-services/hazwaste-central>

⁶ Regional Water Authority, Municipal and Commercial Hazardous Waste (CESQG) Disposal Information Sheets:

<https://www.rwater.com/media/61432/instructions-for-small-business-cesqg-final-2018.pdf>

⁷ Regional Water Authority, Management Plan for Lake Whitney Water Treatment Plant: <https://www.rwater.com/media/5288/45pdf2.pdf>

⁸ Regional Water Authority, Land Use Plan: <https://www.rwater.com/media/41492/Land-Use-Plan-Final-2016.pdf>

⁹ NASTT Northeast Chapter Technical Forum, Great Hill Tunnel and Pipeline Restoration Project: <http://www.nastt-ne.org/pdf/2018-great-hill-tunnel.pdf>

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included review and coordination with federal and municipal agencies regarding sensitive or endangered species, wildlife habitat, erosion control, and wetlands amongst other factors.

Additionally, on an organizational level, the Authority also adopted Rules and Regulations¹⁰ that govern the supply of water to homes and businesses and inform the public about the technical requirements for obtaining and maintaining services from the Authority which are consistent with the health and safety aspects of the served community. The Authority's internal teams, along with qualified third parties, also regularly collect water quality data (including dissolved oxygen and salinity) and conduct biological assessments (including vegetation and invertebrate monitoring) on Lake Whitney and/or the Mill River, as well as provide information on the implementation of Environmental Management Plan in annual public meetings.¹¹

Due to the above-mentioned systems, policies and procedures, Sustainalytics believes that the Authority sufficiently has identified, managed and mitigated environmental and social risks commonly associated with the use of proceeds.

Section 3: Impact of Use of Proceeds

Importance of water infrastructure rehabilitation in the U.S. for the supply of drinking water

In 2016, most U.S. residents and businesses sourced their drinking water from small community water systems,¹² the majority of which (approximately 55%) served 500 or fewer people.¹³ Additionally, public capital spending (and its pace of investment) on water infrastructure, historically, had been inadequate with many of pipelines nearing the end of useful life of 75 to 100 years. According to the American Water Works Association (AWWA) State of the Water Industry report,¹⁴ restoring such aging infrastructure and expanding it to serve a growing population will cost at least USD1 trillion over 25 years (from 2011 baseline). Furthermore, AWWA, through its surveys from 2015 to 2018, found "renewal and replacement of aging water and wastewater infrastructure" as the most important issue facing the water industry.¹⁵

Since water is considered a "under-valued" and "underpriced" resource, while water infrastructure is considered capital-intensive in nature, the recovery of cost from water-related investments is generally poor, and therefore, "a strong economic case for water-related investment has failed to translate into a compelling financial case for investment."¹⁶ Adding to the problem, the country used 42 billion gallons of water per day (in 2017) and nearly 6 billion gallons of treated drinking water were lost due to leakages in pipelines with an estimated 240,000 water main breaks occurring annually that wasted 14-18% of water every day.¹⁷

Sustainalytics recognizes that investments in drinking water infrastructure is a crucial step to enhance the quality of life for people. Sustainalytics believes that the Authority, through such critical infrastructure investments, enhanced its resiliency to deliver uninterrupted water supply and prevented leakages, and therefore, continues to support the water needs of its member communities.

Alignment with/contribution to SDGs

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

¹⁰ Regional Water Authority, Rules and Regulations: <https://www.rwater.com/customer-care/rates-regulations-responsibilities/rules-regulations>

¹¹ Regional Water Authority, Studies and Reports:

<https://www.rwater.com/conservation-stewardship/whitney-environmental-management-plan/studies-and-reports>

¹² EPA defines Community Water Systems (CWS) as a type of public water systems "that supplies water to the same population year-round." EPA, Information about Public Water Systems: <https://www.epa.gov/dwreginfo/information-about-public-water-systems>

¹³ Deloitte, The aging water infrastructure: Out of sight, out of mind? <https://www2.deloitte.com/insights/us/en/economy/issues-by-the-numbers/us-aging-water-infrastructure-investment-opportunities.html#endnote-sup-20>

¹⁴ UNEP, AWWA report - Buried No Longer: Confronting America's Water Infrastructure Challenge:

http://wedocs.unep.org/bitstream/handle/20.500.11822/18119/Buried_no_longer_Confronting_Americas_Water_I.pdf?sequence=1&isAllowed=y

¹⁵ AWWA, State of the Water Industry Report, 2018:

https://www.awwa.org/Portals/0/AWWA/Development/Managers/2018_SOTWI_Report_Final_v3.pdf

¹⁶ UN, High Level Panel on Water- Water Infrastructure and Investment:

<https://sustainabledevelopment.un.org/content/documents/hlpwater/08-WaterInfraInvest.pdf>

¹⁷ 2017 Infrastructure Card Report, Drinking Water: https://www.infrastructurereportcard.org/cat-item/drinking_water/

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Use of Proceeds Category	SDG	SDG target
Sustainable Water Management: Drinking Water Infrastructure Upgrades	6. Clean Water and Sanitation	6.1 By 2030, achieve universal and equitable access to safe and affordable drinking water for all.

Conclusion

The South Central Connecticut Regional Water Authority (“the Authority”) has developed its Green Bond Framework to refinance the eligible Great Hill Tunnel and Pipeline Restoration project that continues to deliver positive environmental (and social) outcomes. Sustainalytics believes that the Authority’s Framework is aligned with its overall sustainability strategy and efforts, and that the eligible category contributes to the advancement of UN Sustainable Development Goal 6 (Clean Water and Sanitation). Additionally, Sustainalytics is of the opinion that the Authority has sufficiently identified, managed and mitigated environmental and social risks commonly associated with the eligible project intended to be refinanced by the use of proceeds.

Overall, Sustainalytics is of the opinion that the Authority’s Green Bond Framework is robust, transparent, and in alignment with the four core components of the Green Bond Principles 2018.

Appendices

Appendix 1: Green Bond / Green Bond Programme - External Review Form Section 1. Basic Information

Issuer name:	South Central Connecticut Regional Water Authority
Green Bond ISIN or Issuer Green Bond Framework Name, if applicable: <i>[specify as appropriate]</i>	South Central Connecticut Regional Water Authority Green Bond Framework
Review provider's name:	Sustainalytics
Completion date of this form:	June 2019
Publication date of review publication: <i>[where appropriate, specify if it is an update and add reference to earlier relevant review]</i>	

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 nd 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.

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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 – Sustainable Water Management (Drinking Water Infrastructure Upgrades) – is aligned with those recognized by the Green Bond Principles 2018. Sustainalytics considers the eligible category to have positive environmental impact and to advance the UN Sustainable Development Goal 6 (Clean Water and Sanitation).

Use of proceeds categories as per GBP:

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

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 Authority has selected eligible Great Hill Tunnel and Pipeline Restoration project based on its assessment against several criteria that required involvement of cross-functional teams, including consulting engineer for technical oversight as well as the Authority's governing boards who oversaw and approved the project. Sustainalytics considers the Authority's project selection process to be in line with market best 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 |
|---|---|

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

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

3. MANAGEMENT OF PROCEEDS

Overall comment on section (*if applicable*):

The Authority intends to immediately allocate the amount equal to net proceeds of the green bond to the eligible project, followed by the final review of use of net proceeds by C-level and executive management. This is in line with market best 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 type="checkbox"/> Allocations to both existing and future investments |
| <input checked="" 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 (<i>please specify</i>): |

4. REPORTING

Overall comment on section (if applicable):

The Authority intends to publish a report on the Electronic Municipal Market Access (EMMA) website, on or before (the date) eight months after FY2019 close. The reporting will include the amount allocated to eligible project and the description of project funded, as well as potential ramifications prevented (if the project was not undertaken) as an impact metric. Sustainalytics considers the Authority's allocation and impact reporting to be in line with market practice.

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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*): one-time reporting

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*): one-time reporting

Information reported (expected or ex-post):

- GHG Emissions / Savings
- Energy Savings
- Decrease in water use
- Other ESG indicators (*please specify*): potential ramifications prevented (if the project was not undertaken)

Means of Disclosure

- Information published in financial report
- Information published in sustainability report
- Information published in ad hoc documents
- Other (*please specify*): report will be posted to the Electronic Municipal Market Access (EMMA) 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.)

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SPECIFY OTHER EXTERNAL REVIEWS AVAILABLE, IF APPROPRIATE

Type(s) of Review provided:

- | | |
|--|--|
| <input type="checkbox"/> Consultancy (incl. 2 nd 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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The Opinion was drawn up with the aim to provide objective information on why the analyzed bond is considered sustainable and responsible, and is intended for investors in general, and not for a specific investor in particular. 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.

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

Sustainalytics

Sustainalytics is a leading independent ESG and corporate governance research, ratings and analytics firm that support investors around the world with the development and implementation of responsible investment strategies. With 13 offices globally, the firm partners with institutional investors who integrate ESG information and assessments into their investment processes. Spanning 30 countries, the world's leading issuers, from multinational corporations to financial institutions to governments, turn to Sustainalytics for second-party opinions on green and sustainable bond frameworks. Sustainalytics has been certified by the Climate Bonds Standard Board as a verifier organization, and supports various stakeholders in the development and verification of their frameworks. In 2015, Global Capital awarded Sustainalytics "Best SRI or Green Bond Research or Ratings Firm" and in 2018 and 2019, named Sustainalytics the "Most Impressive Second Party Opinion Provider". The firm was recognized as the "Largest External Reviewer" by the Climate Bonds Initiative as well as Environmental Finance in 2018, and in 2019 was named the "Largest Approved Verifier for Certified Climate Bonds" by the Climate Bonds Initiative. In addition, Sustainalytics received a Special Mention Sustainable Finance Award in 2018 from The Research Institute for Environmental Finance Japan and the Minister of the Environment Award in the Japan Green Contributor category of the Japan Green Bond Awards in 2019.

For more information, visit www.sustainalytics.com

Or contact us info@sustainalytics.com

