

Second-Party Opinion

Ghelamco Invest Poland Green Bond Framework



Evaluation Summary

Sustainalytics is of the opinion that the Ghelamco Invest Poland Green Bond Framework is credible and impactful and aligns to the four core components of the Green Bond Principles 2021. This assessment is based on the following:



USE OF PROCEEDS The eligible categories for the use of proceeds – Green Buildings and Renewable Energy – are aligned with those recognized by the Green Bond Principles. Sustainalytics considers that investments in the eligible categories will lead to positive environmental or social impacts and advance the UN Sustainable Development Goals, specifically SDGs 7 and 9.



PROJECT EVALUATION / SELECTION Ghelamco Invest's internal process in evaluating and selecting projects is assessed by a dedicated Sustainable Finance Committee, headed by the Chief Risk Officer, to ensure alignment with the Framework and provide final approval for projects. The Committee consists of representatives from the Technical, Development and Financial departments. Ghelamco Invest has implemented adequate measures and is well positioned to manage and mitigate environmental and social risk. Sustainalytics considers these processes to be in line with market practice.



MANAGEMENT OF PROCEEDS The Sustainable Finance Committee will be responsible for the allocation and management of proceeds. Ghelamco Invest intends to fully allocate proceeds within 24 months of each issuance. Unallocated proceeds will be managed in accordance with its regular treasury policy. This is in line with market practice.



REPORTING Ghelamco Invest intends to report on the allocation of proceeds on its website on an annual basis until full allocation. Allocation reporting will include information such as the total amount of proceeds allocated to eligible projects and assets, the balance of unallocated proceeds and the share of financing versus refinancing. In addition, the Group is committed to reporting on relevant impact metrics, which will include the quantitative description and performance of eligible projects. Sustainalytics views Ghelamco Invest's allocation and impact reporting as aligned with market practice.

Evaluation date	November 2, 2022
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Issuer Location	Warsaw, Poland
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Introduction

Ghelamco Invest Poland (“Ghelamco Invest” or the “Issuer”) is headquartered in Warsaw, Poland, and is a subsidiary of Granbero Holdings Limited, which is controlled by the Ghelamco Group Comm VA Capital Group (“Ghelamco” or the “Group”), a real estate investor and developer founded in 1985. As of June 2022, the Group holds EUR 2.5 billion in asset value, and the Group’s portfolio in Poland has a value of EUR 821.5 million which consists of office, residential, retail and leisure properties. The Group in Poland has constructed more than 850,000 m² of modern office, residential, retail and warehouse real estate and has 135,000 m² under construction, 44,000 m² with binding building permits and 375,000 m² under development.

Ghelamco Invest has developed the Ghelamco Invest Poland Green Bond Framework (the “Framework”), under which it intends to issue green bonds and use the proceeds to finance and refinance, in whole or in part, existing and future projects that are expected to reduce the carbon footprint of its portfolio and contribute to improving the energy performance of buildings in Poland. The Framework defines eligibility criteria in two areas:

1. Green Buildings
2. Renewable Energy

Ghelamco Invest Poland engaged Sustainalytics to review the Ghelamco Invest Poland Green Bond Framework dated September 2022, and provide a Second-Party Opinion on the Framework’s environmental and social credentials and its alignment with the Green Bond Principles 2021 (GBP).¹ The Framework has been published in a separate document.²

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

Sustainalytics’ Second-Party Opinion reflects Sustainalytics’ independent³ opinion on the alignment of the reviewed Framework with the current market standards and the extent to which the eligible project categories are credible and impactful.

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

- The Framework’s alignment with the Green Bond Principles 2021, 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 1.11, 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 Ghelamco Invest Poland’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. Ghelamco Invest Poland representatives have confirmed (1) they understand it is the sole responsibility of Ghelamco Invest Poland to ensure that the information provided is complete, accurate or up to date; (2) that they have provided Sustainalytics with all relevant information and (3) that any provided material information has been duly disclosed in a timely manner. Sustainalytics also reviewed relevant public documents and non-public information.

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

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

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

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

² The Ghelamco Invest Poland Green Bond Framework is available on Ghelamco Invest Poland’s website at: <https://www.ghelamco.com/pl/investor-relations/poland/ghelamco-invest-poland-green-bond-framework/>

³ 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.

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. Upon twenty-four (24) months following the evaluation date set stated herein, Ghelamco Invest Poland is encouraged to update the Framework, if necessary, and seek an update to the Second-Party Opinion to ensure ongoing alignment of the Framework with market standards and expectations.

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

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 Ghelamco Invest Poland has made available to Sustainalytics for the purpose of this Second-Party Opinion.

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the Ghelamco Invest Poland Green Bond Framework

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

- Use of Proceeds:
 - The eligible categories – Green Buildings and Renewable Energy – are aligned with those recognized by the GBP.
 - Ghelamco Invest has established three years as the look-back period for its refinancing activities. Sustainalytics considers this to be in line with market practice.
 - Within the Green Buildings category, Ghelamco Invest intends to finance the development, construction and refurbishment of office or residential buildings that meet at least one of the following eligibility criteria:
 - Office buildings that have achieved or are expected to achieve third-party certifications at the following minimum levels:
 - DGNB Gold,⁴ BREEAM Excellent,⁵ or LEED Gold⁶ in combination with WELL Gold.⁷
 - Green Building Standard⁸ with at least 20% energy improvement over the reference building.
 - Sustainalytics views these certification schemes to be credible and impactful and the selected levels as aligned with market practice
 - Residential buildings that meet the following criteria:
 - Newly constructed buildings with a 10% reduction in primary energy demand (PED) compared to the national threshold established for nearly zero-energy building (NZEB) standard in Poland.
 - Buildings complying with the Climate Bond Initiative's (CBI) low-carbon building criteria, in particular compliance with: (i) Technical Condition 2017 (TC 2017) or newer;⁹ or (ii) Energy Performance Certificate stating TC 2017 or newer.

⁴ DGNB, at: <https://www.dgnb-system.de/en/certification/certification-process/>

⁵ BREEAM at:

https://www.breeam.com/BREEAM2011SchemeDocument/Content/03_ScoringRating/scoring.htm

⁶ LEED, at: <https://www.usgbc.org/leed>

⁷ WELL, at: <https://v2.wellcertified.com/en/wellv2/overview>

⁸ Green Building Standard, at: <http://greenbuildingstandard.eu/en/>

⁹ The Framework notes that new buildings complying with Technical Note 2017 or later by year of construction are automatically eligible for qualification for green bonds where the mid-point of the bond term is no later than 2025.

- Renovation costs of buildings are eligible that meet the following criteria: (i) renovations result in the achievement of at least a 30% reduction of PED after refurbishment in comparison to prerenovation performance figures, including the baseline figures from EPC; or (ii) renovations comply with major renovation requirements listed in the Energy Performance of Buildings Directive (EPBD). Sustainalytics notes that the EU Taxonomy¹⁰ requires meeting the relevant cost-optimal minimum energy performance requirements in accordance with the EPBD, which varies among EU member states. Sustainalytics, therefore, encourages Ghelamco Invest to report on the actual improvement on primary energy demand performance or energy savings achieved in comparison with the existing building stock in the area or region.
 - Sustainalytics considers the criteria for financing green buildings to be in line with market practice.
 - Under the Renewable Energy category, Ghelamco Invest intends to invest in the installation or equipment for renewable energy production units for solar photovoltaic and offshore wind farms. Sustainalytics considers investments within this category to be in line with market practice.
- Project Evaluation and Selection:
 - Ghelamco Invest has established a Sustainable Finance Committee (the “Committee”), which is headed by the Chief Risk Officer and comprises of representatives from the Technical, Development and Financial teams will be responsible for evaluating and selecting eligible projects to be funded based on the criteria established under the Green Bond Framework.
 - Ghelamco Invest has implemented adequate measures and is well positioned to manage and mitigate environmental and social risks commonly associated with the eligible categories. See Section 2 for further details.
 - Based on the establishment of the Committees and the presence of risk management systems, Sustainalytics considers this process to be in line with market practice.
- Management of Proceeds:
 - The Committee will be responsible for overseeing the management of proceeds. The net proceeds of the green bonds will be deposited in Ghelamco Invest’s separate bank accounts created for each individual issue of bonds and will be tracked using the Issuer’s internal tracking systems. The Issuer intends to achieve full allocation of proceeds within 24 months of issuance.
 - Pending allocation, Ghelamco Invest may temporarily invest the unallocated proceeds in cash or cash equivalents in line with Issuer’s regular treasury policy.
 - Based on the use of an internal tracking system and the disclosure of the temporary use of proceeds, Sustainalytics considers this process to be in line with market practice.
- Reporting:
 - Ghelamco Invest intends to publish allocation and impact reporting on an annual basis until full allocation on its Company’s website.
 - Allocation reporting will include the total amount of net proceeds raised from each issuance under the Framework, the total amount of proceeds allocated to each eligible project, the share of refinancing and financing, and the balance of unallocated proceeds.
 - Impact reporting will include a qualitative description and quantitative performance metrics for all eligible projects (including projects under development) including energy consumption reduction, expected annual generation of renewable energy and CO₂ emissions avoided.
 - Based on the commitment to allocation and impact reporting, Sustainalytics considers this process to be in line with market practice.

Alignment with Green Bond Guidelines 2021

Sustainalytics has determined that the Ghelamco Invest Poland Green Bond Framework aligns with the four core components of the GBP. For detailed information, please refer to Appendix 1: Green Bond/Green Bond Programme External Review Form.

Ghelamco Invest Poland, “Ghelamco Invest Poland Green Bond Framework”, (2022), at: <https://www.ghelamco.com/pl/investor-relations/poland/ghelamco-invest-poland-green-bond-framework/>

¹⁰ European Commission, EU Taxonomy Compass, “Renovation of Existing Buildings”, at: https://ec.europa.eu/sustainable-finance-taxonomy/activities/activity_en.htm?reference=7.2

Section 2: Sustainability Performance of the Ghelamco Group

Contribution of Framework to Ghelamco Group's sustainability strategy

Sustainalytics is of the opinion that Ghelamco Group demonstrates a commitment to sustainability with a focus on developing sustainable and energy-efficient buildings across Poland.

Ghelamco intends to become energy neutral across its operations and projects by 2025.¹¹ To support this goal, the Group aims to achieve a 55% reduction in CO₂ emissions for all its projects through the use of renewable energy sources, such as wind and solar in its buildings.¹² The Group aims to achieve energy neutrality by January 2023 in the Warsaw Unit, which is currently equipped with photovoltaic panels to reduce CO₂ emissions by 53% during project development and 70% on an operational basis.¹³

In order to improve the energy efficiency of its buildings, Ghelamco has implemented a building energy management system (BEMS), which lowers energy consumption and monitors the building's facilities, utilities and tenants' activities.¹⁴ In one of the Group's flagship projects, the Warsaw Unit, energy consumption reduced by 25% through the use of energy-efficient fixtures.¹⁵ As of 2022, the Group had installed 40,000 sensors in the Warsaw Unit and 60,000 sensors in the Warsaw Hub; Ghelamco aims to equip all its future projects with comparable BEMS systems.¹⁶ Since 2011, all office developments are aligned with the BREEAM Excellent certification, and as of 2022, all developments are aligned with at least DGNB Gold and Well Gold certification criteria.¹⁷ Ghelamco aims to further strengthen its sustainability strategy by ensuring all current and future projects are at credible certifications and levels, such as BREEAM Excellent or above.¹⁸

Sustainalytics recognizes Ghelamco's sustainability principles and environmental initiatives but encourages it to develop a formal sustainability strategy that includes quantifiable and time-bound GHG emission reduction targets to further strengthen its sustainability practices.

Approach to managing environmental and social risks associated with the projects

Sustainalytics recognizes that the use of proceeds from the Framework will be directed towards eligible projects that are expected to have positive environmental and social impacts. However, Sustainalytics is aware that such eligible projects could also lead to negative environmental and social outcomes. Some key environmental and social risks commonly associated with the eligible projects could include land use and biodiversity issues associated with large-scale infrastructure development, and issues related to worker's health and safety; and emissions, effluents and waste generated in construction.

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

- As required by the Polish Construction Law 1994, the Group must develop prior to construction a health and safety plan which must consider the specificities of the construction site and the conditions under which the work will be carried out.¹⁹ The law also requires the appointment of a construction manager who is responsible for the co-ordination and implementation of health and safety measures on site.²⁰ In addition, the Group has established a Code of Good Market Practices, which applies to all parties working in the Ghelamco Group and addresses safety risks at work.²¹
- Ghelamco operates in Poland, which is recognized as a Designated Country under the Equator Principles, indicating the presence of strong environmental and social governance systems, legislation and institutional capacity to mitigate environmental and social risks associated with projects intended to be financed and refinanced under the Framework.²²

¹¹ Ghelamco, "Ghelamco Invest Poland Green Bond Framework", (2022), <https://www.ghelamco.com/pl/investor-relations/poland/ghelamco-invest-poland-green-bond-framework/>

¹² Ibid.

¹³ Ibid.

¹⁴ Ibid.

¹⁵ Ibid.

¹⁶ Ibid.

¹⁷ Ibid.

¹⁸ Ibid.

¹⁹ Polish Investment & Trade Agency, "Act of 7 July 1994 BUILDING LAW", at:

https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&ved=2ahUKEwjx6qbsPv6AhW0uaQKHcExAX0QFnoECBMQAQ&url=https%3A%2F%2Fwww.paih.gov.pl%2Ffiles%2F%3Fid_plik%3D7120&usq=AOvVaw090ITHuGYnf93Au_2u0ZfH

²⁰ Ibid.

²¹ Ghelamco provided additional documentation to Sustainalytics confidentially.

²² Equator Principles, "Designated Countries", (2022), at: <https://equator-principles.com/designated-countries/>

- Regarding land use and biodiversity issues associated with large-scale infrastructure development, and emissions and effluents, projects financed by Ghelamco must comply with the EU's Environmental Impact Assessment Directive 2011/92/EU.²³ The legislation provides a robust framework to ensure that land-intensive projects are adequately assessed before approval to take appropriate measures to prevent, reduce and offset significant adverse effects on the environment, particularly on soil, species and habitats.²⁴
- To ensure responsible sourcing of materials, Ghelamco has a Sustainable Procurement Policy which mandates its suppliers to include measures, such as practising waste management, using wood for construction that is recommended to be certified under PEFC and FSC, and imposing workers' health and safety protocols on-site.²⁵
- To address risks associated with waste generated in construction, Ghelamco is required to comply with the EU regulation on construction and demolition waste 2008/98/EC, which ensures that waste generated by construction and demolition of buildings and infrastructure, such as concrete, bricks, wood, glass, metals and plastic will be managed in an environmentally sustainable way and contribute to a circular economy.²⁶

Based on these policies, standards and assessments, Sustainalytics is of the opinion that Ghelamco 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

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

Importance of green buildings in Poland

Buildings are a key contributor to emissions and the largest consumer of energy in the EU.²⁷ The building sector accounts for approximately 40% of the EU's total energy consumption and 36% of its GHG emissions.²⁸ In the context of Poland, buildings account for 33% of the country's GHG emissions and 38% of the energy consumption.²⁹ Poland is one of the 20 largest GHG emitters in the world, with buildings being some of the primary contributors.³⁰ Between 2005 and 2019, Poland reduced its GHG emissions by 12% by implementing policies focused on decarbonizing different sectors, including construction.³¹

In 2021, Poland adopted the Polish Energy Policy 2040, under which it aims to reduce buildings' primary energy consumption by 23% by 2030 compared to 2020 through the thermal modernization of residential buildings.³² The Polish government is also developing a Long Term Renovation Strategy with the aim to gradually increase the scale of deep building renovations to approximately 3% annually.³³ In 2014, Poland implemented NZEB requirements for all new buildings and further tightened the primary energy requirement for all buildings in 2020.³⁴ In 2019, the government also launched other incentives, such as the Clean Air programme, with the aim to replace heat sources and insulating in residential units.³⁵ The Polish government aims to connect approximately 1.5 million new households to district heating by 2030, phasing out coal as a fuel source for

²³ EUR-Lex, "Directive 2014/52/EU", (2014), at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32014L0052>

²⁴ Ibid.

²⁵ Ghelamco Invest Poland has shared the Sustainable Procurement Plan with Sustainalytics for review.

²⁶ European Commission, "Construction and demolition waste", at: https://environment.ec.europa.eu/topics/waste-and-recycling/construction-and-demolition-waste_en

²⁷ European Parliament, "Report on maximizing the energy efficiency potential of the EU building stock", (2020), at: https://www.europarl.europa.eu/doceo/document/A-9-2020-0134_EN.html

²⁸ European Commission, "Factsheet- Energy Performance of Buildings", (2021), at: https://ec.europa.eu/commission/presscorner/detail/en/fs_21_6691

²⁹ Attia, S. et al, "Energy efficiency in the polish residential building stock: A literature review", Journal of Building Engineering, (2022), at: <https://orbi.uliege.be/bitstream/2268/264395/1/Energy%20efficiency%20in%20the%20polish%20residential%20building%20stock.pdf>

³⁰ IMF, "Poland: Staff Concluding Statement of the 2021 Article IV Mission", (2021), at: <https://www.imf.org/en/News/Articles/2021/12/13/poland-staff-concluding-statement-of-the-2021-article-iv-mission>

³¹ European Environment Agency, "Greenhouse gas emissions from energy use in buildings in Europe", (2021), at: <https://www.eea.europa.eu/data-and-maps/indicators/greenhouse-gas-emissions-from-energy/assessment>

³² Ibid.

³³ Polish Green Building Council, "Whole life carbon roadmap for Poland", (2021), at: <https://www.worldgbc.org/sites/default/files/Whole-life-carbon-roadmap-for-Poland-2050.pdf>

³⁴ Buildings Performance Institute Europe, "Ready for carbon neutral by 2050?", at: https://www.bpie.eu/wp-content/uploads/2021/12/BPIE_Assessing-NZEB-ambition-levels-across-the-EU_HD.pdf

³⁵ Government of Poland, "Clean Air 2.0' Programme launched", at: <https://www.gov.pl/web/climate/clean-air-20-programme-launched>

individual heating by 2030 in cities and 2040 in rural areas.³⁶ Under the National Energy and Climate Plan for 2021-2030, Poland has set a target to thermally insulate 70% of the total housing stock in 2030 compared to 56% in 2015.³⁷

Based on the above, Sustainalytics is of the opinion that Ghelamco's financing of green buildings is expected to support Poland in achieving its emission reduction targets and deliver positive environmental impact.

Alignment with/contribution to SDGs

The Sustainable Development Goals were set in September 2015 by the United Nations General Assembly and form part of an agenda for achieving sustainable development by 2030. The bonds issued under the Ghelamco Invest Poland Green Bond Framework are expected to help advance the following SDGs and targets:

Use of Proceeds Category	SDG	SDG target
Green Buildings	9. Industry, Innovation and Infrastructure	9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities
Renewable Energy	7. Affordable and Clean Energy	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix

Conclusion

Ghelamco Invest Poland has developed the Ghelamco Invest Poland Green Bond Framework, under which it may issue green bonds and use the proceeds to finance green buildings and renewable energy projects. Sustainalytics considers that the projects funded by the green bond proceeds are expected to support Poland's transition to a low-carbon economy and decarbonize Ghelamco Invest's real estate portfolio.

The Ghelamco Invest 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 Ghelamco Invest Poland Green Bond Framework is aligned with the overall sustainability strategy of the Company and that the green use of proceeds will contribute to the advancement of the UN Sustainable Development Goals 7 and 9. Additionally, Sustainalytics is of the opinion that Ghelamco Group has adequate measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects funded by the proceeds.

Based on the above, Sustainalytics is confident that Ghelamco Invest Poland is well positioned to issue green bonds and that the Ghelamco Invest Poland Green Bond Framework is robust, transparent and in alignment with the four core components of the Green Bond Principles 2021.

³⁶ Government of Poland, "Energy Policy of Poland until 2040 (EPP2040)", (2021), at: <https://www.gov.pl/web/climate/energy-policy-of-poland-until-2040-epp2040>

³⁷ Government of Poland, Ministry of Energy, "National Energy and Climate Plan for the years 2021-2030", (2019), at: https://ec.europa.eu/info/energy-climate-change-environment/implementation-eu-countries/energy-and-climate-governance-and-reporting/national-energy-and-climate-plans_en

Appendix

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

Section 1. Basic Information

Issuer name:	Ghelamco Invest Poland
Green Bond ISIN or Issuer Green Bond Framework Name, if applicable:	Ghelamco Invest Poland Green Bond Framework
Review provider's name:	Sustainalytics
Completion date of this form:	November 2, 2022
Publication date of review publication: Original publication date [please fill this out for updates]:	

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 nd 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)

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 categories for the use of proceeds – Green Buildings and Renewable Energy – are aligned with those recognized by the Green Bond Principles. Sustainalytics considers that investments in the eligible categories will lead to positive environmental or social impacts and advance the UN Sustainable Development Goals, specifically SDGs 7 and 9.

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 checked="" 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 (please specify): |

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

2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Overall comment on section (if applicable):

Ghelamco Invest's internal process in evaluating and selecting projects is assessed by a dedicated Sustainable Finance Committee, headed by the Chief Risk Officer, to ensure alignment with the Framework and provide final approval for projects. The Committee consists of representatives from the Technical, Development and Financial departments. Ghelamco Invest has implemented adequate measures and is well positioned to manage and mitigate environmental and social risk. Sustainalytics considers these processes to be in line with market practice.

Evaluation and selection

- | | |
|---|---|
| <input checked="" type="checkbox"/> Credentials on the issuer's environmental sustainability objectives | <input checked="" type="checkbox"/> Documented process to determine that projects fit within defined categories |
|---|---|

- | | |
|--|---|
| <input checked="" type="checkbox"/> Defined and transparent criteria for projects eligible for Green Bond proceeds | <input 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

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

3. MANAGEMENT OF PROCEEDS

Overall comment on section (if applicable):

The Sustainable Finance Committee will be responsible for the allocation and management of proceeds. Ghelamco Invest intends to fully allocate proceeds within 24 months of each issuance. Unallocated proceeds will be managed in accordance with its regular treasury policy. This is in line with market practice.

Tracking of proceeds:

- | |
|--|
| <input checked="" type="checkbox"/> Green Bond proceeds segregated or tracked by the issuer in an appropriate manner |
| <input 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 (please specify): |

4. REPORTING

Overall comment on section (if applicable):

Ghelamco Invest intends to report on the allocation of proceeds on its website on an annual basis until full allocation. Allocation reporting will include information such as the total amount of proceeds allocated to eligible projects and assets, the balance of unallocated proceeds and the share of financing versus refinancing. In addition, the Group is committed to reporting on relevant impact metrics, which will include the quantitative description and performance of eligible projects. Sustainalytics views Ghelamco Invest'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
 Number of beneficiaries
 Target populations
 Other ESG indicators (please specify): an overview of Eligible Projects and their social and environmental classification (i.e. BREEAM, WELL, NZEB, LEED, DGNB, HQE and/or EBCP / EPC), including the specific classification level where applicable (e.g. "Excellent"); selected case studies of Eligible Projects; description and number of well-being, energy consumption and pollution reduction amenities (city bike stations, photovoltaic farms, rainwater re-use systems and others) installed

Frequency:

- Annual
 Semi-annual
 Other (please specify):

Means of Disclosure

- | | |
|---|---|
| <input type="checkbox"/> Information published in financial report | <input type="checkbox"/> Information published in sustainability report |
| <input checked="" type="checkbox"/> Information published in ad hoc documents | <input type="checkbox"/> Other (please specify): |
| <input type="checkbox"/> 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 nd opinion) | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification / Audit | <input type="checkbox"/> Rating |
| <input type="checkbox"/> Other (please specify): | |

Review provider(s):**Date of publication:****ABOUT ROLE(S) OF REVIEW PROVIDERS AS DEFINED BY THE GBP**

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

a 2-degree climate change scenario. Such scoring/rating is distinct from credit ratings, which may nonetheless reflect material environmental risks.

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