

KOREA DEVELOPMENT BANK GREEN BOND

FRAMEWORK OVERVIEW AND SECOND OPINION BY SUSTAINALYTICS

May 12th, 2017



www.sustainalytics.com

Trisha Taneja (Toronto)

Advisor, Advisory Services

trisha.taneja@sustainalytics.com

(+1) 647 317 3695

Charlotte Peyraud (New York)

Senior Advisor, Institutional Relations

charlotte.peyraud@sustainalytics.com

(+1) 646 518 0184

James Hawylak (Tokyo)

Director, Institutional Relations

james.hawylak@sustainalytics.com

(+81) 3 4589 4886

TABLE OF CONTENTS

FRAMEWORK OVERVIEW AND SECOND OPINION BY SUSTAINALYTICS	1
1. Introduction	3
2. Overview of Issuer	3
3. Framework overview	4
3.1 Use of Proceeds	4
3.2 Project Evaluation and Selection Process	4
3.3 Management of Proceeds	4
3.4 Reporting	5
4 SUSTAINALYTICS' OPINION	6
Section 1: Sustainability Performance of the Issuer	6
Section 2: Impact of Use of Proceeds	7
Conclusion	8
APPENDICES	9
Appendix 1: Examples of projects funded by KDB Green Bond Proceeds	9
Appendix 2: Sustainalytics' analysis of the Equator Principles	10
Appendix 3: Green Bond/Green Bond Programme External Review Form	11
SUSTAINALYTICS	18

1. INTRODUCTION

The Korea Development Bank (KDB, or the Bank) has developed a green bond framework (KDB Green Bond Framework) under which it is planning to issue multiple green bonds the proceeds of which will finance/refinance expenditures related to new and existing renewable energy projects. KDB has engaged Sustainalytics to provide a second opinion on its framework and the framework's environmental credentials. As part of this engagement, Sustainalytics held conversations with various members of the issuer's management team to understand the sustainability impact of their business processes and the planned use of proceeds. Sustainalytics also reviewed relevant public and internal documents. This document contains two sections: Framework Overview – summary of KDB's Green Bond framework; and Sustainalytics' Opinion – an opinion on the framework.

2. OVERVIEW OF ISSUER

The Korea Development Bank (KDB) was founded in 1954 in accordance with The Korea Development Bank Act for the purpose of supplying and managing industrial capital to help develop Korean industries and the national economy. The Government of the Republic of Korea directly owns all of KDB's paid-in capital, and KDB acts as a policy bank to implement the Government's policy. KDB's main business areas consist of 1) corporate banking, 2) investment banking, 3) corporate restructuring and 4) consulting & research. For overseas business, KDB has 22 overseas networks in the forms of branches, subsidiaries and representative offices and takes a part in the local financing activities.

KDB states that its objective is to strengthen its support for the improvement of economic, ecological and social living conditions at the local, national, and global level with the goal of contributing to sustainable development. It aims to achieve this objective through activities that help its partners and borrowers achieve their development goals (i.e. to reduce poverty, bring prosperity, secure peace, promote democracy, shape globalization in an equitable manner, and engage in environmental and climate protection).

Additionally, KDB also works closely with other international financial groups that are greatly committed to sustainability, through active participation in memberships such as UN Global Compact (UNGC), the International Development Finance Club (IDFC) and Equator Principles Financial Institutions principles. KDB also takes part in Green Climate Fund (GCF) as an accredited entity to carry out the GCF-funded projects and ultimately to facilitate sustainable growth in the global community.

3. FRAMEWORK OVERVIEW

For the purpose of issuing the Green Bond(s), KDB has developed the following framework, which addresses the four key pillars of the Green Bond Principles (GBP): use of proceeds, project selection process, management of proceeds, and reporting.

3.1 Use of Proceeds

An amount equal to the net proceeds of the Green Bond(s) will be allocated to new and existing renewable energy projects that meet the following eligibility criteria:

1. Expenditures related to the development, construction, or expansion of facilities for solar or wind power generation, or
2. Expenditures related to the development, construction, or expansion of biomass power plants.

The allocation of net proceeds will include (i) existing projects financed during the two years preceding the issue date of the Green Bond, (ii) projects committed to prior to the issue date of the Green Bond but financed following the issue date of the Green Bond and (iii) projects committed to and financed after the issue date of the Green Bond.

3.2 Project Evaluation and Selection Process

Projects are selected for funding through the Green Bond's proceeds if they meet one of the two eligibility criteria described in section 3.1. The selection of projects is carried out by the Project Finance Center at KDB.

Additionally, KDB has a project selection and evaluation process in place for all projects it funds. This process evaluates projects on the basis of their financial viability as well as any environmental and social risks associated with them. Through this process, the Project Finance Center, the Industry & Technology Research Center, and the Credit Review Department are in charge of conducting due diligence, project approval review, and technical monitoring in respect of environment and social risk management and supervising mitigation activities throughout the project life cycle.

3.3 Management of Proceeds

The proceeds from each Green Bond issued will be allocated and managed by KDB's Treasury Department following specific recommendations from KDB's Project Finance Center. The Treasury Department has an internal management system that will track the allocation of proceeds to such projects within its internal management system, including brief descriptions of the projects, the regions in which the projects are located, and the amount of proceeds allocated to the projects.

Pending allocation, net proceeds from the sale of the notes may be invested in cash, cash equivalents and/or marketable securities, in accordance with KDB's cash management policies.

3.4 Reporting

With respect to use of proceeds of the Green Bond(s), KDB plans to provide an “Investor Newsletter” on an annual basis and to include information on allocation of proceeds in its Annual Report.

The newsletter and annual report shall be posted to KDB’s website.

The Investor Newsletter will include following information:

1. A list of projects funded through the KDB Green Bond, with specific details on the project, and amounts allocated to projects;
2. The total amount outstanding for all Green Bond transactions;
3. Remaining unallocated proceeds;
4. Estimated environmental impact of the projects funded. Whenever possible KDB will report on kWh of renewable energy generated, and tonnes of CO² equivalent avoided.

KDB has confirmed that it will report the allocation of proceeds and impact per project funded to the extent that it has a disclosure agreement with the borrower. Otherwise, disclosure of allocation and impact reporting will be on a project portfolio basis.

KDB has also communicated that due to internal constraints, external verification of allocation of proceeds is not feasible.

4 SUSTAINALYTICS' OPINION

Section 1: Sustainability Performance of the Issuer

Alignment of Green Bond Framework with KDB's sustainability strategy

KDB states that it is fully committed to promoting sustainable development among its partners and borrowers and to helping them achieve their development goals. KDB furthermore specifies that, through its financing activities, it shall strengthen its support for sustainable development at the local, national, and global level. The bond issue aligns well with KDB's green financing programme which consists largely of (a) providing funds for "green" industries, (b) providing low-carbon project financing, (c) participating as a major player in the emissions trading markets, and (d) providing knowledge management and analysis of the green industry markets, in developed and developing countries.

The Bank's commitment to sustainable development is evidenced by its participation, engagement and involvement in international principles and organizations that promote sustainable development. KDB is a signatory to the UN Global Compact (UNGC), and actively participates in the International Development Finance Club (IDFC). Furthermore, KDB takes part in Green Climate Fund (GCF) as an accredited entity to carry out GCF-funded projects and ultimately to facilitate sustainable growth.¹ In January 2017, KDB joined the Equator Principles, a risk management framework for large scale projects. KDB is the first bank headquartered in Korea to adopt the Equator Principles.

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

The Equator Principles (EP) apply to all industry sectors and to four financial products: project finance advisory services; project finance; project-related corporate loans; and bridge loans. As a signatory of the Equator Principles, KDB commits to implementing the EP in its internal environmental and social policies, procedures and standards for financing projects. The Bank will not provide financing to projects where the client will not comply with the Equator Principles.

The EP are commonly accepted as a credible standard and widely used by financial institutions worldwide, including a number of multilateral development banks and export credit agencies.² Lending as per the EP thus contributes to KDB's robust environmental and social risk mitigation approach. See Appendix 2 for a detailed analysis of the Equator Principles.

In addition to being a signatory of the EP, KDB has implemented a strong internal risk management system. KDB's Project Finance Center conducts a preliminary appraisal of environmental and social (ES) impacts of projects and reviews related industrial and feasibility analyses. KDB's Preliminary Appraisal Committee on ES impacts is responsible for reviewing and classifying the risk category of projects based on a ES risk management plan and associated checklist submitted by the borrower and, if necessary, an ES risk assessment report prepared by a third-party consultant. The risk category determines the degree of due diligence and on-going monitoring and disclosure requirements for the project.

¹ GCF Homepage: <http://www.greencclimate.fund>

² Equator Principles Association Members, accessed April 28, 2017 from <http://www.equator-principles.com/index.php/members-reporting>

Proposed projects are categorized A, B or C to reflect the magnitude of risks and impacts. KDB's categorization system is based on its experience as well as the analysis of (i) IFC's Performance Standards and (ii) general and industry-specific Environmental, Health, and Safety guidelines; these serve as technical reference for good international industry practice. This categorization of projects based on IFC Performance Standards and examples of good industry practice evidences the Bank's robust approach to risk mitigation.

Once approved, project implementation is monitored by the Project Finance Center, the Credit Review Division and/or external experts, and, if necessary, Industry & Technology Research Center.

Mitigating common environmental risks associated with biomass projects

Typically, the use of energy crops as a source of biomass is related to a number of environmental concerns, including the use of pesticides, and effects of deforestation and erosion. The removal of forests for the production of energy crops can also result in greenhouse gas emission.

However, KDB is avoiding these risks by opting for a waste-to-energy (WtE) approach. KDB has confirmed that the biomass power plant funded through green bond proceeds will use wood pellets made of low-grade wood fiber, tops and limbs that cannot be processed into lumber, commercial thinning and mill residues such as chips, sawdust and other wood industry by-products. This WtE approach has the benefit of being a viable waste management solution.

Section 2: Impact of Use of Proceeds

Contribution to Greenhouse Gas Emissions Reduction

KDB's Green Bond issue will be allocated to renewable energy projects including biomass power plants, solar power generation facilities, onshore wind power generation facilities, and offshore wind power generation facilities.

The bond will reduce GHG emissions from electricity generation in Korea and directly contribute to the country's goal to reduce its GHG emissions across all economic sectors by 37% from the business-as-usual levels (850.6 MtCO₂eq) by 2030.³

Advancement of U.N. Sustainable Development Goals

KDB's Green Bond will also contribute to the United Nations Sustainable Development Goals (SDG), specifically to SDG 7, target 2: "By 2030, increase substantially the share of renewable energy in the global energy mix."⁴ Renewable energy provides viable and cost-effective options for expanding access to the

³ United Nations Framework Convention on Climate Change (UNFCCC): Government of Korea INDC, accessed April 18, 2017 from: <http://www4.unfccc.int/ndcregistry/PublishedDocuments/Republic%20of%20Korea%20First/INDC%20Submission%20by%20the%20Republic%20of%20Korea%20on%20June%202030.pdf>

⁴ <https://sustainabledevelopment.un.org/sdg7>

energy poor, particularly for those in rural and remote areas. It helps reduce dependence on imported fuels and vulnerability to fossil fuel price fluctuations. It also contributes to improving local air quality and reduces the energy sector's dependence on water for energy extraction and production, thus reducing conflicts with agriculture and other end-uses.⁵

Alignment with Green Bond Principles 2016: Sustainalytics has determined that the KDB Green Bond Framework aligns to the four pillars of the Green Bond Principles 2016. For detailed information please refer to Appendix 3: Green Bond/Green Bond Programme External Review Form.

Conclusion

KDB's green bond framework is transparent and provides clarity regarding use of proceeds and outcomes of the green bond investments. Renewable energy is recognized by the GBP as an eligible green project category, offering clear environmental benefits. In the context of Korea's renewable energy goals, KDB's lending to solar, wind and WtE projects contributes to an important national priority and the country's goal to reduce GHG emissions. Overall, Sustainalytics is of the opinion that KDB's green bond framework is credible and robust.

⁵ UNDP Support to the Implementation of the Sustainable Development Goals, accessed April 15, 2017; <http://www.undp.org/content/undp/en/home/librarypage/sustainable-development-goals/undp-support-to-the-implementation-of-the-2030-agenda/>

APPENDICES

Appendix 1: Examples of projects funded by KDB Green Bond Proceeds

(Unit: US\$ Million)

Description	Region	Total Amount to be loaned (est.)	Funding Schedule			
			Initial Draw-down Date (year)	Loaned Amount YTD*	Lending by the end of 2017	Lending beyond 2017
Solar Power Generation Facility	Canada	21	2016	17	4	-
Solar Power Generation Facility	Japan	17	2016	9	8	-
Solar Power Generation Facility	Chile	50	2016	29	21	-
Solar Power Generation Facility	UAE	100	2017	-	1	99
Offshore Wind Power Generation Facility	England	41	2016	12	25	4
Wind Power Generation Facility	Canada	40	2016	15	25	-
Onshore Wind Power Generation Facility	England	30	2016	27	3	-
Offshore Wind Power Generation Facility	Germany	69	2017	69	-	-
Wind Power Generation Facility	Chile	50	2017	-	44	6
Wind Power Generation Facility	Canada	47	2017	-	47	-
Biomass Power Plant	England	49	2016	14	12	23
	Sum	514		192	190	132

* As of the first quarter-end of 2017

Appendix 2: Sustainalytics' analysis of the Equator Principles

The credibility of the EP as a risk management tool derives from its ability to ensure:

- (i) *A mandatory review of all projects with respect to their level of impact in a comprehensive range of environmental and social areas*

Principle 1 of the EP mandates a review and categorisation of all projects as having significant (Category A), limited (Category B), or minimal (Category C) environmental and social impact. Impact is assessed on the eight IFC Performance Standards on Environmental and Social Sustainability. These cover a wide range of issues to address environmental and social risk, including management of environmental and social impacts, community health, resource efficiency and pollution prevention, and labour conditions.

- (ii) *Strong mitigation process for projects with significant or limited adverse environmental and social impact*

The EPs (specifically Principles 2-6) also require all⁶ Category A and B projects to conduct environmental and social impact assessments, develop and maintain environmental management systems, demonstrate effective stakeholder engagement, and establish a grievance mechanism⁷ to address concerns around the project's environmental and social performance. Sustainalytics is of the opinion that the abovementioned components combine to form a strong overall process for mitigating impacts throughout the life of project.

- (iii) *Continuous independent assurance of a project's environmental and social impact*

Principle 7 of the EP require that Category A and as appropriate, Category B projects are subject to an independent review to assess the strength of the mitigation processes outlined above, and to assess compliance with the EP. Additionally, Principle 9 of the EP also requires the appointment of an independent environmental and social consultant to verify ongoing monitoring and reporting of project impacts.

⁶ Please note that for projects implemented in a set list of 'Designated Countries,' compliance with host country laws meets these mitigation requirements. This is because these countries are assessed as having robust environmental and social governance, legislation systems and institutional capacity designed to protect their people and the natural environment.

⁷ For all Category A and, as appropriate, Category B Projects, KDB's client are required, as part of the ESMS, to establish a grievance mechanism designed to receive and facilitate resolution of concerns and grievances about the project's environmental and social performance

Appendix 3: Green Bond/Green Bond Programme External Review Form

Green Bond / Green Bond Programme External Review Form

Section 1. Basic Information

Issuer name: Korea Development Bank (KDB)

Green Bond ISIN or Issuer Green Bond Framework Name, if applicable:

Review provider's name: Sustainalytics

Completion date of this form: May 11th

Publication date of review publication:

Section 2. Review overview

SCOPE OF 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>): | |

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

Please refer to Green Bond Framework and Second Opinion Document above.

Section 3. Detailed review

1. USE OF PROCEEDS

Overall comment on section (if applicable):

An amount equal to the net proceeds of the Green Bond(s) will be allocated to new and existing renewable energy projects that meet the following eligibility criteria:

1. Expenditures related to the development, construction, or expansion of facilities for solar or wind power generation, or
2. Expenditures related to the development, construction, or expansion of biomass power plants.

The allocation of net proceeds will include (i) existing projects financed during the two years preceding the issue date of the Green Bond, (ii) projects committed to prior to the issue date of the Green Bond but financed following the issue date of the Green Bond and (iii) projects committed to and financed after the issue date of the Green Bond.

KDB has confirmed that the biomass power plant funded through green bond proceeds will use wood pellets made of low-grade wood fiber, tops and limbs that cannot be processed into lumber, commercial thinning and mill residues such as chips, sawdust and other wood industry by-products.

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"/> Sustainable management of living natural resources |
| <input type="checkbox"/> Terrestrial and aquatic biodiversity conservation | <input type="checkbox"/> Clean transportation |
| <input type="checkbox"/> Sustainable water management | <input type="checkbox"/> Climate change adaptation |
| <input type="checkbox"/> Eco-efficient products, production technologies and processes | <input type="checkbox"/> Other (<i>please specify</i>): |
| <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):

Projects are selected for funding through the Green Bond’s proceeds if they meet one of the two eligibility criteria described in section 3.1 of the Framework Overview. The selection of projects to comply with the eligibility criteria is carried out by the Project Finance Center at KDB.

Sustainalytics is of the opinion that this is in line with industry norms.

Additionally, KDB has a project selection and evaluation process in place for all projects it funds. This process evaluates projects on the basis of their financial viability as well as any environmental and social risks associated with them. Through this process, the Project Finance Center, the Industry & Technology Research Center, and the Credit Review Department are in charge of conducting due diligence, project approval review, and technical monitoring in respect of environment and social risk management and supervising mitigation activities throughout the project life cycle.

Evaluation and selection

- Defined and transparent criteria for projects eligible for Green Bond proceeds
- Documented process to determine that projects fit within defined categories
- Summary criteria for project evaluation and selection publicly available
- Other (please specify):

Information on Responsibilities and Accountability

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

3. MANAGEMENT OF PROCEEDS

Overall comment on section (if applicable):

The proceeds from the Green Bond(s) will be allocated and managed by KDB’s Treasury Department following specific recommendations from KDB’s Project Finance Center. The Treasury Department has an internal management system that will track the allocation of proceeds to such projects within its the internal management system, including brief descriptions of the projects, the regions in which the projects are located, and the amount of proceeds allocated to the projects.

Pending allocation, net proceeds from the sale of the notes may be invested in cash, cash equivalents and/or marketable securities, in accordance with KDB’s cash management policies.

Sustainalytics is of the opinion that this is in line with industry norms.

Tracking of proceeds:

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

Additional disclosure:

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

4. REPORTING

Overall comment on section *(if applicable)*:
KDB plans to provide an “Investor Newsletter” on an annual basis and to include information on allocation of proceeds in its Annual Report.

The newsletter and annual report shall be posted to KDB’s website.

The Investor Newsletter will include following information:

1. A list of projects funded through the KDB Green Bond, with specific details on the project, and amounts allocated to projects;
2. The total amount outstanding for all Green Bond transactions;
3. Remaining unallocated proceeds;
4. Estimated environmental impact of the projects funded. Whenever possible KDB will report on kWh of renewable energy generated, and tonnes of CO2 equivalent avoided.

KDB has confirmed that it will report the allocation of proceeds and impact per project funded to the extent that it has a disclosure agreement with the borrower. Otherwise, disclosure of allocation and impact reporting will be on a project portfolio basis.

Use of proceeds reporting:

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

Frequency:

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

Impact reporting:

- | | |
|--|--|
| <input checked="" 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> : |

Frequency:

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

Information reported (expected or ex-post):

- | | |
|---|---|
| <input checked="" type="checkbox"/> GHG Emissions / Savings | <input type="checkbox"/> Energy Savings |
| <input type="checkbox"/> Other ESG indicators <i>(please specify)</i> : | |

Means of Disclosure

- | | |
|---|---|
| <input type="checkbox"/> Information published in financial report | <input type="checkbox"/> Information published in sustainability report |
| <input type="checkbox"/> Information published in ad hoc documents | <input checked="" type="checkbox"/> Other <i>(please specify)</i> : KDB website |
| <input type="checkbox"/> Reporting reviewed <i>(if yes, please specify which parts of the reporting are subject to external review)</i> : | |

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.)*

<p>http://www.kdb.co.kr http://www.kdb.co.kr/ih/simpleJsp.do?actionId=IHENSubmain (the URL is case-sensitive)</p>
--

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 REVIEW PROVIDERS AS DEFINED BY THE GBP

- (i) **Consultant Review:** An issuer can seek advice from consultants and/or institutions with recognized expertise in environmental sustainability or other aspects of the issuance of a Green Bond, such as the establishment/review of an issuer’s Green Bond framework. “Second opinions” may fall into this category.
- (ii) **Verification:** An issuer can have its Green Bond, associated Green Bond framework, or underlying assets independently verified by qualified parties, such as auditors. In contrast to certification, verification may focus on alignment with internal standards or claims made by the issuer. Evaluation of the environmentally sustainable features of underlying assets may be termed verification and may reference external criteria.
- (iii) **Certification:** An issuer can have its Green Bond or associated Green Bond framework or Use of Proceeds certified against an external green assessment standard. An assessment standard defines criteria, and alignment with such criteria is tested by qualified third parties / certifiers.
- (iv) **Rating:** An issuer can have its Green Bond or associated Green Bond framework rated by qualified third parties, such as specialised research providers or rating agencies. Green Bond ratings are separate from an issuer’s ESG rating as they typically apply to individual securities or Green Bond frameworks / programmes.

Disclaimer

All rights reserved. No part of this second party opinion (the “Opinion”) may be reproduced, transmitted or published in any form or by any means without the prior written permission of Sustainalytics.

The Opinion was drawn up with the aim to explain why the analyzed 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.

SUSTAINALYTICS

Sustainalytics is an independent ESG and corporate governance research, ratings and analysis firm supporting investors around the world with the development and implementation of responsible investment strategies. With 13 offices globally, Sustainalytics partners with institutional investors who integrate environmental, social and governance information and assessments into their investment processes. Today, the firm has more than 300 staff members, including 170 analysts with varied multidisciplinary expertise of more than 40 sectors. Through the IRRI survey, investors selected Sustainalytics as the best independent responsible investment research firm for three consecutive years, 2012 through 2014 and in 2015, Sustainalytics was named among the top three firms for both ESG and Corporate Governance research. The firm was also named the Best SRI or Green Bond Research Firm by Global Capital in 2015. For more information, visit www.sustainalytics.com

Sustainalytics
info@sustainalytics.com
www.sustainalytics.com

