

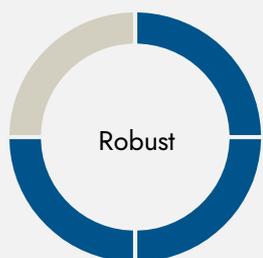
SECOND PARTY OPINION

on the sustainability of Greentown China Holdings Limited’s Green Financing Framework

V.E considers that Greentown China Holdings Limited’s Framework is aligned with the four core components of Green Bond Principles 2021 (“GBP”) and the Green Loan Principles 2021 (“GLP”)

Framework

Contribution to Sustainability:



- Advanced
- Limited
- Robust
- Weak

	Weak	Limited	Robust	Advanced
Expected impacts			Robust	
ESG risks management			Robust	

SDG Mapping



Characteristics of the Framework

Green Categories	⇒ Green Buildings ⇒ Sustainable Water Management ⇒ Renewable Energy ⇒ Clean Transportation ⇒ Climate Change Adaptation
Project locations	China
Existence of framework	Yes
Share of refinancing	100% for the first issuance; committed to disclose the estimated share for each bond/loan issuance in annual report and/or offering documentation
Look back period	Maximum 2 years

Issuer

Controversial Activities

The Issuer appears to be involved in one of the 17 controversial activities screened under our methodology:

- Alcohol
- Fossil fuels industry
- High interest rate lending
- Pornography
- Animal welfare
- Coal
- Human embryonic stem cells
- Reproductive medicine
- Cannabis
- Gambling
- Military
- Unconventional oil and gas
- Chemicals of concern
- Genetic engineering
- Nuclear power
- Tobacco
- Civilian firearms

ESG Controversies

Number of controversies	None
Frequency	N/A
Severity	N/A
Responsiveness	N/A

Coherence

- Coherent
- Partially coherent
- Not coherent

V.E considers that the contemplated Framework is coherent with Greentown China Holdings Limited’s strategic sustainability priorities and sector issues and that it contributes to achieving the Issuer’s sustainability commitments.

Key findings

V.E considers that Greentown China Holdings Limited's Framework is aligned with the four core components of the GBP and GLP.

Use of Proceeds - aligned with GBP and GLP

- Eligible Categories are clearly defined. The Issuer has communicated the nature of the expenditures, the eligibility criteria and location of all Eligible Projects.
- The Environmental Objectives are clearly defined. They are relevant for all Eligible Projects and set in coherence with sustainability objectives defined in international standards.
- The Expected Environmental Benefits are clear. They are considered relevant, measurable, and will be quantified for all the Eligible Projects in the reporting.
- The Issuer has transparently communicated the estimated share of refinancing for the first issuance, which will be of 100%. The Issuer has committed in internal documentation to transparently communicate the estimated share of refinancing for each bond/loan issuance in its annual report and/or offering documentation. The look-back period for refinanced Eligible Projects will be equal or less than 24 months from the issuance date, in line with good market practices.

Evaluation and Selection - aligned with GBP and GLP and best practices identified by V.E

- The process for Project Evaluation and Selection has been clearly defined by the Issuer. It is considered well structured. The roles and responsibilities are clear and include relevant internal expertise. The Process will be publicly disclosed in the Framework and the herewith SPO.
- Eligibility criteria (selection and exclusion) for project selection have been clearly defined by the Issuer for all the Eligible Categories.
- The process applied to identify and manage potentially material E&S risks associated with the projects is publicly disclosed in the herewith SPO. The Process is considered robust: it combines monitoring, identification and corrective measures for all Eligible Projects (see detailed analysis on pages 17 - 20).

Management of Proceeds - aligned with GBP and GLP and best practices identified by V.E

- The Process for the Management and Allocation of Proceeds is clearly defined and detailed, and is publicly available in the Framework and the herewith SPO.
- The allocation period will be 24 months or less.
- Net proceeds of the GFTs will be placed in a general account and tracked by the Issuer in an appropriate manner and attested in a formal internal process.
- Information on the intended types of temporary placement for the balance of the unallocated net proceeds is publicly disclosed.
- The Issuer has committed that as long as the GFT is outstanding, the balance of the tracked net proceeds will be periodically adjusted to match allocations to Eligible Projects made during that period.
- The Issuer has provided information on the procedure that will be applied in case of project divestment or if a project ceases to meet eligible criteria and it has committed to reallocate proceeds to projects that are compliant with the Framework.



Reporting - aligned with GBP and GLP

- The Issuer has committed to report on the Use of Proceeds annually, until full allocation and on a timely basis in case of material developments. The report will be publicly available.
- The reporting will cover relevant information related to the allocation of GFT proceeds and to the expected sustainable benefits of the Eligible Projects. The Issuer has also committed to report on material developments/issues/controversies related to the projects.
- The reporting methodology and assumptions used to report on environmental benefits of the Eligible categories will be publicly disclosed, where feasible.
- An external auditor may be engaged to verify the tracking and allocation of funds to Eligible Projects, as well as the estimated/actual impact of the Eligible Projects, as disclosed in the GFT annual report. However, no formal commitment has been made.

Contact

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SCOPE

V.E was commissioned to provide an independent opinion (thereafter “Second Party Opinion” or “SPO”) on the sustainability credentials and management of the Green Financing Transactions¹ (“GFT”s) to be issued by Greentown China Holdings Limited (the “Issuer” or “Greentown China”) in compliance with its Green Financing Framework (the “Framework”) created to govern their issuances.

Our opinion is established according to V.E’s Environmental, Social and Governance (“ESG”) exclusive assessment methodology and to the latest version of the ICMA’s Green Bond Principles (“GBP”) - edited in June 2021 - and the LMA/APLMA/LSTA’s Green Loan Principles (“GLP”) - edited in February 2021 - voluntary guidelines (referred together as the “GBP & GLP”).

Our opinion is built on the review of the following components:

- Framework: we assessed the Framework, including the coherence between the Framework and the Issuer’s sustainability commitments, the GFT’s potential contribution to sustainability and its alignment with the four core components of the GBP and GLP 2021.
- Issuer²: we assessed the Issuer’s management of potential stakeholder-related ESG controversies and its involvement in controversial activities³.

Our sources of information are multichannel, combining data (i) gathered from public sources, press content providers and stakeholders, (ii) from V.E’s exclusive ESG rating database, and (iii) information provided by the Issuer’s managers involved in the GFTs issuance.

We carried out our due diligence assessment from July 26th to August 26th, 2021. We consider that we were provided with access to all the appropriate documents and interviewees we solicited. To this purpose we used our reasonable efforts to verify such data accuracy.

Type of External Reviews supporting this Framework

<input checked="" type="checkbox"/>	Pre-issuance Second Party Opinion	<input type="checkbox"/>	Independent verification of impact reporting
<input type="checkbox"/>	Independent verification of funds allocation	<input type="checkbox"/>	Climate Bond Initiative Certification

¹ The “Green Financing Transactions” include bonds, loans and other forms of debt financing to be potentially issued, subject to the discretion of the Issuer. The name “Green Financing Transactions” has been decided by the Issuer: it does not imply any opinion from V.E.

² The Issuer is part of our ESG performance rating universe. The last rating was conducted in September 2016. In agreement with the Issuer, this Second Party Opinion does not include the assessment of its ESG performance.

³ The 17 controversial activities screened by V.E are: Alcohol, Animal welfare, Cannabis, Chemicals of concern, Civilian firearms, Coal, Fossil Fuels industry, Unconventional oil and gas, Gambling, Genetic engineering, Human embryonic stem cells, High interest rate lending, Military, Nuclear Power, Pornography, Reproductive Medicine and Tobacco.

COHERENCE

Coherent
Partially coherent
Not coherent

V.E considers that the contemplated Framework is coherent with Greentown China Holdings Limited's strategic sustainability priorities and sector issues and that it contributes to achieving the Issuer's sustainability commitments.

According to the Global Alliance for Buildings and Construction (UN Environment Programme), the building and construction industry accounts for 36% of final energy use and 39% of energy and process-related CO₂ emissions in 2018, making it one of the most CO₂ emitting industrial sectors. The adoption of a sound Environmental strategy is a key issue for the real estate sector. In particular, companies are expected to integrate environmental considerations in their investment and management decisions. Since existing buildings will be standing for the next decades, the improvement of energy efficiency is a priority in the fight to climate change. The cooperation with tenants is also an essential element to improve the environmental performance of buildings. In addition, the complexity and specificities of impacts related to their activities call for specific measures to ensure the appropriate management of social and environmental related risks, namely biodiversity protection, environmental management systems, health and safety and the promotion of responsible relations with the communities where they operate.

Recognising buildings as one of the key areas in improving energy efficiency, efforts have been made in China over the years to raise the energy-saving standards of new buildings, expand the energy-saving renovation of existing buildings, and improve the structure of energy consumption in construction.⁴

Since 2014, the concept of "Sponge City" was also initiated in China to tackle urban water issues include surface water floods.⁵ Relevant standards have also been developed to assess the effectiveness of such infrastructure.

Greentown China, a developer of premium properties and integrated living service provider in China, has disclosed its efforts on innovation, "Product Quality First" and fostering relationship between human and their living space. The Group reports focusing on creating aesthetically pleasing architecture and putting the ideas of 'green' and 'health' into architectural practice.

The Group acclaims to have around 100 'green' buildings, accredited with green-label certifications, under construction at the end of the year 2020. The group is consistently recognized for its sustainability efforts, achieving several accolades such as the 'Top 10 among 100 Chinese Real Estate Enterprises by Comprehensive Strength' and the '2019-2020 China Real Estate Social Responsibility Enterprise by China Real Estate Association'. The Group is at the forefront of exploring multi-dimensional development of green buildings, conducting research on solar photovoltaic application, optimizing the application of prefabricated construction technology and aiming to reduce the adverse impact of real estate on the environment and natural resources throughout their lifecycle.

Besides managing the development of buildings, which is undertaken by third-party professional contractor, the Group has demonstrated efforts in reducing greenhouse gas emissions derived from its business operations, which are mostly attributed to energy consumption and the use of vehicles. For the year 2020, the Group managed to reduce greenhouse gas emissions by 39%.

⁴ <http://www.scio.gov.cn/zfbps/32832/Document/1695135/1695135.htm>

⁵ <https://www.sciencedirect.com/science/article/abs/pii/S0264837717306130>

FRAMEWORK

The Issuer has described the main characteristics of the GFTs within a formalised Green Financing Framework which covers the four core components of the GBP and GLP 2021 (the last updated version was provided to V.E on September 24th, 2021). The Issuer has committed to make this document publicly accessible on Greentown China's website⁶, in line with good market practices.

Alignment with the Green Bond Principles and Green Loan Principles

Use of Proceeds



The net proceeds of the GFTs will exclusively finance or refinance, in part or in full, projects falling under five Green Project Categories ("Eligible Categories"), as indicated in Table 1.

- Eligible Categories are clearly defined. The Issuer has communicated the nature of the expenditures, the eligibility criteria and location of all Eligible Projects.
- The Environmental Objectives are clearly defined. They are relevant for all Eligible Projects and set in coherence with sustainability objectives defined in international standards.
- The Expected Environmental Benefits are clear. They are considered relevant, measurable, and will be quantified for all the Eligible Projects in the reporting.
- The Issuer has transparently communicated the estimated share of refinancing for the first issuance, which will be of 100%. The Issuer has committed in internal documentation to transparently communicate the estimated share of refinancing for each bond/loan issuance in its annual report and/or offering documentation. The look-back period for refinanced Eligible Projects will be equal or less than 24 months from the issuance date, in line with good market practices.

BEST PRACTICES

- ⇒ The definition and eligibility criteria (selection and exclusion) are clear and in line with international standards for all categories
- ⇒ Relevant environmental benefits are identified and measurable for all project categories
- ⇒ The look-back period for refinanced assets is equal or less than 24 months, in line with good market practices

⁶ <https://www.chinagreentown.com/>

Table 1. V.E' analysis of Eligible Categories, Sustainability Objectives and Expected Benefits as presented in the Issuer's Framework

- Nature of Expenditures: construction and/or renovation/refurbishment; design, construction, installation and operation
- Location of Eligible Projects: China (for the first issuance, at least city or estate level information is provided for the selected projects)

ELIGIBLE CATEGORIES	DESCRIPTION	SUSTAINABILITY OBJECTIVES AND BENEFITS	V.E'S ANALYSIS
Green Buildings	<p>New construction and/or renovation/refurbishment of existing buildings that have or will receive, any one of the following certification systems:</p> <ul style="list-style-type: none"> • U.S. Leadership in Energy and Environmental Design (LEED) – minimum certification of Gold; or • BEAM Plus – minimum certification level of Gold; or • BREEAM – minimum certification level of Excellent; or • Chinese Green Building Evaluation Label (GBL)⁷ – minimum certification level of 2 stars <p>Any other green building label, that is an equivalent standard of the above</p>	<p><u>Promoting green buildings</u></p> <p>Improvement in energy and water use efficiency</p>	<p>The Eligible Category is clearly defined. The Issuer has communicated the nature of the expenditures, the eligibility criteria, and the location of Eligible Projects.</p> <ul style="list-style-type: none"> • In case of using other green building labels, the Issuer clarified that the reference will be the international standards, and should it go for another green building label, it will make sure that it is internationally recognised and that the level of certification received is equivalent to the standards listed in the category. <p>The intended environmental objective is clearly defined and set in coherence with sustainability objectives defined in international standards.</p> <p>The expected environmental benefit is clear. It is considered relevant, measurable, and will be quantified in the reporting.</p>
Sustainable Water Management	<p>Water saving features projects to reduce domestic and commercial water consumption (e.g. rainwater harvester, irrigation system with water-saving features), that shall result in certain improvement against the development's original water consumption⁸.</p>	<p><u>Climate change adaptation</u></p> <p>Improvement in water use efficiency</p>	<p>The Eligible Category is clearly defined. The Issuer has communicated the nature of the expenditures, the eligibility criteria, and the location of Eligible Projects.</p> <ul style="list-style-type: none"> • For "irrigation system", the Issuer provided further document to clarify that such system is for green space, as one of "sponge city" landscape design features. • Issuer may integrate GHG emissions/reduction of energy consumption thresholds into the eligibility criteria, where applicable, to select eligible projects that also promote climate change mitigation benefits. <p>The intended environmental objective is clearly defined and set in coherence with sustainability objectives defined in international standards.</p>

⁷ Official Full Name: Assessment Standard for Green Building GB/T 50378-2019

⁸ Greentown may integrate Greenhouse Gas emissions/reduction of energy consumption thresholds into the eligibility criteria where applicable.

ELIGIBLE CATEGORIES	DESCRIPTION	SUSTAINABILITY OBJECTIVES AND BENEFITS	V.E'S ANALYSIS
			The expected environmental benefit is clear. It is considered relevant, measurable, and will be quantified in the reporting.
Renewable Energy	Design, construction, installation and operation of renewable energy systems: <ul style="list-style-type: none"> Solar (photovoltaic) for rooftop⁹. 	<u>Climate change mitigation</u> Avoidance/reduction of GHG emissions	The Eligible Category is clearly defined. The Issuer has communicated the nature of the expenditures and the location of Eligible Projects. <ul style="list-style-type: none"> The category has explicitly excluded heat pumps projects. The intended environmental objective is clearly defined and set in coherence with sustainability objectives defined in international standards. The expected environmental benefit is clear. It is considered relevant, measurable, and will be quantified in the reporting.
Clean Transportation	Infrastructure for clean energy vehicles ¹¹ such as electric vehicles and hydrogen vehicles. Projects include charging stations for electric vehicles and will be dedicated to clean energy vehicles.	<u>Climate change mitigation</u> Reduction of GHG emissions <u>Pollution prevention and control</u> Reduction of air emissions	The Eligible Category is clearly defined. The Issuer has communicated the nature of the expenditures, the eligibility criteria, and the location of Eligible Projects. The intended environmental objective is clearly defined and set in coherence with sustainability objectives defined in international standards. The expected environmental benefit is clear. It is considered relevant, measurable, and will be quantified in the reporting.
Climate Change Adaptation	Projects that support climate change adaptation through building/landscape design and asset-level enhancements ("Sponge City" water management design concept, hardware installation and upgrades of enhanced flood protection systems, and additional insulation ¹² ¹³ .	<u>Climate change adaptation</u> Improvement of infrastructure resilience	The Eligible Category is clearly defined. The Issuer has communicated the nature of the expenditures, the eligibility criteria, and the location of Eligible Projects. The intended environmental objective is clearly defined and set in coherence with sustainability objectives defined in international standards. The expected environmental benefit is clear. It is considered relevant, measurable, and will be quantified in the reporting.

⁹ Exclude heat pumps

¹¹ For clean energy vehicles, we based our criteria on international standards i.e. low-carbon land transport such as passenger cars and commercial vehicles - zero tailpipe emission vehicles (e.g., hydrogen, fuel cell and electric vehicles) and hybrid vehicles with tailpipe CO2 emissions below 50 gCO2 per passenger-kilometre (pkm). (https://ec.europa.eu/info/publications/210421-sustainable-finance-communication_en#taxonomy)

¹² The measures/materials will have to meet the minimum requirements set out in applicable national standards.

¹³ The project selection will refer to relevant international/national standards (e.g. GB/T 51345-2018 for sponge city construction projects in China).

SDG Contribution

The Eligible Categories are likely to contribute to five of the United Nations' Sustainable Development Goals ("SDGs"), namely:

ELIGIBLE CATEGORY	SDG	SDG TARGETS
Sustainable Water Management		6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity
Renewable Energy		7.2 By 2030, increase substantially the share of renewable energy in the global energy mix
Green Buildings		7.3 By 2030, double the global rate of improvement in energy efficiency
Green Buildings		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
Green Buildings		11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management
Clean Transportation		11.7 By 2030, reduce the adverse per capita, environmental impact of cities.
Climate Change Adaptation		13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries
Sustainable Water Management		
Renewable Energy		<i>Take urgent action to combat climate change and its impacts</i>

Evaluation and Selection of Eligible Projects



- The process for Project Evaluation and Selection has been clearly defined by the Issuer. It is considered well structured. The roles and responsibilities are clear and include relevant internal expertise. The Process will be publicly disclosed in the Framework and the herewith SPO.
- Eligibility criteria (selection and exclusion) for project selection have been clearly defined by the Issuer for all the Eligible Categories.
- The process applied to identify and manage potentially material E&S risks associated with the projects is publicly disclosed in the herewith SPO. The Process is considered robust: it combines monitoring, identification and corrective measures for all Eligible Projects (see detailed analysis on pages 17 - 20).

Process for Project Evaluation and Selection

- For the purpose of the GFTs, an ESG Working Group (“ESGWG”) has been created. This working group is composed of representatives with required level of expertise and seniority from:
 - Board of Directors Office
 - Human Resources Center
 - Marketing and Services Center
 - Product Management Center
 - R&D and Design Center
 - Operation Management Center
 - Finance & Treasury Center
- The ESGWG is responsible for:
 - Meeting at least every 12 months to review and select eligible projects in accordance with the criteria described in the Framework;
 - Presenting shortlisted projects to the secretary of Board of Directors or Head of Finance & Treasury Center for approval;
 - Ensuring compliance of selected Eligible Projects with the stipulated criteria mentioned under Use of Proceeds in the Framework, with the environmental guidelines under the GBP and GLP, as well as with Greentown’s Environmental, Social and Governance Policies which offers risk management tools to mitigate related ESG risks;
 - Managing any future updates of the Framework, including any expansion of requirements of use of proceeds.

- The traceability and verification of the selection and evaluation of the projects is ensured throughout the process:
 - The ESGWG will review the continued compliance of the selected Eligible Projects with eligibility criteria at least every 12 months throughout the lifetime of the GFT issued. Should an Eligible Project cease to fulfil the Eligibility Criteria, the net proceeds will be re-allocated to replacement Projects that comply with the Eligibility Criteria, as soon as reasonably practicable.
 - The Issuer has declared in internal documentation that the ESG Controversy monitoring will be done at least once a year by the ESGWG throughout the lifetime of the GFT issued. In case of controversy, the Issuer may consider deleting the current project from its eligible projects and replace it with another one as soon as reasonably practicable.
 - The decision-making process decisions will be recorded and traceable via meeting minutes or other supporting documents, on a best effort basis.

Eligibility Criteria

The process relies on explicit eligibility criteria (selection and exclusion), relevant to the environmental objectives defined for the Eligible Categories.

- The selection criteria are based on definitions in Eligible Categories defined Table 1 in the Use of Proceeds section.
- The exclusion criteria listed in section 2.1.2 of the Framework are considered clear and relevant to ensure there is no investment towards fossil fuels and some controversial activities, covering the main topics in terms of environmental and social responsibility of the Eligible Categories.

BEST PRACTICES

- ⇒ Eligibility criteria (selection and exclusion) for project selection are clearly defined and detailed for all of the eligible categories
- ⇒ The Issuer reports that it will monitor compliance of selected projects with eligibility and exclusion criteria specified in the Framework throughout the life of the instrument and has provided details on content, frequency, duration and on procedure adopted in case of non-compliance
- ⇒ The Issuer reports that it will monitor potential ESG controversies associated with the projects throughout the life of the instrument and has provided details on frequency, content and procedures in case a controversy is found on a project

Management of Proceeds



- The Process for the Management and Allocation of Proceeds is clearly defined and detailed, and is publicly available in the Framework and the herewith SPO.
- The allocation period will be 24 months or less.
- Net proceeds of the GFTs will be placed in a general account and tracked by the Issuer in an appropriate manner and attested in a formal internal process.
- Information on the intended types of temporary placement for the balance of the unallocated net proceeds is publicly disclosed.
- The Issuer has committed that as long as the GFT is outstanding, the balance of the tracked net proceeds will be periodically adjusted to match allocations to Eligible Projects made during that period.
- The Issuer has provided information on the procedure that will be applied in case of project divestment or if a project ceases to meet eligible criteria and it has committed to reallocate proceeds to projects that are compliant with the Framework.

Management Process

- The net proceeds from Each GFT will be managed by Greentown's finance team and will be deposited in the general funding accounts. An amount equals the all the net proceeds from each GFT will be earmarked for allocation to Eligible Green Projects. Greentown will maintain a register to keep track of the use of proceeds for each GFT.
- Greentown is committed to allocating all proceeds from the GFT to Eligible Project exclusively on a best effort basis within one year of the GFT issuance.
- The unallocated GFT(s) net proceeds may be invested in cash or cash equivalents, or used to repay existing borrowings under general credit facilities of Greentown. The Issuer confirms that use of unallocated proceeds will not be for GHG intensive activities nor controversial activities.
- In case of projects cancelation, divestment or ineligibility, or in case an Eligible Project has matured, the Issuer has committed to re-allocated to replacement Projects that comply with the Eligibility Criteria, as soon as reasonably practicable.

BEST PRACTICES

- ⇒ The allocation period is 24 months or less
- ⇒ The Issuer has committed not to invest temporarily unallocated net proceeds in GHG intensive activities or controversial activities.
- ⇒ The Issuer has provided information on the procedure that will be applied in case of project divestment or if a project ceases to meet eligible criteria and it has committed to reallocate proceeds to projects that are compliant with the bond framework.

Monitoring & Reporting



- The Issuer has committed to report on the Use of Proceeds annually, until full allocation and on a timely basis in case of material developments. The report will be publicly available.
- The reporting will cover relevant information related to the allocation of GFT proceeds and to the expected sustainable benefits of the Eligible Projects. The Issuer has also committed to report on material developments/issues/controversies related to the projects.
- The reporting methodology and assumptions used to report on environmental benefits of the Eligible categories will be publicly disclosed, where feasible.
- An external auditor may be engaged to verify the tracking and allocation of funds to Eligible Projects, as well as the estimated/actual impact of the Eligible Projects, as disclosed in the GFT annual report. However, no formal commitment has been made.

Indicators

The Issuer has committed to transparently communicate at Eligible Category or Project level, on:

- Allocation of proceeds: The indicators selected by the Issuer to report on the allocation of proceeds are relevant and exhaustive.

REPORTING INDICATORS

- ⇒ The aggregate amount allocated to various Eligible Projects
- ⇒ The remaining balance of funds which have not yet been allocated and type of temporary investment
- ⇒ Share of financing vs. refinancing
- ⇒ Examples of Eligible Projects (subject to confidentiality disclosures)

The Issuer has declared in internal documentation that it will consider reporting on % of co-financing in case a project is partly financed by funds other than bond/loan proceeds, subject to confidentiality disclosures.

- Environmental benefits: The indicators selected by the Issuer to report on the environmental benefits are clear and relevant.

ELIGIBLE CATEGORIES	ENVIRONMENTAL BENEFITS INDICATORS	
	OUTPUTS AND OUTCOMES	IMPACT INDICATORS
Green Buildings	<ul style="list-style-type: none"> - Level of certification by property - Energy efficiency gains in MWh or % vs. baseline 	<ul style="list-style-type: none"> - Estimated avoided GHG emissions (tCO₂eq) - Annual energy savings (MWh pa) - Annual reduction in water consumption (litres)

ELIGIBLE CATEGORIES	ENVIRONMENTAL BENEFITS INDICATORS	
	OUTPUTS AND OUTCOMES	IMPACT INDICATORS
Sustainable Water Management	<ul style="list-style-type: none"> - Amount of water recycled (litres) - Amount of water reused (litres) 	N/A
Renewable Energy	<ul style="list-style-type: none"> - Renewable energy produced (MWh) - Renewable energy capacity (MW) 	<ul style="list-style-type: none"> - Estimated avoided GHG emissions (tCO₂eq) - Annual energy savings (MWh pa)
Clean Transportation	<ul style="list-style-type: none"> - Number of charging points for electric vehicles 	N/A
Climate Change Adaptation	<ul style="list-style-type: none"> - Number and type of adaptation and resilience measures installed - Number of adaptation facilities adopted, e.g. flood prevention facilities built 	N/A

An area for improvement is to commit to an external verification of the tracking and allocation of funds to Eligible Projects/Categories, as well as the indicators used to report on environmental benefits of the Eligible Projects/Categories.

BEST PRACTICES

- ⇒ The issuer report will be publicly available
- ⇒ The reporting will cover relevant information related to the allocation of GFT proceeds and to the expected sustainable benefits of the projects/categories. The Issuer has also committed to report on material development related to the projects, including ESG controversies.
- ⇒ The indicators selected by the Issuer are exhaustive with regards to allocation reporting
- ⇒ The indicators selected by the Issuer are clear and relevant and cover all expected benefits associated with the Eligible Categories
- ⇒ The reporting methodology and assumptions used to report on environmental benefits of the Eligible categories will be disclosed publicly, where feasible

Contribution to sustainability

Expected Impacts

The potential positive Impact of the eligible projects on environmental and social objectives is considered to be robust.

Of note, a significant portion of the net proceeds of the Green Financing Transactions are expected to finance the 'Green Buildings' category, which explains why the Framework's overall contribution to sustainability is considered to be robust.

ELIGIBLE CATEGORY	EXPECTED IMPACT	ANALYSIS
Green Buildings	ROBUST	<p>Building sector in China contributes about 1/3 of its total energy consumption and results in about 30%-40% of total emissions¹⁴. Green Buildings category responds to important environmental issues and includes specific technical performance criteria (e.g. LEED, BEAM Plus, BREEAM, Chinese Green Building Evaluation Label).</p> <p>Although green buildings have lower carbon footprint, the construction of efficient buildings is considered to have lesser of a positive impact than renovation, because construction have an absolute effect on energy consumption and land use.</p> <p>The primary criteria include green buildings achieving Chinese Green Building Evaluation Label (GBL) minimum certification level of 2 Stars that is one notch lower than the low carbon proxy requirement considered for China by Climate Bonds Initiative (CBI) which is GBL 3 Stars.</p>
Sustainable Water Management	ROBUST	<p>China urbanization rate stands at 61% (World Bank), which is expected to increase to 70% by 2035¹⁵, making the serious water shortage and flooding crisis even more acute. Addressing water management will bring positive environmental and social impacts, although the scale of the project(s) is expected to be limited.</p> <p>The category clearly defines the types of the projects, which are mainly "sponge city" related, and it may integrate Greenhouse Gas emissions/reduction of energy consumptions thresholds into the eligibility criteria where applicable. However, it is not clear whether the eligibility criteria selected, if any, would be in line with best market practices (i.e. EU Taxonomy Climate Delegated Act and CBI).</p>
Renewable Energy	ADVANCED	<p>According to the IEA, China's electricity generated from renewable sources in 2018 is 9.4%. China needs to cut carbon emissions and decarbonize rapidly to achieve its target of net zero by 2060. The selected projects include rooftop solar panels, which are expected to have a material effect on the Issuer's carbon footprint.</p> <p>Although the category does not include specific technical performance criteria (e.g. energy efficiency of solar panels), the category is clearly defined to ensure the delivery of the expected environmental benefit.</p>
Clean Transportation	ADVANCED	<p>Switching to clean-energy vehicles and continue building EV infrastructure is paramount for China, the world's biggest emitter. China's charging pile ownership ranks first in the world, having 4.92 million EVs and 1.68 million charging piles at the end of 2020 and is expected to grow to 17.82 million and 9.39 million units respectively by 2025.¹⁶ Hence, the Eligible Projects (such as installing charging stations for EVs) are expected to promote the wider adoption of EVs and other types of clean energy vehicles.</p> <p>The category has specified that the infrastructure will be dedicated to clean energy vehicles. For the definition of "clean energy vehicles", it also refers to criteria in international</p>

¹⁴ Lin and Liu, 2015

¹⁵ National Academy of Economic Strategy under the Chinese Academy of Social Sciences

¹⁶ <https://www.globenewswire.com/news-release/2021/06/25/2253249/0/en/China-EV-Charging-Station-and-Charging-Pile-Market-Report-2021.html>

ELIGIBLE CATEGORY	EXPECTED IMPACT	ANALYSIS
		standards such as the EU Taxonomy Climate Delegated Act, although it is not fully clear whether the adopted criteria will be in the form of declining thresholds.
Climate Change Adaptation	ADVANCED	<p>China is ranked 32nd out of 180 countries in Global Climate Risk Index 2021 (by German Watch). Improving infrastructure resilience is important in reducing damages and risks, such as building of sponge cities. Any climate change adaptation activities related to sponge city will function for flood control as well as to help with water conservation and water purification.</p> <p>The Eligible Projects are expected to improve the resilience of the company's building assets and benefit the residents and potentially nearby local communities. The category has specified that the building/landscape design and asset-level enhancements will have to meet requirements/criteria set out in relevant national/international standards (e.g. GB/T 51345-2018 for sponge city construction projects in China¹⁷).</p>
OVERALL ASSESSMENT	ROBUST	

¹⁷ <https://iwaponline.com/ebooks/book/793/Assessment-Standard-for-Sponge-City-Effects>

ESG Risks Identification and Management systems in place at project level

The identification and management of the environmental and social risks associated with the Eligible Projects are considered robust¹⁸.

	ELIGIBLE CATEGORIES				
	GREEN BUILDINGS	SUSTAINABLE WATER MANAGEMENT	RENEWABLE ENERGY	CLEAN TRANSPORTATION	CLIMATE CHANGE ADAPTATION
Environmental management system and environmental impact assessment	X	X	X	X	X
Eco-design and life cycle impacts	X	X	X	X	X
Energy use and GHG emissions	X	X	X	X	X
Adapting to climate change impacts	X	X	N/A	X	N/A
Pollution prevention and control, prevention and mitigation of environmental/industrial accidents and inconveniences	X	X	X	X	X
Fundamental human and labour rights	X	X	X	X	X
Health and safety of workers, residents and local communities	X	X	X	X	X
Integration of environmental and social factors in supply chain	X	X	X	X	X
Business conduct	X	X	X	X	X
OVERALL ASSESSMENT	Robust	Robust	Robust	Robust	Robust

Greentown China is committed to achieving environmental sustainability and has formulated a series of internal environment management policies and standards to manage its operations including the Eligible Projects under this Framework. The Group adheres to comply with the relevant laws and regulations regarding environmental protection and adopts effective measures to achieve efficient use of resources, waste reduction and energy savings. The Group reports to review its environmental policies on a regular basis.

¹⁸ The "X" indicates the E&S risks that have been activated for each Eligible Category.

Environmental management system and environmental impact assessment

The Group report to abides by applicable environmental laws and regulations including the Environmental Protection Law of the People's Republic of China, the Environmental Noise Pollution Prevention and Control Law of the People's Republic of China, the Water Pollution Prevention and Control Law of the People's Republic of China, the Law of the People's Republic of China on Environmental Impact Assessment, the Decision of the State Council on Implementing the Scientific Outlook on Development and Strengthening Environmental Protection, Regulations on the Administration of Construction Project Environmental Protection, the Administrative Measures for the Environmental Protection Acceptance of Completed Construction Projects and the Administrative Measures for the Collection and Utilization of Funds for the Disposal of Discarded Electrical and Electronic Products.

Eco-design and life cycle impacts

The "eco-design" approach is expected to be integrated in green building development, design and construction, as part of the requirements in order to obtaining relevant certifications specified in the Framework.

For project management, Greentown China implements so-called "sample first" approach, adhering to learning and practicing Japanese-styled engineering management, to improve product quality and consolidate product advantages. The Group has established detailed internal standards and guidelines such as *Greentown China Landscape Products Series*, *Greentown China Indoor Products Series*, and *Greentown China Engineering Practice Guide*, etc. These standards and specifications promote the standardised implementation of processes and methods during the design and implementation of the its projects, including the Eligible Projects under this Framework.

Greentown China also implements the concept of building a "green health" system, encompassing both physical environmental health (including air, water, sound, light, materials, sustainable technologies, etc.) and mental health, which guide its project design and selection of products for its projects.

Energy use and GHG emissions

At the company level, Greentown China is committed to reducing pollutant and carbon emissions to mitigate its impact on the environment. Greentown China's GHG emissions footprint includes: 1) portfolio of properties under management; and 2) use of vehicles and electricity in its business operations.

Besides managing the construction of buildings, which is undertaken by professional contractors, Greentown China's primary carbon footprint covers use of electricity and transportation. The Group made a strong case for clean transportation, which is one of the five Eligible categories, for promoting the adoption of electric vehicles and also for the use of vehicles in its business operations.

As part of its efforts in developing green buildings, Greentown China also conducts research on the application of solar photovoltaic and optimisation of prefabricated construction technology.

Adapting to climate change impacts

Greentown China's main measures on adapting to climate change impacts are through the application of the "Sponge City" concept and technologies in its buildings and infrastructure projects, by applying rainwater recycling, rain gardens, permeable pavement and concave green space. The relevant projects form one of the five Eligible Categories under the Framework.

The Group has been focusing its efforts on improving the absorption, retention and mitigation of rainwater on the green areas, roads, plazas in the community, with a view to further control rainwater runoff, establish a positive water circulation system and conserve resources.

Pollution prevention and control, prevention and mitigation of environmental/industrial accidents and inconveniences

Greentown China has adopted a “Quality First” approach, the Group has implemented “Green Quality” Testing Standard System which cover three fields including:

- Environment: focusing on environmental quality covering indicators such as water, air and volatilization of harmful gases;
- Material: assessing materials for main structures of buildings and indoor decoration materials;
- Safe Production: checking the on-site safety measures, such as personnel safety equipment, protective measures, safety warnings, etc.

In addition, related to green building projects, Greentown China continues to optimize the application of prefabricated construction technology. It is reported that as of 2020, 57.7% of Greentown China’s total projects under development were prefabricated construction projects. With the use of prefabricated construction technology, approximately 70% of prefabricated steel structures may be recycled, which significantly reduces construction wastes and avoids dusts and noise pollution, demonstrating the characteristics of green buildings. The process also leads to improved construction efficiency and quality, achieving green process from manufacturing of components to assembly for the purpose of environmental protection.

Fundamental human and labour rights

Greentown commits to abide by laws and regulations related to human resource management which are represented by the Labour Law of the People’s Republic of China, the Labour Contract Law of the People’s Republic of China, the Social Insurance Law of the People’s Republic of China. The Group also commits to comply with the United Nation’s Universal Declaration of Human Rights and fundamental principles of Standards in the International Labour Organization and conventions.

Specifically related to respecting labour rights, the Group implements specific measures in its HR process to prohibit child labour and forced labour. It has established board diversity policy, and strives to providing fair and good working conditions by allowing termination after reaching consensus through negotiation as required.

Health and safety of workers, residents and local communities

Greentown China provides a safe and protected working environment for its employees. The specific policies and initiatives include:

- Occupational Health and Safety: issuing the *Implementation Standards for Japanese-styled Engineering Management* and *Greentown China Japanese-style Management Guide Book (Safety and Civilization)*;
- Safe Working Environment: organizing activities including health and first aid training lectures, fire safety drills, etc. to improve employees’ awareness of safety precautions and enhance emergency response skills;
- Staff Health Care Activities: providing benefits such as a biannual physical examination and health interpretation, render 360° services for staff’s health and daily “online family doctor”, and establishing health activity room for the staff to keep fit.

To ensure safety of residents, the Group has established a quantifiable project quality assessment mechanism and invites third party consulting units to conduct project quality assessment. One of the aspects covered under the Group’s “Green Quality” Testing Standard System is “Safe Production” which includes checking the on-site safety measures, such as personnel safety equipment, protective measures, safety warning, etc.

The Group established various channels to communicate with the stakeholders to facilitate the Group to identify potential risks in our business operation and recognize issues of sustainable development that the stakeholders concern the most. The communication and responses methods for major stakeholders (customers, partners, employees, shareholders and investors, communities, governments and regulatory authorities) are identified and disclosed in its annual report.

Integration of environmental and social factors in supply chain

Greentown China is committed to building a responsible supply chain and has integrated environmental and social factors in its supply chain management. The Group has setup a Product Management Center which is responsible for conducting appraisal of new suppliers who participate in bidding and meet the conditions as stipulated in bidding announcement. Suppliers are only able to participate in bidding activities once they are approved and shortlisted. As part of the bidding process, the tender participants are required to provide a series of technical supporting documents, such as the production license of the tenderer's brand, 3C certification and other environmental certifications, product models certification, etc.

As part of its procurement process, the Group also requires suppliers to recycle the waste in construction sites, control and manage waste gas and wastewater, etc. to make the best efforts to reduce environmental and social risks in each process of the supply chain. Greentown engages third party consulting units to conduct project quality assessment, which also includes on-site assessment.

Business conduct

Greentown China seeks to ensure adherence to applicable laws, rules and regulations through various measures such as internal controls, approval procedures, staff trainings and oversight of business operations at different levels of the Group. The Board of directors also monitors the Group's policies and practices on compliance with relevant laws, rules and regulations on a regular basis.

Greentown has put in place anti-corruption policies and promotes integrity and honesty in its operations. The *Standards for Integrity Reporting and Rewarding* encourages external departments and internal staff to report actions that violate the laws and regulations or damage the interest of the company by ways such as correspondence, visiting, telephoning, internet reporting, etc.

The Group also commits to respect intellectual property (IP) and has established its internal Administrative Measures of IP Management. This ensured strict compliance to the relevant laws such as the Patent Law of the People's Republic of China, the Copyright Law of the People's Republic of China, the Trademark Law of the People's Republic of China and the Anti-Unfair Competition Law of the People's Republic of China.

ISSUER

Greentown China Holdings Limited is an investment holding Company, which engages in the property development activities. It is also involved in the sales of construction materials, project management, design and decoration. Greentown China is headquartered in Hangzhou, China.

Management of ESG Controversies

As of today, the review conducted by V.E did not reveal any ESG controversy against Greentown China over the last four years.

Involvement in Controversial Activities

The Issuer appears to be involved in one of the 17 controversial activities screened under our methodology:

- Alcohol (minor involvement): Greentown China Holdings has an estimated turnover from alcoholic beverages which is less than 5% of total turnover. This turnover is derived from the ownership of hotels, where it is reasonable to assume that alcoholic drinks are on sale. In a communication with the Company, it is noted that Greentown China has 15 hotels in operation, 2 of which are directly operated by the Company itself. However, it further explained that irrespective of whether it's a self-owned hotel or a hotel managed by a third party, the revenues would belong to the company, and the third party will only charge a certain percentage of management fees.

The Issuer does not appear to be involved in any of the other 16 controversial activities screened under our methodology, namely: Animal welfare, Cannabis, Chemicals of concern, Civilian firearms, Coal, Fossil Fuels industry, Unconventional oil and gas, Gambling, Genetic engineering, Human embryonic stem cells, High interest rate lending, Military, Nuclear Power, Pornography, Reproductive Medicine and Tobacco.

The controversial activities research provides screening of companies to identify involvement in business activities that are subject to philosophical or moral beliefs. The information does not suggest any approval or disapproval on their content from V.E.

METHODOLOGY

In V.E's view, Environmental, Social and Governance (ESG) factors are intertwined and complementary. As such they cannot be separated in the assessment of ESG management in any organisation, activity or transaction. In this sense, V.E provides an opinion on the Issuer's ESG performance as an organisation, and on the processes and commitments applicable to the intended issuance.

Our Second Party Opinions (SPOs) are subject to internal quality control at three levels (Analyst, Project Manager and Quality Reviewer). If necessary, this process is complemented by a final review and validation by the Expertise Committee and Supervisor. A right of complaint and recourse is guaranteed to all companies under our review, following three levels: first, the team in contact with the company; then the Executive Director in charge of Methods, Innovation & Quality; and finally, V.E's Scientific Council.

COHERENCE

Scale of assessment: not coherent, partially coherent, coherent

This section analyses whether the activity to be financed through the selected instrument is coherent with the Issuer's sustainability priorities and strategy, and whether it responds to the main sustainability issues of the sector where the Issuer operates.

ISSUANCE

Alignment with the Green Bond Principles and Green Loan Principles

Scale of assessment: Not aligned, Partially aligned, Aligned, Best Practices

The Framework has been evaluated by V.E according to the ICMA's Green Bond Principles - June 2021 ("GBP") and the LMA/APLMA/LSTA's Green Loan Principles – February 2021 ("GLP"), and on our methodology based on international standards and sector guidelines applicable in terms of ESG management and assessment.

Use of proceeds

The definition of the Eligible Projects and their sustainable objectives and benefits are a core element of Green/Social/Sustainable Bonds and Loans standards. V.E evaluates the clarity of the definition of the Eligible Categories, as well as the definition and the relevance of the primary sustainability objectives. We evaluate the descriptions of the expected benefits in terms of relevance, measurability and quantification. In addition, we map the potential contribution of Eligible Projects to the United Nations Sustainable Development Goals' targets.

Process for evaluation and selection

The evaluation and selection process is assessed by V.E on its transparency, governance and relevance. The eligibility criteria are assessed on their clarity, relevance and coverage vs. the intended objectives of the Eligible Projects.

Management of proceeds

The process and rules for the management and the allocation of proceeds are assessed by V.E on their transparency, traceability and verification.

Reporting

The monitoring and reporting process and commitments defined by the Issuer are assessed by V.E on their transparency, exhaustiveness and relevance, covering the reporting of both proceeds' allocation and sustainable benefits (output, impact indicators).

Contribution to sustainability

Scale of assessment: Weak, Limited, Robust, Advanced

V.E's assessment of activities' contribution to sustainability encompasses both the evaluation of their expected positive impacts on environmental objectives, as well the management of the associated potential negative impacts and externalities.

Expected positive impact of the activities on environmental objectives

The expected positive impact of activities on environmental objectives to be financed by the Issuer or Borrower is assessed on the basis of:

- i) the relevance of the activity to respond to an important environmental objective for the sector of the activity; or to respond to an important social need at country level;¹⁹
- ii) the scope of the impact: the extent to which the expected impacts are reaching relevant stakeholders (i.e. the issuer, its value chain, local and global stakeholders); or targeting those populations most in need;
- iii) the magnitude and durability of the potential impact of the proposed activity on the environmental objectives (capacity to not just reduce, but to prevent/avoid negative impact; or to provide a structural/long-term improvement);
- iv) only for environmental objectives, the extent to which the activity is adopting the best available option.

ESG risk management for eligible activities

The identification and management of the potential ESG risks associated with the eligible projects/activities are analysed on the basis of V.E's ESG assessment methodology, international standards and sector guidelines applicable in terms of ESG management and assessment.

ISSUER

Management of stakeholder-related ESG controversies

V.E defines a controversy as public information or contradictory opinions from reliable²⁰ sources that incriminate or make allegations against an issuer regarding how it handles ESG issues as defined in V.E ESG framework. Each controversy may relate to several facts or events, to their conflicting interpretations, legal procedures or non-proven claims.

V.E reviewed information provided by the Issuer, press content providers and stakeholders (partnership with Factiva Dow Jones: access to the content of 28,500 publications worldwide from reference financial newspapers to sector-focused magazines, local publications or Non-Government Organizations). Information gathered from these sources is considered as long as it is public, documented and traceable.

V.E provides an opinion on companies' controversies risks mitigation based on the analysis of 3 factors:

- **Frequency:** reflects for each ESG challenge the number of controversies that the Issuer has faced. At corporate level, this factor reflects on the overall number of controversies that the Issuer has faced and the scope of ESG issues impacted (scale: Isolated, Occasional, Frequent, Persistent).
- **Severity:** the more a controversy is related to stakeholders' fundamental interests, proves actual corporate responsibility in its occurrence, and have caused adverse impacts for stakeholders and the company, the higher its severity is. Severity assigned at the corporate level will reflect the highest severity of all cases faced by the company (scale: Minor, Significant, High, Critical).

¹⁹ The importance of a specific social need at country level is assessed on the basis of the country performance on the priority SDG that the project is targeting using data from Sachs, J., Schmidt-Traub, G., Kroll, C., Lafortune, G., Fuller, G., Woelm, F. 2020. The Sustainable Development Goals and COVID-19. Sustainable Development Report 2020. Cambridge: Cambridge University Press.

²⁰ 'Reliable' means that there are sufficient details to substantiate claims made, with due attention paid to the political dimension of news and the danger of misinformation. V.E draws on investigative journalism, the business press, NGO and trade union reports which focus on corporate behavior relating to ESG issues. It is neither possible nor advisable to create a prescriptive fixed list of sources as new, valid sources arise all the time and it is necessary to investigate these as and when they are retrieved in order to comprehensively cover evolving issues and media.

- **Responsiveness:** ability demonstrated by an Issuer to dialogue with its stakeholders in a risk management perspective and based on explanatory, preventative, remediating or corrective measures. At corporate level, this factor will reflect the overall responsiveness of the company for all cases faced (scale: Proactive, Remediate, Reactive, Non- Communicative).

The impact of a controversy on a company's reputation reduces with time, depending on the severity of the event and the company's responsiveness to this event. Conventionally, V.E's controversy database covers any controversy with Minor or Significant severity during 24 months after the last event registered and during 48 months for High and Critical controversies.

Involvement in controversial activities

17 controversial activities have been analysed following 30 parameters to screen the company's involvement in any of them. The company's level of involvement (Major, Minor, No) in a controversial activity is based on:

- An estimation of the revenues derived from controversial products or services.
- The specific nature of the controversial products or services provided by the company.

V.E'S ASSESSMENT SCALES

Scale of assessment of the financial instrument's Contribution to sustainability		Scale of assessment of financial instrument's alignment with Green Bond and Loan Principles	
Advanced	An advanced expected impact combined with an advanced to robust level of E&S risk management & using innovative methods to anticipate new risks.	Best Practices	The Instrument's practices go beyond the core practices of the ICMA's Green Bond Principles and of the Loan Market Association's Green Loan Principles by adopting recommended and best practices.
Robust	A robust expected impact combined with an advance to robust level of assurance of E&S risk management or an advanced expected impact combined with a limited level of assurance of E&S risk management.	Aligned	The Instrument has adopted all the core practices of the ICMA's Green Bond Principles and of the Loan Market Association's Green Loan Principles.
Limited	A limited expected impact combined with an advanced to limited level of assurance of E&S risk management; or a robust expected impact combined with a limited to weak level of assurance of E&S risk management; or an advance expected impact combined with a weak level of assurance of E&S risk management.	Partially Aligned	The Instrument has adopted a majority of the core practices of the ICMA's Green Bond Principles and of the Loan Market Association's Green Loan Principles, but not all of them.
Weak	A weak expected impact combined with an advanced to weak level of assurance of E&S risk management or a limited expected impact with a weak level of assurance of E&S risk management.	Not Aligned	The Instrument has adopted only a minority of the core practices of the ICMA's Green Bond Principles and of the Loan Market Association's Green Loan Principles.

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This opinion aims at providing an independent opinion on the sustainability credentials and management of the Bond/Loan, based on the information which has been made available to V.E. V.E has neither interviewed stakeholders out of the Issuer/Borrower's employees, nor performed an on-site audit nor other test to check the accuracy of the information provided by the Issuer/Borrower. The accuracy, comprehensiveness and trustworthiness of the information collected are a responsibility of the Issuer/Borrower. The Issuer/Borrower is fully responsible for attesting the compliance with its commitments defined in its policies, for their implementation and their monitoring. The opinion delivered by V.E neither focuses on the financial performance of the Bond/Loan, nor on the effective allocation of its proceeds. V.E is not liable for the induced consequences when third parties use this opinion either to make investments decisions or to make any kind of business transaction. Restriction on distribution and use of this opinion: The deliverables remain the property of V.E. The draft version of the Second Party Opinion by V.E is for information purpose only and shall not be disclosed by the client. V.E grants the Issuer/Borrower all rights to use the final version of the Second Party Opinion delivered for external use via any media that the Issuer/Borrower shall determine in a worldwide perimeter. The Issuer/Borrower has the right to communicate to the outside only the Second Party Opinion complete and without any modification, that is to say without making selection, withdrawal or addition, without altering it in any way, either in substance or in the form and shall only be used in the frame of the contemplated concerned bond/loan(s) issuance. The Issuer acknowledges and agrees that V.E reserves the right to publish the final version of the Second Party Opinion on V.E' website and on V.E' internal and external communication supporting documents.

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