

# Second-Party Opinion

## Immobel Group Green Finance Framework



### Evaluation Summary

Sustainalytics is of the opinion that the Immobel Group Green Finance Framework is credible and impactful and aligns with the four core components of the Green Bond Principles 2018 and the Green Loan Principles 2020. This assessment is based on the following:



**USE OF PROCEEDS** The eligible category for the use of proceeds, Green Buildings, is aligned with those recognized by the Green Bond Principles 2018 and the Green Loan Principles 2020. Sustainalytics considers that the eligible category will lead to positive environmental impacts and advance the UN Sustainable Development Goals, specifically SDG 7 and 11.



**PROJECT EVALUATION / SELECTION** Immobel's internal process in evaluating and selecting projects is managed by a Green Finance Committee (GFC), which is comprised of the Chief Financial Officer, the Group CSR Manager and the Group Legal manager. The GFC has the overall responsibility to oversee the evaluation and selection process against the criteria established in the Framework. Based on these elements, Sustainalytics considers this process to be in line with market practice.



**MANAGEMENT OF PROCEEDS** Immobel's process for management of proceeds is overseen by the Treasury department. The Company will use internal accounting systems to track the allocation of net proceeds from the issuance of GFIs following a portfolio approach. Immobel intends to maintain a level of allocation to eligible assets, which matches or exceeds the total net proceeds of all GFIs outstanding. Immobel will strive to fully allocate the net proceeds of any GFIs within 24 months of the date of issuance. Unallocated proceeds will be held in cash or cash equivalent, in line with Immobel's regular treasury criteria. Based on these elements, Sustainalytics considers this process to be in line with market practice.



**REPORTING** Immobel is committed to reporting on the allocation of proceeds on its website on an annual basis until full allocation. Reporting will include details such as amount of GFIs outstanding, allocation of net proceeds to eligible assets, share of financing vs. refinancing, amount of unallocated proceeds, and the type of temporary investments. In addition, Immobel will strive on a best effort basis and subject to data availability, to report on relevant impact indicators. Based on these elements, Sustainalytics considers this process to be in line with market practice.

---

<b>Evaluation date</b>	March 22, 2021
<b>Issuer Location</b>	Brussels, Belgium

---

### Report Sections

---

Introduction.....	2
Sustainalytics' Opinion.....	3
Appendices.....	8

### For inquiries, contact the Sustainable Finance Solutions project team:

---

**Jonathan Laski (Toronto)**  
Project Manager  
jonathan.laski@sustainalytics.com  
(+1) 647 264 6640

---

**Cristhian Veintimilla (Amsterdam)**  
Project Support

---

**Mina Jang (Amsterdam)**  
Project Support

---

**Molly Stern (London)**  
Client Relations  
susfinance.emea@sustainalytics.com  
(+44) 20 3880 0193

---

## Introduction

Immobil Group (“Immobil”, the “Company”, or the “Issuer”) is a real estate developer operating in Belgium, Grand Duchy of Luxembourg, Poland, France, Spain, and Germany. Immobil specialises in the development of mixed-use projects, servicing residential, office, retail and leisure needs. Headquartered in Brussels, Belgium, the Company has developed more than 1.6 billion m<sup>2</sup> of real estate and employs approximately 200 people.

Immobil has developed the Immobil Group Green Finance Framework (the “Framework”) under which it intends to issue green bonds, green private placements and/or green (syndicated) loans, together known as Green Finance Instruments (“GFIs”), and use the proceeds to finance and/or refinance, in whole or in part, existing and/or future projects that promote sustainable and energy efficient real estate. The Framework defines eligibility criteria in the following area:

### 1. Green Buildings

Immobil engaged Sustainalytics to review the Immobil Group Green Finance Framework, dated March 2021, and to provide a Second-Party Opinion on the Framework’s environmental credentials and its alignment with the Green Bond Principles 2018 (GBP)<sup>1</sup> and the Green Loan Principles 2020 (GLP).<sup>2</sup> This Framework has been published in a separate document.<sup>3</sup>

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

Sustainalytics’ Second-Party Opinion reflects Sustainalytics’ independent<sup>4</sup> opinion on the alignment of the reviewed Framework with the current market standards and the extent to which the eligible project categories are credible and impactful.

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

- The Framework’s alignment with the Green Bond Principles 2018, as administered by ICMA, and the Green Loan Principles 2020, as administered by LMA, APLMA and LSTA<sup>5</sup>;
- The credibility and anticipated positive impacts of the use of proceeds; and
- The alignment of the issuer’s sustainability strategy and performance and sustainability risk management in relation to the use of proceeds.

For the use of proceeds assessment, Sustainalytics relied on its internal taxonomy, version 1.7.1, which is informed by market practice and Sustainalytics’ expertise as an ESG research provider.

As part of this engagement, Sustainalytics held conversations with various members of Immobil’s management team to understand the sustainability impact of their business processes and planned use of proceeds, as well as management of proceeds and reporting aspects of the Framework. Immobil representatives have confirmed (1) they understand it is the sole responsibility of Immobil to ensure that the information provided is complete, accurate or up to date; (2) that they have provided Sustainalytics with all relevant information and (3) that any provided material information has been duly disclosed in a timely manner. Sustainalytics also reviewed relevant public documents and non-public information.

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

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

Sustainalytics’ Second-Party Opinion, while reflecting on the alignment of the Framework with market standards, is no guarantee of alignment nor warrants any alignment with future versions of relevant market standards. Furthermore, Sustainalytics’ Second-Party Opinion addresses the anticipated impacts of eligible

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

<sup>2</sup> The Green Loan Principles are administered by the Loan Market Association, Asia Pacific Loan Market Association and Loan Syndications & Trading Association and are available at <https://www.lsta.org/content/green-loan-principles/>.

<sup>3</sup> The Immobil Group Green Finance Framework is available on Immobil’s website at: <https://www.immobelgroup.com/en/>

<sup>4</sup> When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not the least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics’ hallmarks is integrity, another is transparency.

<sup>5</sup> In addition to the Loan Markets Association, the GLP are also administered by the Asia Pacific Loan Market Association and the Loan Syndications & Trading Association

projects expected to be financed with bond and loan proceeds but does not measure the actual impact. The measurement and reporting of the impact achieved through projects financed under the Framework is the responsibility of the Framework owner.

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

No information provided by Sustainalytics under the present Second-Party Opinion shall be considered as being a statement, representation, warrant or argument, either in favour or against, the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that Immobil has made available to Sustainalytics for the purpose of this Second-Party Opinion.

## Sustainalytics' Opinion

### Section 1: Sustainalytics' Opinion on the Immobil Group Green Finance Framework

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

- Use of Proceeds:
  - The eligible category, Green Buildings, is aligned with those recognized by the GBP and GLP. Sustainalytics is of the opinion that the financed activities can contribute to improved energy performance of the building stock in the five countries (Belgium, Grand Duchy of Luxembourg, France, Spain, and Germany) where Immobil plans to invest proceeds from GFIs.
  - Immobil may finance or refinance green building investments according to the following eligibility criteria:
    - Acquisitions and/or construction of new buildings, mostly office and mixed-use developments, which have received or will be designed to receive any of the following minimum certification levels: BREEAM "Excellent", HQE "Excellent", or any equivalent internationally recognized third-party verified certification scheme. For Sustainalytics' assessment of these building certification schemes, please refer to Appendix 1.
    - The Framework also includes financing of assets not subject to a certification scheme, mostly residential projects, according to the following country-specific maximum Primary Energy Demand (PED) thresholds: in Belgium, Spain and Luxembourg 100 kWh/m<sup>2</sup>/y, in France 70 kWh/m<sup>2</sup>/y, and in Germany 75 kWh/m<sup>2</sup>/y. Sustainalytics notes that the specified PED thresholds very likely place the eligible buildings within the top 15% of energy efficient buildings in each jurisdictions. Sustainalytics encourages Immobil to favour financing buildings whose PED is within the top 15% of buildings in those markets.
    - Immobil may finance refurbishment of existing buildings that: (i) achieve savings in net PED of at least 30% compared to the baseline performance of the building before the renovation, and/or (ii) result in the building obtaining or expecting to obtain the aforementioned green building certification levels.
- Project Evaluation and Selection:
  - Immobil's Treasury department will review potential projects and submit a list to the Company's Green Finance Committee (GFC), which is comprised of the Chief Financial Officer, the Group CSR Manager and the Group Legal manager. The GFC has the overall responsibility to oversee the evaluation and selection process against the criteria established in the Framework.
  - Based on these elements, Sustainalytics considers this process to be in line with market practice.
- Management of Proceeds:
  - Immobil's process for management of proceeds is overseen by the Treasury department. The Company will use its internal accounting systems to track the allocation of net proceeds from the issuance of GFIs following a portfolio approach. Immobil intends to allocate an amount equivalent to the net proceeds of all outstanding GFIs towards a portfolio of eligible assets. Should an asset be divested, discontinued or cease to fulfil the eligibility criteria, Immobil will, remove it from the portfolio of eligible assets, and will strive to replace the asset with another eligible asset as soon as reasonably practicable. Immobil intends to maintain a level of allocation to eligible assets, which matches or exceeds the total net proceeds of all GFIs

outstanding. Immobil will strive to fully allocate the net proceeds of any GFIs within 24 months of the date of issuance. Unallocated proceeds will be held in cash or cash equivalent, in line with Immobil's regular treasury criteria. The allocation of net proceeds of issued GFIs to the portfolio of eligible assets will be reviewed and approved by the Immobil Management Team on at least an annual basis, until full allocation of the net proceeds of issued Green Finance Instruments.

- Based on these elements, Sustainalytics considers this process to be in line with market practice.
- Reporting:
  - Immobil is committed to reporting on the allocation of proceeds on its website on an annual basis until allocation has been fully completed. Immobil will align, on a best effort basis, its reporting with the portfolio approach described in the "Handbook – Harmonized Framework for Impact Reporting."<sup>6</sup> The allocation reporting will include details such as an overview and total amount outstanding of GFIs, allocation of net proceeds to a portfolio of eligible assets, including information on the composition of the portfolio of Eligible Projects and a breakdown by geographical area (country level), the share of financing vs. refinancing, the amount of any unallocated proceeds, and the type of temporary investments. In addition, Immobil will strive on a best effort basis and subject to data availability, to report on relevant impact indicators including, an overview of eligible assets' environmental classification, energy performance, and selected case studies of eligible assets. For a detailed list of impact indicators, please refer to Appendix 2: Green Bond/Green Bond Programme External Review Form. Based on these elements, Sustainalytics considers this process to be in line with market practice.

#### **Alignment with Green Bond Principles 2018 and Green Loan Principles 2020**

Sustainalytics has determined that the Immobil Group Green Finance Framework aligns to the four core components of the GBP and GLP. For detailed information please refer to Appendix 2: Green Bond/Green Bond Programme External Review Form.

## **Section 2: Sustainability Strategy of Immobil**

### **Contribution of framework to Immobil's sustainability strategy**

In 2020, Immobil developed a strategic plan to improve its sustainability performance. This plan, which is not yet publicly available in full, is based on five objectives: (i) develop healthy buildings – improve health and quality of life, (ii) develop healthy environments – incorporate public space, increase biodiversity, and support more ecological cities, (iii) reduce buildings' environmental impact – water and energy conservation, identify value chain GHG emissions and develop a reduction plan, adopt circular economy solutions, (iv) be a civil and socially responsible real estate player – lead the transition toward sustainable cities and communities and encourage soft mobility, and (v) integrate sustainability in its operations and workplace.<sup>3,7</sup>

In order to advance its sustainability objectives, Immobil aims to develop and construct buildings with good energy performance, nearly zero energy or energy positive buildings, solar panels, and green roofs, among other solutions, including onsite renewable energy generation and energy efficiency maximization feasibility assessments.<sup>8,9</sup> For 2021, Immobil aims to measure and reduce embodied carbon, operational energy consumption of its projects and to increase onsite production of renewable energy.<sup>7</sup> These efforts will be supported by Lifecycle Assessments (LCA) of its large development projects, and 100% green building certification across all major urban developments.<sup>7</sup> Additionally, Immobil selects strategic and central locations for its projects, which aim to encourage use of multi-modal transport hubs.<sup>10</sup>

Furthermore, Immobil strives to conduct in-depth district scans through interviews and a workshop.<sup>7</sup> In doing so, Immobil aims to establish an action plan to create the place meeting the needs of future occupants and users.<sup>7</sup> In the process, the Company collaborates with urban experts, professors and students to conduct environmental analysis.<sup>7</sup>

Sustainalytics is of the opinion that the Immobil Framework is aligned with the company's overall sustainability strategy and initiatives and will further the Company's action on its key environmental priorities. Sustainalytics notes that Immobil is in the process of defining targets for green building development, and

<sup>6</sup> ICMA, "Handbook. Harmonized Framework for Impact Reporting", (2020), at: <https://www.icmagroup.org/assets/documents/Regulatory/Green-Bonds/Handbook-Harmonized-Framework-for-Impact-Reporting-December-2020-151220.pdf>

<sup>7</sup> Immobil's sustainability strategy is not public at time of Second-Party Opinion publishing.

<sup>8</sup> Immobil, "Corporate Social Responsibility", at: <https://www.immobelgroup.com/en/page/695-corporate-social-responsibility>

<sup>9</sup> Non-public documentation shared to Sustainalytics by Immobil.

<sup>10</sup> Immobil, "Commitments", at: <https://www.immobelgroup.com/en/page/14-commitments>

encourages them to publicly release quantitative, time-bound targets on such measures as energy consumption, greenhouse gas emissions, green building certification and more.

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

While Sustainalytics recognizes that the net proceeds from the bonds issued under the Framework will be directed towards eligible projects that are anticipated to have positive environmental and social impacts, Sustainalytics is aware that such eligible projects could also lead to negative environmental and social outcomes. Some key environmental and social risks associated with the eligible projects could include land use and biodiversity, occupational health and safety, and community relations issues associated with large-scale real estate development, as well as emissions, effluents, and waste generated in construction. Sustainalytics is of the opinion that Immobil is able to manage and/or mitigate potential risks through implementation of the following:

- Immobil is compliant with EU Directive 2011/92/EU<sup>11</sup> which requires Environmental Impact Assessments (EIA) for projects associated with significant effects on the environment prior to development with consent being given, ensuring the mitigation of environmental risks relevant with land use changes and infrastructure development.
- In accordance with EU regulation on construction and demolition waste (CDW), Immobil is required to follow the guidelines set out by each of the EU Member States where the Company operates. These regulations are aimed at ensuring waste management is carried out without endangering human health or causing harm to the environment.<sup>12</sup>
- The countries where Immobil operates (Belgium, Grand Duchy of Luxembourg, France, Spain, Germany) are classified as “Designated Countries” by the Equator Principles (EPs), suggesting the existence of strong environmental and social governance systems and institutional capacity designed to protect the local environment and communities.<sup>13</sup>
- In order to address community concerns and to deliver positive impact to communities, Immobil applies co-creation methodologies and performs in-depth analysis of the district and the ongoing government-led place visions and strategies.
- In regard to the occupational health and safety (OHS) risk at construction sites, contractual arrangements between Immobil and building contractors and other relevant stakeholders involved in construction ensure compliance with all applicable rules, regulations and standards including OHS risks.<sup>14</sup>

Based on these policies, standards and assessments, Sustainalytics is of the opinion that Immobil has implemented adequate measures and is well-positioned to manage and mitigate environmental and social risks commonly associated with the eligible categories.

## Section 3: Impact of Use of Proceeds

The use of proceeds category is aligned with those recognized by the GBP and GLP. Sustainalytics has focused on the below where the impact is specifically relevant in the local context.

### Importance of green building projects in the European countries where Immobil operates

The building sector accounts for 40% of energy consumption and 36% of CO<sub>2</sub> emissions in the EU region.<sup>15</sup> Approximately 36% of the EU’s building stock is over 50 years old, and approximately 75% of the EU building stock is considered energy inefficient. According to the European Commission, through the renovation and retrofit of existing buildings, significant energy savings can be achieved, potentially reducing the EU’s total energy consumption by 5-6% and lowering total CO<sub>2</sub> emissions by about 5%.<sup>16</sup> Given this potential, the EU announced, in 2020, the *European Green Deal* which includes a focus on scaling up renovations of buildings in the EU Member States and constructing greener new buildings.<sup>17</sup> Under the building and renovating initiative, the EU notes the need for improved energy performance of buildings through (i) design of buildings

<sup>11</sup> European Commission, “Directive 2011/92/EU of the European Parliament and of the Council of 13 December 2011 on the assessment of the effects of certain public and private projects on the environment Text with EEA relevance”, (2012), at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32011L0092>

<sup>12</sup> EU, “Waste Framework Directive”, (2008), at: <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32008L0098&from=EN>

<sup>13</sup> The Equator Principles, “Designated Countries”, at: <https://equator-principles.com/designated-countries/>

<sup>14</sup> Immobil shared the internal process regarding OH&S.

<sup>15</sup> EC, “Sustainable buildings for Europe’s climate-neutral future”, at: <https://ec.europa.eu/easme/en/news/sustainable-buildings-europe-s-climate-neutral-future>

<sup>16</sup> European Commission, “Document on the energy performance of buildings in the European Union”, at: <https://ec.europa.eu/energy/en/topics/energy-efficiency/energy-performance-of-buildings>

<sup>17</sup> EC, “Building and renovating”, (2019), at: [https://ec.europa.eu/commission/presscorner/detail/en/fs\\_19\\_6725](https://ec.europa.eu/commission/presscorner/detail/en/fs_19_6725)

aligned with the circular economy, (ii) more climate-proofing of buildings, and (iii) strict enforcement of rules on the energy performance of buildings.<sup>17</sup>

Immobel intends to invest in green building projects where the Company operates, specifically Belgium, Grand Duchy of Luxembourg, France, Spain, and Germany. These countries have set national targets and initiatives on their *National Energy and Climate Plans (NECPs)* aligned with the EU's energy and climate targets for 2030 as follows:<sup>18</sup>

- The Federal Government of Belgium emphasizes the importance of advancing energy efficiency while utilizing renewable energy sources. To achieve this transition, a large-scale renovation of the buildings is required. The Government aims to meet a 2040 neutrality target through improved energy efficiency in federal public buildings, and 40% of federal buildings are obliged to meet this target by 2030.<sup>19</sup>
- The Government of the Grand Duchy of Luxembourg aims to achieve an energy efficiency target of 40-44% by 2030 partially through new fossil-free single-purpose and residential buildings. The Government has tightened the energy efficiency regulation on new buildings over the past decade by requiring the nearly zero-energy building standard as compulsory for newly constructed residential building since 2017.<sup>20</sup>
- The Government of France aims to annually renovate 370,000 residential buildings between 2015 and 2030, and end coal and oil used for household heating by 2028. Additionally, the Government plans to apply stricter regulations aimed at increasing energy efficiency and improving the carbon footprint of new buildings by using renewable energy sources and life-cycle analysis of new constructions.<sup>21</sup>
- The Government of Spain aims to renovate 1.2 million residential buildings to improve energy efficiency while annually renovating heating and cooling technical buildings systems of 300,000 residential buildings by 2030.<sup>22</sup>
- The Government of Germany has not set a separate goal for buildings but aims to improve the energy efficiency of buildings as part of a broader energy efficiency initiative by 2030. The Government is committed to achieving a share of renewables of 24-32% in the building sector by 2030.<sup>23</sup>

Based on the above, Sustainalytics recognizes the importance of green building development in Belgium, Grand Duchy of Luxembourg, France, Spain, and Germany, and its impacts on reducing energy consumption and carbon emissions in the countries. Immobel's financing of and investment in green buildings projects is expected to contribute to reducing GHG emissions from the built environment where Immobel operates, thereby facilitating the transit to a decarbonized economy.

#### Alignment with/contribution to SDGs

The Sustainable Development Goals (SDGs) were set in September 2015 by the United Nations General Assembly and form an agenda for achieving sustainable development by the year 2030. The bond(s) and loan(s) issued under the Immobel Group Green Finance Framework advances the following SDGs and targets:

Use of Proceeds Category	SDG	SDG target
Green Buildings	7. Affordable and clean energy	7.3. By 2030, double the global rate of improvement in energy efficiency
	11. Sustainable Cities and Communities	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

<sup>18</sup> EC, "National energy and climate plans (NECPs)", at: [https://ec.europa.eu/energy/topics/energy-strategy/national-energy-climate-plans\\_en](https://ec.europa.eu/energy/topics/energy-strategy/national-energy-climate-plans_en)

<sup>19</sup> Federal Government of Belgium, "Belgian Integrated National Energy and Climate Plan 2021-2030", (2019), at: [https://ec.europa.eu/energy/sites/ener/files/documents/be\\_final\\_necp\\_parta\\_en.pdf](https://ec.europa.eu/energy/sites/ener/files/documents/be_final_necp_parta_en.pdf)

<sup>20</sup> Government of the Grand Duchy of Luxembourg, "Luxembourg's Integrated National Energy and Climate Plan for 2021-2030", at: [https://ec.europa.eu/energy/sites/default/files/documents/lu\\_final\\_necp\\_main\\_en.pdf](https://ec.europa.eu/energy/sites/default/files/documents/lu_final_necp_main_en.pdf)

<sup>21</sup> Government of France, "Integrated National Energy and Climate Plan for France", (2020), at: [https://ec.europa.eu/energy/sites/default/files/documents/fr\\_final\\_necp\\_main\\_en.pdf](https://ec.europa.eu/energy/sites/default/files/documents/fr_final_necp_main_en.pdf)

<sup>22</sup> Government of Spain, "Integrated National Energy and Climate Plan 2021-2030", (2020), at: [https://ec.europa.eu/energy/sites/default/files/documents/es\\_final\\_necp\\_main\\_en.pdf](https://ec.europa.eu/energy/sites/default/files/documents/es_final_necp_main_en.pdf)

<sup>23</sup> Government of Germany, "Integrated National Energy and Climate Plan", (2020), at: [https://ec.europa.eu/energy/sites/default/files/documents/de\\_final\\_necp\\_main\\_en.pdf](https://ec.europa.eu/energy/sites/default/files/documents/de_final_necp_main_en.pdf)

---

## Conclusion



Immobel has developed the Immobel Group Green Finance Framework under which it will issue Green Bonds, Green Private Placements and/or Green (Syndicated) Loans, together known as Green Finance Instruments, and use the proceeds to finance investments in green buildings, energy efficient, and other environmentally friendly assets related to its real estate. Sustainalytics considers that the projects funded by the green bond proceeds are expected to provide positive environmental impact in Belgium, Grand Duchy of Luxembourg, France, Spain, and Germany.

The Immobel Group Green Finance Framework outlines a process by which proceeds will be tracked, allocated, and managed, and commitments have been made for reporting on the allocation and impact of the use of proceeds. Furthermore, Sustainalytics believes that the Immobel Group Green Finance Framework is aligned with the overall sustainability strategy of the company and that the green use of proceeds category will contribute to the advancement of the UN Sustainable Development Goals 7 and 11. Additionally, Sustainalytics is of the opinion that Immobel has adequate measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects funded by the use of proceeds.

Based on the above, Sustainalytics is confident that Immobel is well-positioned to issue Green Finance Instruments and that the Immobel Group Green Finance Framework is robust, transparent, and in alignment with the four core components of the Green Bond Principles 2018 and Green Loan Principles 2020.

## Appendices

### Appendix 1: Certification Schemes for Green Buildings

	<b>BREEAM</b>	<b>HQE</b>
<b>Background</b>	BREEAM (Building Research Establishment Environmental Assessment Method) was first published by the Building Research Establishment (BRE) in 1990. Based in the UK. Used for new, refurbished and extension of existing buildings.	The Haute Qualité Environnementale or HQE (High Quality Environmental standard) is a standard for green building in France, based on the principles of sustainable development first set out at the 1992 Earth Summit. The standard was launched in 2005 and is controlled by HQE and certificate is issued by Cerway/ Certivea/ Cerqual.
<b>Certification levels</b>	Pass Good Very Good Excellent Outstanding	Pass Good Very good Excellent Exceptional
<b>Areas of Assessment</b>	<ul style="list-style-type: none"> <li>• Energy</li> <li>• Land Use and Ecology</li> <li>• Pollution</li> <li>• Transport</li> <li>• Materials</li> <li>• Water</li> <li>• Waste</li> <li>• Health and Wellbeing</li> <li>• Innovation</li> </ul>	<ul style="list-style-type: none"> <li>• Global management system</li> <li>• Energy</li> <li>• Environment (Site, Components, Worksite, Water, Waste, Maintenance)</li> <li>• Comfort (Hydrothermal, Acoustic, Visual, Olfactory)</li> <li>• Health (Spaces quality, Air Quality, Water Quality)</li> </ul>
<b>Requirements</b>	<p>Prerequisites depending on the levels of certification and credits with associated points</p> <p>This number of points is then weighted by item<sup>24</sup> and gives a BREEAM level of certification, which is based on the overall score obtained (expressed as a percentage). Majority of BREEAM issues are flexible, meaning that the client can choose which to comply with to build their BREEAM performance score.</p> <p>BREEAM has two stages/ audit reports: a 'BREEAM Design Stage' and a 'Post Construction Stage', with different assessment criteria.</p>	<p>Prerequisites (independent of level of certification) + Points-based performance level: Performing and High Performing</p> <p>The Prerequisite level is obtained when all the minimum requirements for a target are met, while the Performing and High Performing levels are obtained based on a percentage of points given per target, allowing for flexibility.</p> <p>Based on the total number of stars obtained per area, an overall HQE level is then given.</p> <p>Environmental certificates are assigned at all stages of the building life cycle, and on-site audits are required.</p>
<b>Performance display</b>		
<b>Qualitative Considerations</b>	Used in more than 70 countries: Good adaptation to the local normative context. Predominant environmental focus. BREEAM certification is less strict (less minimum thresholds) than HQE and LEED certifications.	HQE certification has the greatest number of targets concerning individuals. The "Comfort" and "Health" related themes are the most developed in this scheme. The HQE scheme recognises European and international standards (in particular the ISO and ASHRAE standards).

<sup>24</sup> BREEAM weighting: Management 12%, Health and wellbeing 15%, Energy 19%, Transport 8%, Water 6%, Materials 12.5%, Waste 7.5%, Land Use and ecology 10%, Pollution 10% and Innovation 10%. One point scored in the Energy item is therefore worth twice as much in the overall score as one point scored in the Pollution item.



## Appendix 2: Green Bond / Green Bond Programme - External Review Form

### Section 1. Basic Information

Issuer name:	Immobil
Green Bond ISIN or Issuer Green Bond Framework Name, if applicable:	Immobil Group Green Finance Framework
Review provider's name:	Sustainalytics
Completion date of this form:	March 22, 2021
Publication date of review publication:	

### Section 2. Review overview

#### SCOPE OF REVIEW

The following may be used or adapted, where appropriate, to summarise the scope of the review.

The review assessed the following elements and confirmed their alignment with the GBP:

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Use of Proceeds        | <input checked="" type="checkbox"/> Process for Project Evaluation and Selection |
| <input checked="" type="checkbox"/> Management of Proceeds | <input checked="" type="checkbox"/> Reporting                                    |

#### ROLE(S) OF REVIEW PROVIDER

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> Consultancy (incl. 2 <sup>nd</sup> opinion) | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification   | <input type="checkbox"/> Rating        |
| <input type="checkbox"/> Other ( <i>please specify</i> ):                       |  |

Note: In case of multiple reviews / different providers, please provide separate forms for each review.

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

Please refer to Evaluation Summary above.

### Section 3. Detailed review

Reviewers are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.

#### 1. USE OF PROCEEDS

Overall comment on section (*if applicable*):

The eligible category for the use of proceeds, Green Buildings, is aligned with those recognized by the Green Bond Principles 2018 and the Green Loan Principles 2020. Sustainalytics considers that the eligible category will lead to positive environmental impacts and advance the UN Sustainable Development Goals, specifically SDG 7 and 11.

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

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

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

## 2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Overall comment on section (if applicable):

Immobil's internal process in evaluating and selecting projects is managed by a Green Finance Committee (GFC), which is comprised of the Chief Financial Officer, the Group CSR Manager and the Group Legal manager. The GFC has the overall responsibility to oversee the evaluation and selection process against the criteria established in the Framework. Based on these elements, Sustainalytics considers this process to be in line with market practice.

#### Evaluation and selection

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Credentials on the issuer's environmental sustainability objectives            | <input type="checkbox"/> Documented process to determine that projects fit within defined categories               |
| <input checked="" type="checkbox"/> Defined and transparent criteria for projects eligible for Green Bond proceeds | <input type="checkbox"/> Documented process to identify and manage potential ESG risks associated with the project |
| <input checked="" type="checkbox"/> Summary criteria for project evaluation and selection publicly available       | <input type="checkbox"/> Other ( <i>please specify</i> ):  |

#### Information on Responsibilities and Accountability

- |   |  |
|---|--|
| <input type="checkbox"/> Evaluation / Selection criteria subject to external advice or verification | <input type="checkbox"/> In-house assessment |
|---|--|

- Other (please specify):

### 3. MANAGEMENT OF PROCEEDS

Overall comment on section (if applicable):

Immobil's process for management of proceeds is overseen by the Treasury department. The Company will use internal accounting systems to track the allocation of net proceeds from the issuance of GFIs following a portfolio approach. Immobil intends to maintain a level of allocation to eligible assets, which matches or exceeds the total net proceeds of all GFIs outstanding. Immobil will strive to fully allocate the net proceeds of any GFIs within 24 months of the date of issuance. Unallocated proceeds will be held in cash or cash equivalent, in line with Immobil's regular treasury criteria. Based on these elements, Sustainalytics considers this process to be in line with market practice.

#### Tracking of proceeds:

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

#### Additional disclosure:

- |  |   |
|--|---|
| <input type="checkbox"/> Allocations to future investments only                  | <input checked="" type="checkbox"/> Allocations to both existing and future investments |
| <input type="checkbox"/> Allocation to individual disbursements                  | <input type="checkbox"/> Allocation to a portfolio of disbursements                     |
| <input type="checkbox"/> Disclosure of portfolio balance of unallocated proceeds | <input type="checkbox"/> Other (please specify):  |

### 4. REPORTING

Overall comment on section (if applicable):

Immobil is committed to reporting on the allocation of proceeds on its website on an annual basis until full allocation. Reporting will include details such as amount of GFIs outstanding, allocation of net proceeds to eligible assets, share of financing vs. refinancing, amount of unallocated proceeds, and the type of temporary investments. In addition, Immobil will strive on a best effort basis and subject to data availability, to report on relevant impact indicators. Based on these elements, Sustainalytics considers this process to be in line with market practice.

#### Use of proceeds reporting:

- |  |  |
|--|--|
| <input type="checkbox"/> Project-by-project            | <input checked="" type="checkbox"/> On a project portfolio basis |
| <input type="checkbox"/> Linkage to individual bond(s) | <input type="checkbox"/> Other (please specify):                 |

**Information reported:**

- Allocated amounts  Green Bond financed share of total investment
- Other (please specify):

**Frequency:**

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

**Impact reporting:**

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

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

- GHG Emissions / Savings  Energy Savings
- Decrease in water use  Other ESG indicators (please specify):
- An overview of Eligible Assets and their environmental classification
- Energy intensity of the Eligible Assets (in kWh/m<sup>2</sup>)
- The % of renewable energy (RE) generated on site (specifying the relevant RE form) and in case of refurbishments the % of energy use reduced/avoided vs baseline

**Frequency**

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

**Means of Disclosure**

- Information published in financial report  Information published in sustainability report
- Information published in ad hoc documents  Other (please specify): Company website
- Reporting reviewed (if yes, please specify which parts of the reporting are subject to external review):

Where appropriate, please specify name and date of publication in the useful links section.

**USEFUL LINKS** (e.g. to review provider methodology or credentials, to issuer's documentation, etc.)

---

<https://www.immobelgroup.com/en/>

**SPECIFY OTHER EXTERNAL REVIEWS AVAILABLE, IF APPROPRIATE**

**Type(s) of Review provided:**

- |  |  |
|--|--|
| <input type="checkbox"/> Consultancy (incl. 2 <sup>nd</sup> opinion) | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification / Audit                        | <input type="checkbox"/> Rating        |
| <input type="checkbox"/> Other ( <i>please specify</i> ):            |  |

**Review provider(s):**

**Date of publication:**

**ABOUT ROLE(S) OF INDEPENDENT REVIEW PROVIDERS AS DEFINED BY THE GBP**

- i. **Second-Party Opinion:** An institution with environmental expertise, that is independent from the issuer may issue a Second-Party Opinion. The institution should be independent from the issuer's adviser for its Green Bond framework, or appropriate procedures, such as information barriers, will have been implemented within the institution to ensure the independence of the Second-Party Opinion. It normally entails an assessment of the alignment with the Green Bond Principles. In particular, it can include an assessment of the issuer's overarching objectives, strategy, policy and/or processes relating to environmental sustainability, and an evaluation of the environmental features of the type of projects intended for the Use of Proceeds.
- ii. **Verification:** An issuer can obtain independent verification against a designated set of criteria, typically pertaining to business processes and/or environmental criteria. Verification may focus on alignment with internal or external standards or claims made by the issuer. Also, evaluation of the environmentally sustainable features of underlying assets may be termed verification and may reference external criteria. Assurance or attestation regarding an issuer's internal tracking method for use of proceeds, allocation of funds from Green Bond proceeds, statement of environmental impact or alignment of reporting with the GBP, may also be termed verification.
- iii. **Certification:** An issuer can have its Green Bond or associated Green Bond framework or Use of Proceeds certified against a recognised external green standard or label. A standard or label defines specific criteria, and alignment with such criteria is normally tested by qualified, accredited third parties, which may verify consistency with the certification criteria.
- iv. **Green Bond Scoring/Rating:** An issuer can have its Green Bond, associated Green Bond framework or a key feature such as Use of Proceeds evaluated or assessed by qualified third parties, such as specialised research providers or rating agencies, according to an established scoring/rating methodology. The output may include a focus on environmental performance data, the process relative to the GBP, or another benchmark, such as a 2-degree climate change scenario. Such scoring/rating is distinct from credit ratings, which may nonetheless reflect material environmental risks.

## Disclaimer

**Copyright ©2021 Sustainalytics. All rights reserved.**

The information, methodologies and opinions contained or reflected herein are proprietary of Sustainalytics and/or its third party suppliers (Third Party Data), and may be made available to third parties only in the form and format disclosed by Sustainalytics, or provided that appropriate citation and acknowledgement is ensured. They are provided for informational purposes only and (1) do not constitute an endorsement of any product or project; (2) do not constitute investment advice, financial advice or a prospectus; (3) cannot be interpreted as an offer or indication to buy or sell securities, to select a project or make any kind of business transactions; (4) do not represent an assessment of the issuer's economic performance, financial obligations nor of its creditworthiness; and/or (5) have not and cannot be incorporated into any offering disclosure.

These are based on information made available by the issuer and therefore are not warranted as to their merchantability, completeness, accuracy, up-to-dateness or fitness for a particular purpose. The information and data are provided "as is" and reflect Sustainalytics' opinion at the date of their elaboration and publication. Sustainalytics accepts no liability for damage arising from the use of the information, data or opinions contained herein, in any manner whatsoever, except where explicitly required by law. Any reference to third party names or Third Party Data is for appropriate acknowledgement of their ownership and does not constitute a sponsorship or endorsement by such owner. A list of our third-party data providers and their respective terms of use is available on our website. For more information, visit <http://www.sustainalytics.com/legal-disclaimers>.

The issuer is fully responsible for certifying and ensuring the compliance with its commitments, for their implementation and monitoring.

In case of discrepancies between the English language and translated versions, the English language version shall prevail.

## About Sustainalytics, a Morningstar Company

Sustainalytics, a Morningstar Company, is a leading ESG research, ratings and data firm that supports investors around the world with the development and implementation of responsible investment strategies. The firm works with hundreds of the world's leading asset managers and pension funds who incorporate ESG and corporate governance information and assessments into their investment processes. The world's foremost issuers, from multinational corporations to financial institutions to governments, also rely on Sustainalytics for credible second-party opinions on green, social and sustainable bond frameworks. In 2020, Climate Bonds Initiative named Sustainalytics the "Largest Approved Verifier for Certified Climate Bonds" for the third consecutive year. The firm was also recognized by Environmental Finance as the "Largest External Reviewer" in 2020 for the second consecutive year. For more information, visit [www.sustainalytics.com](http://www.sustainalytics.com).



**Named**  
2015: Best SRI or Green Bond Research or Rating Firm  
2017, 2018, 2019: Most Impressive Second Opinion Provider

