



WHEN TRUST MATTERS



GOLDEN TREE CO., LTD GREEN BOND FRAMEWORK SECOND PARTY OPINION

Document title: Second Party Opinion on Golden Tree Co., Ltd's Green Bond

Prepared by: DNV Business Assurance Australia Ltd.

Location: Sydney, Australia; Bangkok, Thailand

Date: 02 June 2022

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Disclaimer

Our assessment relies on the premise that the data and information provided by the client to us as part of our review procedures have been provided in good faith. Because of the selected nature (sampling) and other inherent limitation of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected. Limited depth of evidence gathering including inquiry and analytical procedures and limited sampling at lower levels in the organization were applied as per scope of work. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Statement.

Statement of Competence and Independence

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021:2011 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We have complied with the DNV Code of Conduct¹ during the assessment and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV was not involved in the preparation of statements or data included in the Framework except for this Statement. DNV maintains complete impartiality toward stakeholders interviewed during the assessment process.

¹ DNV Code of Conduct is available from DNV website (www.dnv.com)

DNV'S INDEPENDENT ASSESSMENT

Scope and Objectives

Golden Tree Co., Ltd ("GT", or the "Issuer", or "the "Company") owns VTrust Tower, a 12-story building located in the center of Phnom Penh, Cambodia. GT provides office space with structure and security controls. Construction of VTrust Tower was fully completed in September 2015, and business operations began in late 2015.

The occupancy rate reached to 92% in mid-2019, which was the highest rate among similar office space-renting businesses. Due to the coronavirus disease (COVID-19) pandemic, current occupancy rate is 84%. Currently, VTrust Tower houses bank, insurance, and multinational companies with sectorial diversity.

GT will issue a green bond (the "Green Bond") to raise funds to finance the improvement cost, refinance a bank loan for existing green building and finance new green building businesses. In line with this green bond issuance, it will be the first green bond to support the development of positive impact bonds in Cambodia.

GT has prepared this Green Bond Framework (the "Framework") for the issuance of the Green Bond. GT aspires to comply with the ("Principles"):

- ASEAN Green Bond Standards ("ASEAN GBS") from the ASEAN Capital Markets Forum ("ACMF"); and
- Green Bond Principles ("GBP") June 2021 from the International Capital Market Association ("ICMA"),

Alignment of the Green Bond with the Principles is presented in the Framework through the following key pillars:

1. Use of Proceeds
2. Process for Project Evaluation and Selection
3. Management of Proceeds
4. Reporting

Responsibilities of the Management of GT and DNV

The management of GT has provided the information and data used by DNV during the delivery of this review. Our statement represents an independent opinion and is intended to inform GT management and other interested stakeholders in the Framework as to whether the Framework is aligned with Principles. In our work, we have relied on the information and the facts presented to us by GT. DNV is not responsible for any aspect of the nominated assets referred to in this opinion and cannot be held liable if estimates, findings, opinions, or conclusions are incorrect. Thus, DNV shall not be held liable if any of the information or data provided by GT's management and used as a basis for this assessment were not correct or complete.

Basis of DNV's opinion

We have adapted our assessment methodology to create the GT-specific Eligibility Assessment Protocol (henceforth referred to as "Protocol"). Our Protocol includes a set of suitable criteria that can be used to underpin DNV's opinion.

As per our Protocol, the criteria against which the Framework has been reviewed are grouped under the four core components:

1. Use of Proceeds

The Use of Proceeds criteria are guided by the requirement that an issuer of a bond/a borrower of a loan must use the funds raised to finance eligible activities. The eligible activities should produce clear environmental benefits.

2. Process for Project Evaluation and Selection

The Project Evaluation and Selection criteria are guided by the requirements that an issuer of a bond/a borrower of a loan should outline the process it follows when determining eligibility of an investment using Green Bond/Loan proceeds, and outline any impact objectives it will consider.

3. Management of Proceeds

The Management of Proceeds criteria are guided by the requirements that a bond or loan should be tracked within the organization, that separate portfolios should be created when necessary and that a declaration of how unallocated funds will be handled.

4. Reporting

The Reporting criteria are guided by the recommendation that at least annual reporting should be made of the use of proceeds and that quantitative and/or qualitative performance indicators should be used, where feasible.

No assurance is provided regarding the financial performance of instruments issued via the Framework, the value of any investments, or the long-term environmental benefits of the transaction. Our objective has been to provide an assessment that the Framework has met the criteria established on the basis set out below.

Work Undertaken

Our work constituted a high-level review of the available information, based on the understanding that this information was provided to us by GT in good faith. We have not performed an audit or other tests to check the veracity of the information provided to us. The work undertaken to form our opinion included:

- Creation of a Protocol, adapted to the purpose of the Framework, as described above and in Schedule 3 to this Assessment;
- Assessment of documentary evidence provided by GT on the Framework and supplemented by a high-level desktop research. These checks refer to current assessment best practices and standards methodology;
- Review of published materials by GT and the website of GT and, where relevant, parent organisations;
- Discussions with GT's management, and review of relevant documentation and evidence related to the criteria of the Protocol; and
- Documentation of findings against each element of the criteria. Our opinion as detailed below is a summary of these findings.

Findings and DNV's Opinion

DNV's findings are listed below:

1. Use of Proceeds

GT intends to use the proceeds from the Green Bonds issued under the Framework to finance or refinance eligible green assets as identified by the Principles.

The Framework defines the following eligible project categories.

Eligible Green Project Categories

- Green Buildings
- Energy Efficiency
- Sustainable water and wastewater management
- Pollution Prevention and Control

DNV undertook an analysis of the associated project type to determine the eligibility as "Green" and in line with the Principles. DNV concludes that the eligible categories outlined in the Framework are consistent with the categories outlined in the Principles.

2. Process for Project Evaluation and Selection

GT has stated its commitment to conducting business with social and environmental responsibility. GT has also provided a figure mapping its 'Business Direction' the United Nations Sustainable Development Goals ("UN SDGs").

GT will appoint a Green Bond Working Committee (the "Committee") to oversee the implementation of this Framework. The Committee will consist of members across different departments such as Operation, Finance, and Legal. The Committee will identify projects that satisfy the Eligible Green Projects criteria.

DNV concludes that GT's Framework appropriately describes the process of project evaluation and selection.

3. Management of Proceeds

The net proceeds from a green bond will be deposited to GT's separate bank account for allocation to Eligible Green Projects in accordance with the Framework. This allows for the estimation of the proportion of proceeds used for financing and refinancing.

DNV has reviewed the evidence presented and can confirm that the proceeds arising from the future issuances will be appropriately managed.

4. Reporting

GT will prepare a report annually as long as the offering remains outstanding. The reports will include allocation reporting and impact reporting.

The reports will be provided alongside this Framework on GT's website (www.golden-tree.services)².

On the basis of the information provided by GT and the work undertaken, it is DNV's opinion that the Framework meets the criteria established in the Protocol and that it is aligned with the stated definition of Green Financing Instruments within the Principles, which is to "enable capital-raising and investment for new and existing projects with environmental benefits".

² Note: website may be transferred to www.goldentree.com.kh domain to meet Cambodian government directives.



for DNV Business Assurance Australia Pty Ltd.

Sydney, NSW, Australia 02 June 2022
Bangkok, Thailand, 02 June 2022

Mark Robinson
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Schedule 1. Description of Categories to be financed or refinanced through GT's Green Financing Transactions

Eligible Green Project Categories	Description	DNV Findings
Green buildings	<p>Existing and/or new buildings that meet recognized standards, such as</p> <ul style="list-style-type: none"> • LEED (Gold or above); • EDGE (Certified or above); • DGNB (Silver, Gold, Platinum); • BREEAM (Very Good, Excellent, Outstanding); or • Belonging to the top 15% of low carbon buildings in their respective category and local context. 	<p>DNV finds that the criteria and project types are eligible projects according to the Principles.</p>
Energy efficiency	<p>Purchase and installation of products or technologies that reduce energy consumption in office buildings and facilities, such as improved lighting technology (LED, other energy efficient lighting), cool roof and other sustainability-oriented construction materials, Smart meters, energy storage.</p>	<p>DNV finds that the criteria and project types are eligible projects according to the Principles.</p>
Sustainable water and wastewater management	<p>Purchase and installation of products or technologies that reduce water consumption in office buildings as well as wastewater management system, for example grey water treatment systems .</p>	<p>DNV finds that the criteria and project types are eligible projects according to the Principles.</p>
Pollution Prevention and Control	<p>Purchase recycling facilities for commercial buildings and for installation of systems and/or equipment that aims to mitigate pollution such as dust, noise and water during construction and/or operation of building.</p>	<p>DNV finds that the criteria and project types are eligible projects according to the Principles.</p>

Schedule 2. Contributions to UN SDGs

Eligible Project Categories	UN SDGs	DNV Findings
Green buildings	<ul style="list-style-type: none"> • SDG 11. C Support least developed countries, including through financial and technical assistance, in building sustainable and resilient buildings utilizing local materials 	<p>DNV is of the opinion that eligible category outlined in the Framework contributes to the achievement of the UN SDGs.</p>
Energy efficiency	<ul style="list-style-type: none"> • SDG 7.3 By 2030, double the global rate of improvement in energy efficiency • SDG 9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities 	<p>DNV is of the opinion that eligible category outlined in the Framework contributes to the achievement of the UN SDGs.</p>
Sustainable water and wastewater management	<ul style="list-style-type: none"> • SDG 6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally • SDG 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 	<p>DNV is of the opinion that eligible category outlined in the Framework contributes to the achievement of the UN SDGs.</p>
Pollution Prevention and Control	<ul style="list-style-type: none"> • SDG 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 • SDG 12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse 	<p>DNV is of the opinion that eligible category outlined in the Framework contributes to the achievement of the UN SDGs.</p>

Schedule 3. Eligibility Assessment Protocol

1. Use of Proceeds

Ref.	Criteria	Requirements	DNV Findings
1a	Type of bond / loan	<p>The Bond/Loan must fall in one of the following categories, as defined by the Green Bond Principles:</p> <ul style="list-style-type: none"> Green Use of Proceeds Bond Green Use of Proceeds Revenue Bond Green Project Bond Green Securitized Bond Loan instrument made available for Green project (Green use of proceeds loan) 	<p>The Framework states that Green Bonds contribute to positive environmental impacts.</p> <div style="border: 1px solid black; padding: 5px;"> <p>From the Framework <i>An amount equal to the net proceeds of green bonds (“Net Proceeds”) issued under the GT Green Bond Framework will be used to finance and/or refinance, in part or in full, new and/or existing Eligible Green Projects Categories (the “Eligible Green Projects”).</i></p> </div> <p>The reviewed evidence confirms that the Green Bonds fall in the category: Green Use of Proceeds Bond/Loan.</p>
1b	Green Project Categories	<p>The cornerstones of Green Bond and Loan are the utilization of the proceeds of the bond and the loan which should be appropriately described in the legal documentation for the security.</p>	<p>Eligible project categories presented by GT are as follows:</p> <ul style="list-style-type: none"> Green Buildings Energy Efficiency Sustainable water and wastewater management Pollution Prevention and Control <p>The above-mentioned project categories meet the eligible Green Project Categories in Principles.</p>
1c	Environmental benefits	<p>All designated Green Project categories should provide clear environmentally sustainable benefits, which, where feasible, will be quantified or assessed by the Issuer.</p>	<p>Environmental benefits are noted to include:</p> <ul style="list-style-type: none"> Improved energy efficiency. Infrastructure upgrade infrastructure to make more sustainable Increase water-use efficiency Reduce emissions to air and municipal waste
1d	Refinancing Share	<p>In the event that a proportion of the proceeds may be used for refinancing, it is recommended that issuers provide an estimate of the share of financing vs. re-financing, and where appropriate, also clarify which investments or project portfolios may be refinanced.</p>	<p>The Framework indicates that, proceeds will only be used for financing and refinancing of investments in the eligible categories.</p>

2. Process for Project Selection and Evaluation

Ref.	Criteria	Requirements	DNV Findings
2a	Investment-decision process	<p>The Issuer of a Green Bond and Loan should outline the decision-making process it follows to determine the eligibility of projects using Green Bond and Loan proceeds. This includes, without limitation:</p> <ul style="list-style-type: none"> • The environmental objectives of the eligible Green Projects; • The process by which the issuer determines how the projects fit within the eligible Green Projects categories; and • Complementary information on processes by which the issuer identifies and manages perceived environmental and social risks associated with the relevant project(s). 	<p>The Framework states that Evaluation and Selection ensures that the net proceeds of the Green Bonds are allocated to projects that meet the eligibility criteria.</p> <p>From the Framework</p> <p><i>GT recognizes the important role building owner can play in fostering the efficient use of resources and respecting our environment. Our mission is to implement buildings with high standards of efficiency and compliance with cutting-edge environmental standards. We have strong commitment to achieve our sustainable goal by improving our existing commercial building to become a green building and continue to build future new green buildings for Cambodian market which will create a benchmark for green building in Cambodia and change the way how the commercial building market operates.</i></p> <p>GT will appoint a Green Bond Working Committee to oversee the implementation of this Framework. This Committee will consist of members across different departments such as Operation, Finance, and Legal. The Committee will identify projects that satisfy the Eligible Green Projects criteria set forth in the “Use of Proceeds” section. Projects identified will be brought to GT’s Board of Directors for final approval.</p>
2b	Issuer / borrower’s environmental and governance framework	<p>Issuers are also encouraged to:</p> <ul style="list-style-type: none"> • Position the relevant information within the context of the issuer’s overarching objectives, strategy, policy and/or processes relating to environmental sustainability. • Provide information, if relevant, on the alignment of projects with official or market-based taxonomies, related eligibility criteria • Have a process in place to identify mitigants to known material risks of negative environmental and/or social impacts from the relevant project(s). 	<p>GT has stated that it recognizes the important role a building owner can play in fostering the efficient use of resources and respecting our environment.</p> <p>From the Framework</p> <p><i>We [GT] have a strong commitment to achieve our sustainable goal by improving our existing commercial building to become a green building and continue to build future new green buildings for Cambodian market which will create a benchmark for green building in Cambodia and change the way how the commercial building market operates.</i></p>

3. Management of Proceeds

Ref.	Criteria	Requirements	DNV Findings
3a	Allocation	<ul style="list-style-type: none"> (Bond) The net proceeds of Green Bonds should be credited to a sub-account, moved to a sub- portfolio or otherwise tracked by the Issuer in an appropriate manner and attested to by a formal internal process that will be linked to the Issuer's lending and investment operations for Green Projects. (Loan) The proceeds of Green Loans should be credited to a dedicated account or otherwise tracked by the borrower in an appropriate manner, so as to maintain transparency and promote the integrity of the product. Where a green loan takes the form of one or more tranches of a loan facility, each green tranche(s) must be clearly designated, with proceeds of the green tranche(s) credited to a separate account or tracked by the borrower in an appropriate manner. 	<p>The evidence reviewed shows how GT plans to manage the Green Bond proceeds.</p> <p>From the Framework</p> <p><i>The net proceeds from a green bond will be deposited to GT's separate bank account for allocation to Eligible Green Projects in accordance with the Framework. This allows for the estimation of the proportion of proceeds used for financing and refinancing. Net proceeds may be used for investments associated with Eligible Green Projects made by GT within 24 months following the issuance of a Green Bond. Net proceeds of a Green Bond issuance may be utilized, in part or in full, for repayment of GT's credit facilities related to Eligible Green Projects with a maximum look-back period of 36 months.</i></p>
3b	Tracking procedure	So long as the Green Bond are outstanding, the balance of the tracked proceeds should be periodically reduced by amounts matching eligible green investments or loan disbursements made during that period.	<p>The related tracking procedures are in place in the Framework as follows:</p> <p>From the Framework</p> <p><i>The net proceeds from a green bond will be deposited to GT's separate bank account for allocation to Eligible Green Projects in accordance with the Framework. This allows for the estimation of the proportion of proceeds used for financing and refinancing. Net proceeds may be used for investments associated with Eligible Green Projects made by GT within 24 months following the issuance of a Green Bond. Net proceeds of a Green Bond issuance may be utilized, in part or in full, for repayment of GT's credit facilities related to Eligible Green Projects with a maximum look-back period of 36 months.</i></p>
3c	Temporary holdings	Pending such investments or disbursements to eligible Green Projects, the Issuer should make known to investors the intended types of temporary investment instruments for the balance of unallocated proceeds.	<p>The Framework explains the treatment of unallocated funds.</p> <p>From the Framework</p> <p><i>GT will temporarily invest the balance of unallocated proceeds in cash or cash equivalent instruments in accordance with its normal treasury processes, pending the allocation of any proceeds. Unallocated proceeds will not be invested in the Framework's excluded categories. All relevant information regarding the issuance of Green Bonds and the Eligible Green Projects financed will be kept in a Green Bond Register managed by the Finance department. GT's internal records will show the allocation of the net</i></p>

			<p>proceeds of the relevant offering to Eligible Green Projects as long as the offering remains outstanding. Payment of principal and interest on any Green Bonds will be made from general funds and will not be directly linked to the performance on any Eligible Green Projects.</p>
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4. Reporting

Ref.	Criteria	Requirements	DNV Findings
4a	Periodical reporting	<ul style="list-style-type: none"> Issuers should make, and keep, readily available up to date information on the use of proceeds to be renewed annually until full allocation, and on a timely basis in case of material developments. The annual report should include a list of the projects to which Green Bond proceeds have been allocated, as well as a brief description of the projects, the amounts allocated, and their expected impact. Where confidentiality agreements, competitive considerations, or a large number of underlying projects limit the amount of detail that can be made available, the GBP recommend that information is presented in generic terms or on an aggregated portfolio basis (e.g. percentage allocated to certain project categories). 	<p>GT has confirmed to disclose the allocation of the net proceeds, as well as impacts, of the Green Bonds.</p> <p>From the Framework <i>GT will prepare a report annually as long as the offering remains outstanding. The reports will include allocation reporting and impact reporting. The reports will be provided alongside this Framework on GT's website (www.golden-tree.services).</i></p> <p>The Framework explains the proposed Allocation Reporting.</p> <p>From the Framework <i>Proceeds will be reported on a portfolio basis with specifics on selected projects, assets, and expenditures. Key information such as list of eligible projects, assets, and expenditures that have been financed or refinanced using green bonds, as well as the amount allocated to these projects will be reported.</i></p> <p>The Framework also provides examples of indicators and Metrics used in Impact Reporting:</p> <p>From the Framework <i>For each Eligible Green Project Category, GT will endeavor to report on green outcomes based on:</i></p> <ul style="list-style-type: none"> <i>i. Green buildings – type of certifications and number of buildings with floor space in each type.</i> <i>ii. Energy efficiency- annual energy savings in KWh.</i> <i>iii. Sustainable water and wastewater management- annual water savings in M3.</i> <i>iv. Pollution Prevention and Control- annual reduction in waste/ Project specific targets and results</i>

Schedule 4. Green Bonds External Review Form

Section 1. Basic Information

Issuer name:

Golden Tree Co., Ltd. ("GT")

Green Bond ISIN or Issuer Framework Name, if applicable:

GT Green Bond Framework, May 2022

Independent External Review provider's name:

DNV Business Assurance Australia Pty Ltd.

Completion date of this form:

02 June 2022

Publication date of review publication:

02 June 2022

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, GLP and ASEAN GBS:

- | | |
|--|--|
| <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 INDEPENDENT EXTERNAL REVIEW PROVIDER

- | | |
|---|---|
| <input checked="" type="checkbox"/> Second Party Opinion | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification | <input type="checkbox"/> Scoring/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)

On the basis of the information provided by GT and the work undertaken, it is DNV's opinion that the GT's Green Bond Framework meets the criteria established in the Protocol and are aligned with the stated definition of Green Bonds within the Principles.

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):

GT intends to use the proceeds of the Green Bonds issued under the Framework to finance or refinance, in whole or in part, new or existing Eligible Green Project Categories. DNV concludes that the GT Green Bond Framework is aligned with the Principles.

Use of proceeds categories as per GBP:

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

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

Use of proceeds categories as per ASEAN GBS:

- | | |
|---|---|
| <input type="checkbox"/> Renewable Energy | <input type="checkbox"/> Clean transportation |
| <input checked="" type="checkbox"/> Energy Efficiency | <input checked="" type="checkbox"/> Sustainable water and waste water management |
| <input type="checkbox"/> Pollution prevention and control | <input type="checkbox"/> Climate change adaptation |
| <input type="checkbox"/> Environmentally sustainable management of living natural resources and land use; | <input type="checkbox"/> Eco-efficient and/or circular economy adapted products, production technologies and processes |
| <input type="checkbox"/> Terrestrial and aquatic biodiversity conservation | <input checked="" type="checkbox"/> Green buildings which meet regional, national or internationally recognised standards or certifications |

2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Overall comment on section (if applicable):
 The proceeds will be allocated to finance and refinance the assets as defined in Schedule 1. DNV reviewed the Framework which describes the process through which projects are evaluated and selected. DNV can confirm the proceeds of the Green Bonds go through an internal process for evaluation and selection.

Evaluation and selection

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

Information on Responsibilities and Accountability

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

3. MANAGEMENT OF PROCEEDS

Overall comment on section (if applicable):
 The Framework states that the net proceeds from the issuance of GT’s Green Bonds will be deposited to GT’s separate bank account for allocation to Eligible Green Projects in accordance with the Framework.

Tracking of proceeds:

- Green Bond/Loan 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:

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

4. REPORTING

Overall comment on section *(if applicable)*: The Framework states that net proceeds of any GT financing instrument issuance under the Framework will be managed using a portfolio approach by the Green Bond Working Group and would be allocated as follows to Eligible Green Projects.

Use of proceeds reporting:

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

Information reported:

- Allocated amounts
- Sustainability 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)*:

Frequency:

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

Information reported (expected or ex-post):

- GHG Emissions / Savings
- Energy Savings
- Decrease in water use
- Number of beneficiaries
- Target populations
- Other ESG indicators *(please specify)*:
 - Green buildings – type of certifications and number of buildings with floor space in each type.
 - ii. Energy efficiency- annual energy savings in KWh.

- iii. Sustainable water and wastewater management- annual energy savings in M3.
- iv. Pollution Prevention and Control- annual reduction in waste/ Project specific targets and results

Means of Disclosure

- Information published in financial report
- Information published in sustainability report
- Information published in ad hoc documents
- Other (please specify): Published on 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.)

SPECIFY OTHER EXTERNAL REVIEWS AVAILABLE, IF APPROPRIATE

Type(s) of Review provided:

- Second Party Opinion (GBP, GLP)
- Certification
- Verification (ASEAN GBS)
- Scoring/Rating
- Other (please specify):

Review provider(s):

DNV Business Assurance Australia Pty Ltd.

Date of publication:

02 June 2022

ABOUT ROLE(S) OF REVIEW PROVIDERS AS DEFINED BY THE Principles

- 1. 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 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.
- 2. 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 Principles, may also be termed verification.
- 3. Certification:** An issuer can have its Green Bonds 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.
- 4. Green Bonds Scoring/Rating:** An issuer can have its Green Bonds, 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 Principles, 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.



About DNV

Driven by our purpose of safeguarding life, property and the environment, DNV enables organisations to advance the safety and sustainability of their business. Combining leading technical and operational expertise, risk methodology and in-depth industry knowledge, we empower our customers' decisions and actions with trust and confidence. We continuously invest in research and collaborative innovation to provide customers and society with operational and technological foresight. With our origins stretching back to 1864, our reach today is global. Operating in more than 100 countries, our 16,000 professionals are dedicated to helping customers make the world safer, smarter and greener.

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