

Second-Party Opinion

City of Helsingborg Sustainability Bond Framework



Evaluation Summary

Sustainalytics is of the opinion that the City of Helsingborg Sustainability Bond Framework is credible and impactful and aligns with the Sustainability Bond Guidelines 2021, Green Bond Principles 2021, and Social Bond Principles 2021. This assessment is based on the following:



USE OF PROCEEDS The eligible categories for the use of proceeds – Renewable Energy, Energy Efficiency, Green Buildings, Clean Transportation, Pollution Prevention & Control, Sustainable Water and Wastewater Management, Environmentally sustainable management of living natural resources and land use, and Access to Essential Services – are aligned with those recognized by the Green Bond Principles and Social Bond Principles. Sustainalytics considers that investments in the eligible categories will lead to positive environmental or social impacts and advance the UN Sustainable Development Goals, specifically SDGs 4, 6, 7, 9, 11 and 15.



PROJECT EVALUATION / SELECTION The City of Helsingborg’s internal process for evaluating and selecting projects is managed by the Sustainable Finance Committee, comprising representatives from Treasury and Sustainability Department. Considering the presence of a governance structure with representation from cross-divisional participation and adequate regulations and plans for environmental and social risk mitigation in place, Sustainalytics considers the project selection process in line with market practice.



MANAGEMENT OF PROCEEDS The City of Helsingborg’s process for management of proceeds is managed by the Treasury department. The Treasury will be responsible for overseeing the allocation and tracking of proceeds to eligible projects. Sustainalytics considers market expectation to reach full allocation within 36 months, and notes that the City of Helsingborg intends to allocate as soon as feasible within the lifetime of the bond. Pending allocation, unallocated proceeds will be held in cash or cash equivalents. This is in line with market practice.



REPORTING The City of Helsingborg intends to report on allocation and impact of proceeds on its website on an annual basis until full allocation. Allocation reporting will include allocated amount, proportion of spending by eligible project category, share of financing versus refinancing, a selection of project examples and list of eligible projects. Sustainalytics views the City of Helsingborg’s allocation and impact reporting as aligned with market practice.

Evaluation date	September 3, 2022
Issuer Location	Helsingborg, Sweden

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Introduction

The City of Helsingborg (“Helsingborg”, the “City” or the ‘Issuer’) is located in the south of Sweden, with more than 150,000 inhabitants. It is the eighth largest municipality in Sweden.

Helsingborg has developed the City of Helsingborg Sustainability Bond Framework (the “Framework”) under which it intends to issue green, social and sustainability bonds and use the proceeds to finance or refinance, in whole or in part, existing or future projects that support its environmental and social goals of transitioning to a low-carbon, climate smart and socially inclusive society. The Framework defines eligibility criteria in eight areas:

1. Renewable Energy
2. Energy Efficiency
3. Green Buildings
4. Clean Transportation
5. Pollution Prevention & Control
6. Sustainable Water and Wastewater Management
7. Environmentally sustainable management of living natural resources and land use
8. Access to Essential Services

Helsingborg engaged Sustainalytics to review the City of Helsingborg Sustainability Bond Framework, dated September 2022, and provide a Second-Party Opinion on the Framework’s environmental and social credentials and its alignment with the Sustainability Bond Guidelines 2021 (SBG), Green Bond Principles 2021 (GBP), and Social Bond Principles 2021 (SBP).¹ This Framework will be published in a separate document.²

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

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

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

- The Framework’s alignment with the Sustainability Bond Guidelines 2021, Green Bond Principles 2021, and Social Bond Principles 2021, as administered by ICMA;
- The credibility and anticipated positive impacts of the use of proceeds; and
- The alignment of the Issuer’s sustainability strategy and performance and sustainability risk management in relation to the use of proceeds.

For the use of proceeds assessment, Sustainalytics relied on its internal taxonomy, version 1.11.4, 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 the City of Helsingborg’s steering bodies and municipality owned companies to understand the sustainability impact of their processes and planned use of proceeds, as well as management of proceeds and reporting aspects of the Framework. Helsingborg’s representatives have confirmed (1) they understand it is the sole responsibility of the City 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.

¹ The Sustainability Bond Guidelines, Green Bond Principles, and Social Bond Principles are administered by the International Capital Market Association and are available at <https://www.icmagroup.org/green-social-and-sustainability-bonds/sustainability-bond-guidelines-sbg/>

² The City of Helsingborg Sustainability Bond Framework is available on the City of Helsingborg’s website at: www.helsingborg.se

³ When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not the least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics’ hallmarks is integrity, another is transparency.

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

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 projects expected to be financed with bond proceeds but does not measure the actual impact. The measurement and reporting of the impact achieved through projects financed under the Framework is the responsibility of the Framework owner. Upon twenty-four (24) months following the evaluation date set stated herein, Helsingborg is encouraged to update the Framework, if necessary, and seek an update to the Second-Party Opinion to ensure ongoing alignment of the Framework with market standards and expectations.

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

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

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the City of Helsingborg Sustainability Bond Framework

Sustainalytics is of the opinion that the City of Helsingborg Sustainability Bond Framework is credible, impactful and aligns with the four core components of the GBP and SBP. Sustainalytics highlights the following elements of Helsingborg's Sustainability Bond Framework:

- Use of Proceeds:
 - The eligible categories – Renewable Energy, Energy Efficiency, Green Buildings, Clean Transportation, Pollution Prevention & Control, Sustainable Water and Wastewater Management, Environmentally Sustainable Management of Living Natural Resources and Land Use and Access to Essential Services – are aligned with those recognized by the GBP and SBP. Sustainalytics is of the opinion that the bonds issued under the Framework are expected to facilitate a shift to a low-carbon economy and bring positive socioeconomic impacts in Helsingborg.
 - Under the Renewable Energy category, Helsingborg may finance or refinance the installation, acquisition, expansion and upgrades or modifications of renewable energy generation facilities including solar, wind and bioenergy as well as infrastructure for biomass production and the transmission of renewable energy dedicated to connecting renewables to the power grid. Additional expenditures under this category include district heating and cooling systems, cogeneration and waste to energy facilities. Sustainalytics notes the following:
 - For investment in concentrated solar power plants, the City of Helsingborg has confirmed to Sustainalytics that at least 85% of electricity generated from the facility will be derived from solar energy resources.
 - For bioenergy, the City of Helsingborg may finance the production of biofuel, biochar and biomass such as biofuel, pre-treatment, biorefinery and pyrolysis facilities. The City of Helsingborg has confirmed to Sustainalytics that feedstock for bioenergy projects will include forestry residues, non-waste feedstock certified under the Sustainable Biomass Program (SBP) and garden waste for pyrolysis facilities. The City of Helsingborg has confirmed to Sustainalytics that installations for biofuels production meet the greenhouse gas savings threshold of 65% relative to the fossil fuel comparator set out in Annex V to Directive (EU) 2018/2001. For electricity generation, the Issuer has confirmed that financing will be limited to facilities with life-cycle emissions intensity below 100 gCO₂e/kWh.
 - Investment in cogeneration plants powered by biomass where non-waste biomass includes wood pellets certified under the Sustainable Biomass Program (SBP). The

- Issuer has confirmed that the life-cycle GHG emissions intensity of these plants will be below 100 gCO₂e/kWh.
- Combined heat and power plants financed under the Framework will produce electricity and heat from non-operational landfill gas. Sustainalytics notes that landfill gas capture for energy generation is one of the key waste management strategies for reducing methane emissions from landfills with no gas capture and from open dumps. Sustainalytics recommends the City of Helsingborg to monitor and report on gas capture efficiency in order to estimate the overall benefits to be achieved over the gas generation lifetime of the facility (approx. 150 years).
 - Waste-to-energy projects from municipal solid waste where majority of recyclables are separated prior to incineration. Sustainalytics recognizes that energy from waste could take out of circulation potentially recyclable materials and undermine the objectives of achieving a zero-waste circular economy, i.e. waste prevention and recycling. Additionally, in order to have low emissions intensity of such projects, the composition of residual waste, particularly fossil carbon content, is a crucial consideration. However, Sustainalytics also notes that, due to current constraints of recycling in many parts of the world, energy from waste can offer better residual waste management option than landfills in many cases. Sustainalytics recommends the City of Helsingborg to promote the removal of increasing amounts of recyclables, especially plastics and metals, and the monitoring of thermal efficiency of the financed facilities.
 - The financing of district heating and cooling distribution networks will be limited to those that are powered by renewable energy or waste heat.⁴
 - Sustainalytics considers the expenditures in this category as aligned with market practice.
- Under the Energy Efficiency category, the City of Helsingborg may finance activities aimed at improving the stability of electricity systems, infrastructure for fibre optic networks, Internet of Things (IoT) solutions for increased energy efficiency, energy efficient equipment such as LED lights rated in the highest two populated classes of energy efficiency and the digitization and automatization of port infrastructure. The City of Helsingborg has confirmed to Sustainalytics the exclusion of energy-efficient technologies designed or intended for processes that are inherently carbon intensive, primarily driven or powered by fossil fuels. Sustainalytics notes the following:
- Intended examples for projects aimed at improving electricity system stability include energy storage connected to renewables, interactive energy and power monitoring systems, smart distribution systems and smart metering. The Framework allows for allocation to smart grid investments. Despite the variety of definitions and applications of smart grid technology, Sustainalytics views positively investments that are designed to improve grid efficiency and encourages the City of Helsingborg to select projects that are clearly anticipated to deliver tangible efficiency improvements. Furthermore, the Issuer has also confirmed the exclusion of smart gas meters designed for natural gas-powered equipment.
 - Network modernization projects will include the financing of infrastructure for the modernization of the City of Helsingborg's broadband network to fibre optic from copper-based network to increase connectivity within Helsingborg and reduce the energy demand of existing networks.
 - IoT solutions financed under the Framework include the placement of sensors aimed at enabling the municipality and companies to collect and measure data on air quality motions, humidity, temperature overall contributing to the establishment of climate and energy efficient solutions. Examples of such solutions include sensor-based smart watering systems dedicated to reducing water use, leakage sensors in gutters, and need adapted cleaning solutions in residential buildings aimed at reducing water usage. Sustainalytics considers these expenditures to be aligned with market practices and encourages the City of Helsingborg to report on estimated or achieved energy and resource efficiency gains, where feasible. The expenditures may also include wireless network for Internet of Things (IoT). The primary goal of these IoT projects would be to place sensors for collection of data to enable the development of building energy efficient solutions for the municipality.
 - Financing towards software-based terminal operating system aimed to decrease handling time and increase energy efficiency by 30%. Such ICT activities will focus on digitalization and automation initiatives to enhance the energy efficiency in port

⁴ Sustainalytics notes the exclusion of projects with waste heat from fossil fuel production and operation.

- terminals, shorter port-stay durations leading to reduced emissions. Sustainalytics recognizes that infrastructure investments for ICT systems support the optimization of transport use, duration or distance in many cases, thus holds potential to reduce fuel consumption and associated GHG emissions. However, Sustainalytics encourages the City of Helsingborg to prioritize financing of projects that incentivize and support the use of low-carbon vehicles and ships.
- Under the Green Buildings category, Helsingborg intends to finance the establishment, acquisition, expansion and upgrade of residential buildings that have (i) received or expected to achieve an EPC label of B and above or (ii) residential and non-residential buildings that have or expected to achieve an energy performance at least 25% lower than the national building regulation requirement⁵. When relying on criteria (ii) the City of Helsingborg has confirmed to Sustainalytics that the financed buildings' net primary energy demand (PED) will be at least 10% lower than the PED resulting from the local nearly zero-energy buildings (NZEB) requirements. In addition to these criteria, the City of Helsingborg will select buildings that also have a maximum building materials CO₂e of 270 kg/m² BTA as per the climate declarations during construction and upon completion or a 40% lower total climate impact than compared to a business-as-usual building project.
 - Within the Clean Transportation category, the City of Helsingborg may finance the construction, acquisition, expansion, or upgrades of fossil fuel free transportation systems for land transport, port infrastructure and infrastructure for active mobility such as walking and cycling lanes. Sustainalytics notes the following examples and eligibility criteria:
 - Intended land-based transportation assets include fully electric buses, heavy vehicles, scooters and passenger cars, as well as supporting infrastructure such as electric charging stations and terminals for electric buses. The City of Helsingborg has confirmed to Sustainalytics the exclusion of freight trucks dedicated to the transport of fossil fuels.
 - For water-based transport, the City of Helsingborg intends to finance charging points and energy storage to support charging of electric vessels and to provide shore power facilities to vessels. The City has further confirmed that the energy storage facilities are connected to renewable sources and do not include bunkering of any fossil fuels. Sustainalytics notes that while the installation of electric charging stations will support the use of electric vessels, such infrastructure will also be supporting vessels with diesel-fueled auxiliary engines. While noting this, Sustainalytics recognizes the positive impact of electric infrastructure in ports in reducing GHG emissions and improving air quality.
 - The City of Helsingborg may also invest in port infrastructure projects to reduce risks of flooding through raising ground level and the expansion or elongation of the quays. The Issuer has confirmed that it will conduct a vulnerability assessment to assess the realized climate impacts and potential climate risks and will prepare an adaptation plan for addressing such risks.
 - Sustainalytics considers the expenditures to be aligned with market practice.
 - Under the pollution prevention and control category, the City of Helsingborg may finance the development and improvement of recycling facilities and waste treatment plants excluding e-waste. The financing may also include carbon, capture and transport projects applied to waste to energy plants and the transportation of CO₂ for permanent storage from the waste to energy facilities.
 - The Issuer has confirmed that pollution prevention activities and carbon capture solutions will not be designed and applied for processes and industries that are inherently carbon-intensive or hard-to-abate and will not be powered by fossil fuels.
 - Sustainalytics notes that the Framework includes projects involving chemical recycling of plastic waste along with physical recycling. Sustainalytics considers the financing of chemical recycling due to its high carbon footprint relative to mechanical recycling as more suitable for transition finance and encourages the City to prioritize investments in chemical recycling facilities with low carbon footprint and report on the emissions intensity of the financed facilities.
 - Under the Sustainable Water Management category, Helsingborg may finance wastewater treatment facilities, leak detection systems, technologies that increase water-use efficiency and technologies for the protection of freshwater sources to secure groundwater levels and to prevent the discharging of pollutants into water and land. The Issuer has confirmed the exclusion of wastewater treatment from fossil fuel operations and the installation of equipment

⁵ The earliest version of national regulation applicable is BFS 2017:5 BBR 25

- and methods dependent on fossil-fuels. Sustainalytics considers the expenditures to be aligned with market practice.
- Under Environmentally sustainable management of living natural resources and land use category, the City of Helsingborg may finance projects to support biodiversity preservation and greening public spaces in Helsingborg. Projects may include expanding urban green spaces and national recreational areas such as gardens and parks, wetland creation and restoration of new nature reserve areas. The Issuer further confirmed that plant and tree species used for afforestation or reforestation will be native or well adapted to local conditions. Sustainalytics recognizes the potential of projects that support the biological conservation of urban spaces, wetland and nature reserve areas to provide positive environmental impact and considers the criteria to be aligned with market practice.
 - Under the Access to Essential Services category, Helsingborg may finance the construction, acquisition, expansion, or upgrades of the following facilities:
 - Housing adapted for persons with physical or mental disabilities or nursing homes for elderly people. The City of Helsingborg confirmed that such services and facilities will be made available irrespective of the recipients' ability to pay. Sustainalytics considers this to be aligned with market practice.
 - Sport facilities and culture facilities such as public gyms or training centers, ice rinks, theatres, libraries and similar projects for socio-economically vulnerable population as defined by the Swedish Police. Sustainalytics notes that subsidized rate is provided to individuals who earn equal to or less than the living wage and people with disabilities to ensure such facilities' accessibility. Sustainalytics considers such financing to be aligned with market practice.
 - Education facilities including day care centers, pre-primary education, primary and secondary schools, upper secondary schools, higher education campuses and education centers as well as education hardware for socio-economically vulnerable population as defined by the Swedish Police. The City confirmed that such services and facilities will be made available irrespective of the recipients' ability to pay. Sustainalytics considers this to be aligned with market practice.
 - Project Evaluation and Selection:
 - Helsingborg's Sustainable Finance Committee, comprising of representatives from Treasury and Sustainability Department will be responsible for the evaluation and selection of eligible projects as per the criteria defined in the Framework.
 - Helsingborg has adopted internal policies and procedures to address environmental and social risks associated with projects being financed. For additional details, refer to Section 2.
 - Based on a governance structure with representation from cross-divisional participation and adequate regulations and plans in place to mitigate environmental and social risks, Sustainalytics considers this process to be in line with market practice.
 - Management of Proceeds:
 - Helsingborg's Treasury department will be responsible for overseeing the allocation and tracking of proceeds to eligible projects using a sustainable asset register. The eligibility of the projects will be re-assessed annually by the Treasury team.
 - Sustainalytics considers market expectation to reach full allocation within 36 months, and notes that the City of Helsingborg intends to allocate as soon as feasible within the lifetime of the bond. Pending full allocation, net proceeds will be temporarily invested in cash or cash equivalents. The City of Helsingborg has confirmed to Sustainalytics that financing will be limited to capex and therefore, has not defined a look-back period for its refinancing.
 - Based on these elements, Sustainalytics considers this process to be in line with market practice.
 - Reporting:
 - Helsingborg intends to report on the allocation and impact of proceeds on its website annually until full allocation.
 - Allocation reporting will include the proportion of spending by eligible projects category, proportion of financed and refinanced projects, a selection of project examples, a list of eligible projects financed through Helsingborg's sustainability bond including a description of projects and allocation amount.
 - Impact reporting is expected to be based on category-level quantitative impact metrics including renewable energy generation (MWh), total installed renewable energy capacity (MW), GHG emissions avoided per year, annual energy savings (MWh) etc. For a full list of impact metrics, please refer to Appendix 1.
 - Based on the commitment to allocation and impact reporting, Sustainalytics considers this process to be in line with market practice.

Alignment with Sustainability Bond Guidelines 2021

Sustainalytics has determined that the City of Helsingborg Sustainability Bond Framework aligns with the four core components of the GBP and SBP. For detailed information please refer to Appendix 1: Sustainability Bond/ Sustainability Bond Programme External Review Form.

Section 2: Sustainability Strategy of Helsingborg

Contribution of Framework to the City of Helsingborg's sustainability strategy

Helsingborg has established a comprehensive sustainability policy package titled "The Quality of Life Programme 2016-2024", which demonstrates a city-wide commitment to enhance social, ecological and economic sustainability.⁶ In line with this vision, Helsingborg has committed to achieve net zero GHG emissions by 2030 and aims to reduce CO₂ emissions from road traffic by 80% by 2030 compared to 2010 level.⁷ Additionally, the port of Helsingborg is planned to have fossil free operations by 2024.⁸ The City has also developed a goal to have solar power account for 10% of Helsingborg's electricity by 2035.⁹

Among Helsingborg's various environmental initiatives, the Solar Park association has installed solar panels on old landfill sites, making it possible for anyone in Sweden to purchase a share; so far, the association has sold 1,800 shares nationwide, producing over 500,000 kWh annually.¹⁰ For wastewater treatment, Helsingborg has implemented the "Three Pipes Sewer System" in the Oceanhamnen area to enable increased recovery of biogas, potable water and clean nutrients and reduce harmful emissions.¹¹ On the social front, the City is promoting better access to public services, improved health and living conditions, and equal opportunities for socially and economically vulnerable people under the Quality of Life Programme.¹² The City has built its first affordable housing project with smart solutions for seniors under the SilviaBo project in Mariastaden in Helsingborg, which aims to develop housing specifically designed to enable safe and comfortable living for seniors, as well as to address their needs at different stages of life with design and technology.¹³

Based on the above, Sustainalytics is of the opinion that the City of Helsingborg Sustainability Bond Framework is aligned with the City's overall sustainability strategy and initiatives and will further the City's action on its key environmental priorities.

Approach to managing environmental and social risks associated with the projects

While Sustainalytics recognizes that the use of proceeds from the Framework will be directed towards eligible projects that are expected to have positive environmental and social impact, 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 occupational health and safety, land use and biodiversity issues associated with large-scale infrastructure development, emissions, effluents and waste generated in construction, and community relations and stakeholder participation.

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

- The Helsingborg Climate and Energy Plan requires investments with a purchase price exceeding SEK 15 million (EUR 1.4 million) to have an impact assessment conducted from an environmental and socio-economic perspective, whose results are later reflected in the financing decisions.¹⁴
- For occupational health and safety, the European Framework Directive on Safety and Health at Work requires employers to take the measures necessary for the safety and health protection of workers,

⁶ The City of Helsingborg, "The Quality of Life Programme", (2016), at: https://helsingborg-se.translate.goog/kommun-och-politik/helsingborg-2035/hallbar-utveckling/helsingborgs-livskvalitetsprogram/?_x_tr_sl=sv&_x_tr_tl=en&_x_tr_hl=sv

⁷ The City of Helsingborg, "Climate and Energy Plan 2018-2024", (2018), at: <https://helsingborg.se/wp-content/uploads/2020/03/helsingborg-climate-and-energy-plan-2018-2024-final.pdf>

⁸ ICLEI, "Helsingborg (Sweden)", at: <https://iclei-europe.org/member-in-the-spotlight/helsingborg/>

⁹ The City of Helsingborg, "Voluntary local review of Helsingborg", (2021), at:

https://sustainabledevelopment.un.org/content/documents/27959Helsingborg_VLR_2021.pdf

¹⁰ Ibid.

¹¹ The City of Helsingborg, "Three pipes out", at: <https://innovation.helsingborg.se/en/initiative/three-rudder-out/>

¹² The City of Helsingborg, "The Quality of Life Programme", (2016), at: https://helsingborg-se.translate.goog/kommun-och-politik/helsingborg-2035/hallbar-utveckling/helsingborgs-livskvalitetsprogram/?_x_tr_sl=sv&_x_tr_tl=en&_x_tr_hl=sv

¹³ The City of Helsingborg, "A home for life", at: <https://h22.se/en/projects/a-home-for-life/>

¹⁴ The City of Helsingborg, "Climate and Energy Plan 2018-2024", (2018), at: <https://helsingborg.se/wp-content/uploads/2020/03/helsingborg-climate-and-energy-plan-2018-2024-final.pdf>

including prevention of occupational risks and provision of information and training.¹⁵ Sweden has implemented the Directive in its national legislation.¹⁶

- For mitigating environmental and social adverse impacts of large-scale projects, projects must comply with the EU's Environmental Impact Assessment Directive (the "EIA Directive") for development projects within the EU. The EIA Directive is aimed at ensuring that projects which are likely to have a significant impact on the environment are adequately assessed before approval. With respect to biodiversity considerations under the EIA Directive, measures must be taken to "avoid, prevent, reduce and, if possible, offset significant adverse effects on the environment, in particular on species and habitats". Concerning land use, the EIA Directive notes that the "EIA shall identify, describe and assess land use related impacts."¹⁷
- Regarding waste management, the City is required to follow the applicable EU guidelines and regulations, such as the EU Construction and Demolition Waste Protocol and Guidelines, the EU Waste Framework Directive,¹⁸ the Waste Electrical and Electronic Equipment Directive¹⁹ and the European Waste Shipment Regulation.²⁰ These regulations aim to ensure that waste management is carried out without endangering human health or causing harm to the environment.²¹
- Regarding community relations, the City is located in Sweden, which is recognized as a Designated Country under the Equator Principles, demonstrating robust environmental and social governance systems, legislation and institutional capacity to mitigate common environment and social risks associated with the projects financed under the Framework.²²

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

All seven use of proceeds categories are aligned with those recognized by GBP or SBP. Sustainalytics has focused on two categories below where the impact is specifically relevant in the local context.

Importance of renewable energy in Helsingborg

Sweden's energy sector is known to have relatively low carbon emissions despite a high energy consumption, as 54% of all the energy produced comes from renewable energy sources.²³ Sweden has a rich supply of biomass, which makes bioenergy as one of the top renewable sources in Sweden and contributes to the country's high share of renewable energy in its energy mix. Furthermore, 17% of all electricity comes from wind power and combined heat and power (CHP) plants mainly powered by biofuels account for around 8% of the electricity output in Sweden.²⁴ Most of Sweden's greenhouse gas emissions come from the transport sector. The Swedish government has a target to reduce transport emissions by 70% from 2010 by 2030 through electrification and advanced biofuels.²⁵ In accordance with the Paris Agreement, Helsingborg has set

¹⁵ Official Journal of the European Communities, "Council Directive of 12 June 1989 on the introduction of measures to encourage improvements in the safety and health of workers at work", (1989), at: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:31989L0391&from=EN>

¹⁶ European Commission, "Evaluation of the practical implementation of the EU occupational safety and health (OSH) directives in EU Member States", (2015), at: <https://ec.europa.eu/social/BlobServlet?docId=16895&langId=en>

¹⁷ European Parliament, "Directive 2014/52/EU on the assessment of the effects of certain public and private projects on the environment", (2014), at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32014L0052>.

¹⁸ EUR-Lex, "Directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008 on waste and repealing certain Directives", at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32008L0098>

¹⁹ EUR-Lex, "Directive 2012/19/EU of the European Parliament and of the Council of 4 July 2012 on waste electrical and electronic equipment (WEEE)", at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32012L0019>

²⁰ EUR-Lex, "Regulation (EC) No 1013/2006 of the European Parliament and of the Council of 14 June 2006 on shipments of waste", at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32006R1013>

²¹ European Union, "Commission Delegated Regulation (EU) 2021/1255", (2021), at: https://eur-lex.europa.eu/legal-content/EN/TXT/?toc=OJ%3AL%3A2021%3A277%3ATOC&uri=uriserv%3AOJ.L_.2021.277.01.0011.01.ENG

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

²³ Flanders Investment & Trade Market Survey, 'The Energy Sector In Sweden' (2020), at:

https://www.flandersinvestmentandtrade.com/export/sites/trade/files/market_studies/2020-Report%20energy%20sector%20Sweden.pdf

²⁴ Sweden Sverige, 'Energy use in Sweden', at: <https://sweden.se/climate/sustainability/energy-use-in-sweden>

²⁵ IEA, 'Sweden', at: <https://www.iea.org/countries/sweden>

targets to achieve net zero GHG emissions by 2035,²⁶ having reduced 52% between 1990 and 2022, compared to 27% reduction in Sweden during the same time period.

Sustainalytics is of the opinion that Helsingborg's investments in renewable energy align with Sweden's decarbonization plan and expects it to contribute to the City's goal of emission reduction.

Importance of Dwellings for Disadvantaged People and Persons with Special Needs

Persons with physical or mental disabilities

Disability disproportionately affects low-income households, and the disabled population increases as the world's population ages. People with functional impairment are more likely to be discriminated against when looking for housing, and more likely to pay high costs for housing, relative to their income.²⁷ Stable housing helps individuals to improve their access to proper health and nutrition, education and employment.²⁸ In Sweden, around 20% of the population lives with a disability,²⁹ while in Helsingborg 8.36% of the population is disabled.³⁰ Sweden's nationwide house price index surged by 10.14% during 2020, up from a year-over-year rise of 3.9% in 2019, with increasing housing costs affecting low-income and disadvantaged individuals the most.³¹ The Swedish Government has developed a disability policy³² which combined with strict accessibility regulations in Sweden's Planning and Building Act and the Planning and Building Ordinance provide people with disabilities with, for example, the option of having their accommodation modified to fit their specific needs, as well as grants from their local municipality.³³ In line with this, Helsingborg intends to use part of the proceeds to improve the accessibility of housing for people with special needs.

Sustainalytics is of the opinion that Helsingborg's investments to improve, support and integrate considerations for people with special needs in housing are expected to help improve the quality and accessibility of housing services in the city.

Elderly care and nursing homes

Approximately 20% of the Swedish population has passed the standard retirement age of 65 and this number is projected to rise to 23% by 2040. Life expectancy in Sweden is among the highest in the world at 81.21 years for men and close to 84.82 years for women. More than 5% of Sweden's population are aged 80 or older.³⁴ In Sweden, elderly care is governed by the Social Services Act³⁵ and is mainly the responsibility of the local municipalities.³⁶ Approximately 13% of Helsingborg's population has passed the standard retirement age of 65,³⁷ with the City's Health and Social Care Department in charge of catering to the needs of the people in this age group.³⁸ Swedish municipalities planning housing for seniors and nursing homes are required to ensure that they meet the needs of elderly people and those with disabilities.³⁹

In this context, Sustainalytics believes that investments under the Framework towards elderly care and nursing homes in Helsingborg are expected to support the City in its mandate to cater to the needs of its growing senior population.

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 bonds issued

²⁶ Helsingborg Sustainability-Linked Bond Framework, at: <https://helsingborg.se/wp-content/uploads/2022/02/helsingborg-sustainability-linked-bond-framework-2021.pdf>

²⁷ NCBI, 'Housing accessibility', at: <https://www.ncbi.nlm.nih.gov/books/NBK535300/>

²⁸ Bridge C. et al., "How does housing assistance affect employment, health and social cohesion?", at: <https://www.ahuri.edu.au/research/research-and-policy-bulletins/87>

²⁹ Wikipedia, 'Disability policy in Sweden', at: https://en.wikipedia.org/wiki/Disability_policy_in_Sweden

³⁰ BDEX, 'Population Size In Helsingborg', at: <https://bdeex.com/naselenie/sweden/helsingborg/>

³¹ Global Property Guide, 'Sweden's house price rises accelerating', at: <https://www.globalpropertyguide.com/Europe/Sweden/Price-History#:~:text=Sweden's%20nationwide%20house%20price%20index,off%2C%20according%20to%20Statistics%20Sweden.>

³² Wikipedia, 'Disability policy in Sweden', at: https://en.wikipedia.org/wiki/Disability_policy_in_Sweden

³³ NCBI, 'Housing accessibility', at: <https://www.ncbi.nlm.nih.gov/books/NBK535300/>

³⁴ Sweden Sverige, 'Elderly care in Sweden', at: <https://sweden.se/life/society/elderly-care-in-sweden>

³⁵ ILO, 'Sweden Social Services Act', at:

https://www.ilo.org/dyn/natlex/natlex4.detail?p_isn=60673#:~:text=Social%20assistance%20and%20services&text=Provides%20for%20regulations%20regarding%20the,active%20participation%20in%20society.

³⁶ Ibid.

³⁷ BDEX, 'Population Size In Helsingborg', at: <https://bdeex.com/naselenie/sweden/helsingborg/>

³⁸ H22, 'Making sure that elderly care is time well spent', at: <https://h22.se/en/projects/making-sure-that-elderly-care-is-time-well-spent/>

³⁹ Ibid.

under the City of Helsingborg Sustainability Bond Framework are expected to help advance the following SDGs and targets:

Use of Proceeds Category	SDG	SDG target
Renewable Energy	7 Affordable and Clean Energy	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix
Energy Efficiency	7 Affordable and Clean Energy	7.3 By 2030, double the global rate of improvement in energy efficiency
Green Buildings	9. Industry, innovation and infrastructure	9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.
Clean Transportation	11 Sustainable Cities and Communities	11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons
Pollution Prevention & Control	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
Sustainable Water and Wastewater Management	6 Clean Water and Sanitation	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 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
Environmentally sustainable management of living natural resources and land use	15. Life on Land	15.a Mobilize and significantly increase financial resources from all sources to conserve and sustainably use biodiversity and ecosystems
Access to Essential Services	11 Sustainable Cities and Communities 4. Quality Education	11.1 Ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums 4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship 4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations

Conclusion

Helsingborg has developed the City of Helsingborg Sustainability Bond Framework under which it may issue sustainability bonds and use the proceeds to finance or refinance eligible projects related to Renewable Energy, Energy Efficiency, Green Buildings, Clean Transportation, Pollution Prevention & Control, Sustainable Water and Wastewater Management, Environmentally Sustainable Management of Living Natural Resources and Land use, and Access to Essential Services. Sustainalytics considers that the projects funded under the Framework are expected to provide positive environmental and social impacts in Helsingborg.

The Framework outlines a process for tracking, allocating and managing proceeds, and make commitments for Helsingborg to report on the allocation and impact of the use of proceeds. Sustainalytics believes that the Framework is aligned with the overall sustainability strategy of the Issuer and that the use of proceeds categories will contribute to the advancement of the UN Sustainable Development Goal 4, 6, 7, 9, 11 and 15. Additionally, Sustainalytics is of the opinion that Helsingborg has adequate measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects.

Based on the above, Sustainalytics is confident that the City of Helsingborg is well-positioned to issue sustainability bonds and that the Framework is robust, transparent, and in alignment with the four core components of the Green Bond Principles 2021 and Social Bond Principles 2021.

Appendix

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

Section 1. Basic Information

Issuer name:	The City of Helsingborg
Sustainability Bond ISIN or Issuer Sustainability Bond Framework Name, if applicable:	City of Helsingborg Sustainability Bond Framework
Review provider's name:	Sustainalytics
Completion date of this form:	September 3, 2022
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 and SBP:

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

ROLE(S) OF REVIEW PROVIDER

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

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

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

Please refer to Evaluation Summary above.

Section 3. Detailed review

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

1. USE OF PROCEEDS

Overall comment on section (*if applicable*):

The eligible categories for the use of proceeds – Renewable Energy, Energy Efficiency, Green Buildings, Clean Transportation, Pollution Prevention & Control, Sustainable Water and Wastewater Management, Environmentally sustainable management of living natural resources and land use, and Access to Essential Services – are aligned with those recognized by the Green Bond Principles and Social Bond Principles. Sustainalytics considers that investments in the eligible categories will lead to positive environmental or social impacts and advance the UN Sustainable Development Goals, specifically SDG 4, 6, 7, 9, 11 and 15.

Use of proceeds categories as per GBP:

- | | |
|--|---|
| <input checked="" type="checkbox"/> Renewable energy | <input checked="" type="checkbox"/> Energy efficiency |
| <input checked="" type="checkbox"/> Pollution prevention and control | <input checked="" type="checkbox"/> Environmentally sustainable management of living natural resources and land use |
| <input type="checkbox"/> Terrestrial and aquatic biodiversity conservation | <input checked="" 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 (please specify): |

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

Use of proceeds categories as per SBP:

- | | |
|---|---|
| <input type="checkbox"/> Affordable basic infrastructure | <input checked="" type="checkbox"/> Access to essential services |
| <input type="checkbox"/> Affordable housing | <input type="checkbox"/> Employment generation (through SME financing and microfinance) |
| <input type="checkbox"/> Food security | <input type="checkbox"/> Socioeconomic advancement and empowerment |
| <input type="checkbox"/> Unknown at issuance but currently expected to conform with SBP categories, or other eligible areas not yet stated in SBP | <input type="checkbox"/> Other (please specify): |

If applicable please specify the social taxonomy, if other than SBP:

2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Overall comment on section (if applicable):

The City of Helsingborg's internal process in evaluating and selecting projects is managed by the Sustainable Finance Committee, comprising representatives from Treasury and Sustainability Department. Based on the governance structure with representation from cross-divisional participation and adequate regulations and plans for environmental and social risk mitigation in place, Sustainalytics considers the project selection process in line with market practice.

Evaluation and selection

- | | |
|--|--|
| <input checked="" type="checkbox"/> Credentials on the issuer's social and green objectives | <input checked="" type="checkbox"/> Documented process to determine that projects fit within defined categories |
| <input type="checkbox"/> Defined and transparent criteria for projects eligible for Sustainability 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 (please specify): |

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 (please specify): | |

3. MANAGEMENT OF PROCEEDS

Overall comment on section (if applicable):

The City of Helsingborg's processes for management of proceeds is managed by the Treasury department. The Treasury will be responsible for overseeing the allocation and tracking of proceeds to eligible projects. Sustainalytics considers market expectation to reach full allocation within 36 months, and notes that the City of Helsingborg intends to allocate as soon as feasible within the lifetime of the bond. Pending allocation, unallocated proceeds will be held in cash or cash equivalents. This is in line with market practice.

Tracking of proceeds:

- | |
|---|
| <input checked="" type="checkbox"/> Sustainability Bond proceeds segregated or tracked by the issuer in an appropriate manner |
| <input checked="" type="checkbox"/> Disclosure of intended types of temporary investment instruments for unallocated proceeds |
| <input type="checkbox"/> Other (please specify): |

Additional disclosure:

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

4. REPORTING

Overall comment on section (if applicable):

The City of Helsingborg intends to report on allocation and impact of proceeds on its website on an annual basis until full allocation. Allocation reporting will include allocated amount, proportion of spending by eligible projects category, share of financing versus refinancing, a selection of project examples and list of eligible projects. Sustainalytics views the City of Helsingborg's allocation and impact reporting as aligned 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:

- | | |
|---|---|
| <input checked="" type="checkbox"/> Allocated amounts | <input type="checkbox"/> Sustainability Bond financed share of total investment |
| <input type="checkbox"/> Other (please specify): | |

Frequency:

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

Impact reporting:

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

Information reported (expected or ex-post):

- | | |
|---|--|
| <input checked="" type="checkbox"/> GHG Emissions / Savings | <input checked="" type="checkbox"/> Energy Savings |
| <input checked="" type="checkbox"/> Decrease in water use | <input type="checkbox"/> Number of beneficiaries |
| <input type="checkbox"/> Target populations | <input checked="" type="checkbox"/> Other ESG indicators (please specify): |

Category	Selected Impact Indicators
Renewable energy	<ul style="list-style-type: none"> • Renewable energy generation (MWh per year) • Installed renewable energy capacity (MW) • Reduced/avoided GHG emissions (tonnes of CO2e per year)
Energy Efficiency	<ul style="list-style-type: none"> • Annual energy reduced/avoided (MWh) • Reduced/avoided GHG emissions (tonnes of CO2e per year) • Infrastructure for Fibre optic networks: Number of connected households/companies • Internet of things : Number of new sensors installed
Green buildings	<ul style="list-style-type: none"> • Buildings with at least EPC B • Annual energy reduced/avoided (MWh) • Reduced/avoided GHG emissions (tonnes of CO2e per year)
Clean Transportation	<ul style="list-style-type: none"> • Number of electric vehicles financed • Number of charging points of electricity installed • Passenger km in new means of low carbon public transport, if applicable • Reduced/avoided GHG emissions (tonnes of CO2e per year) • Physical climate risk addressed and expected adaptation-related outcome (quantified if possible)
Pollution prevention and control	<ul style="list-style-type: none"> • Quantity of waste that is prevented, minimised, reused or recycled before and after project (tonnes or % of total waste per year), if applicable • Reduced/avoided GHG emissions (tonnes of CO2e per year) • Carbon dioxide captured or capacity of CCS plant (tonnes), if applicable
Sustainable water and wastewater management	<ul style="list-style-type: none"> • Water withdrawals or treatment capacity (m3/day or tonnes/day)
Access to essential services	<ul style="list-style-type: none"> • Numbers of projects initiated within housing adapted for special needs • Number of additional available housing for persons with special needs enabled • Numbers of projects initiated within welfare • Additional capacity for sports centres or culture facilities (number of individuals benefitted) • Numbers of projects initiated within education • Additional capacity within education (number of individuals benefitted)

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): published on Helsingborg's 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:**

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

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

- i. Second-Party Opinion: An institution with sustainability expertise that is independent from the issuer may provide a Second-Party Opinion. The institution should be independent from the issuer's adviser for its Sustainability 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 sustainability and an evaluation of the environmental and social 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 sustainability criteria. Verification may focus on alignment with internal or external standards or claims made by the issuer. Also, evaluation of the environmentally or socially 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 Sustainability Bond proceeds, statement of environmental or social impact or alignment of reporting with the Principles may also be termed verification.
- iii. Certification: An issuer can have its Sustainability Bond or associated Sustainability Bond framework or Use of Proceeds certified against a recognised external sustainability 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, Social and Sustainability Bond Scoring/Rating: An issuer can have its Sustainability Bond, associated Sustainability 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 and/or social performance data, 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 sustainability risks.

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