



Second-Party Opinion

DL Invest Group Green Finance Framework

Evaluation Summary

Sustainalytics is of the opinion that the DL Invest Group Green Finance Framework is credible and impactful and aligns with the four core components of the Green Bond Principles 2021 and the Green Loan Principles 2021. This assessment is based on the following:



USE OF PROCEEDS The eligible categories for the use of proceeds Green Buildings, Renewable Energy, Energy Efficiency, Sustainable Water and Wastewater Management, Clean Transportation, are aligned with those recognized by the Green Bond Principles and the Green Loan Principles. Sustainalytics considers that investments in the eligible categories will lead to positive environmental impacts and advance the UN Sustainable Development Goals, specifically SDG 6, 7, 9 and 11.



PROJECT EVALUATION / SELECTION DL Invest Group's internal process in evaluating and selecting projects is assessed by a dedicated Sustainability Committee to ensure alignment with the Framework and provide final approval for projects. The Committee consists of representatives from various departments, including Finance, Operation, Leasing and the Administration and Billing, and the Environmental Protection areas. DL Invest has implemented adequate measures and is well positioned to manage and mitigate environmental and social risks commonly associated with the eligible categories. Sustainalytics considers these processes to be in line with market practice.



MANAGEMENT OF PROCEEDS DL Invest Group's processes for management of proceeds and allocation to the eligible projects are overseen by the Chief Financial Officer under supervision of the President of the Management Board and Supervisory Board. DL Invest intends to fully allocate proceeds within 24 months. Unallocated proceeds will be managed in accordance with DL Invest's liquidity policies. Sustainalytics considers this process to be in line with market practice.



REPORTING DL Invest Group intends to report on allocation of proceeds on its website on an annual basis until full allocation. Allocation reporting will include information on eligible green projects, amount allocated to eligible green projects and the balance of unallocated proceeds. Impact reporting will include qualitative description and relevant impact metrics where feasible. Sustainalytics views DL Invest Group's allocation and impact reporting as aligned with market practice.

Evaluation date	March 31, 2022
Issuer Location	Warsaw, Poland

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Introduction

DL Invest Group (“DL Invest”, or the “Company”) is a Polish property developer and investor operating in the commercial real estate market. Established in 2013 and headquartered in Katowice, the Company holds PLN 2.68 billion in asset value for 2024 and approximately PLN 1.38 billion in investment property value as of 2020. The Company’s portfolio consists of commercial (logistics centres, office centres, and retail parks) properties including more than 2,000,000 sqm of real estate.

DL Invest has developed the DL Invest Group Green Finance Framework (the “Framework”) under which it intends to issue green bonds and loans and use the proceeds to finance and refinance, in whole or in part, existing and future projects that are expected to reduce the carbon footprint of DL Invest’s real estate portfolio, contribute to improving the energy performance of buildings in Poland, and support in the transition of a low-carbon economy. The Framework defines eligibility criteria in five areas:

1. Green Buildings
2. Renewable Energy
3. Energy Efficiency
4. Sustainable Water and Wastewater Management
5. Clean Transportation

DL Invest engaged Sustainalytics to review the DL Invest Group Green Finance Framework, dated March 2022, and provide a Second-Party Opinion on the Framework’s environmental credentials and its alignment with the Green Bond Principles 2021 (GBP)¹ and the Green Loan Principles 2021 (GLP).² This Framework has been/ will be published in a separate document.³

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

Sustainalytics’ Second-Party Opinion reflects Sustainalytics’ independent⁴ opinion on the alignment of the reviewed Framework with the current market standards and the extent to which the eligible project categories are credible and impactful.

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

- The Framework’s alignment with the Green Bond Principles 2021, as administered by ICMA, and the Green Loan Principles 2021, as administered by LMA, APLMA and LSTA;
- 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, 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 DL Invest’s management team to understand the sustainability impact of their business processes and planned use of proceeds, as well as management of proceeds and reporting aspects of the Framework. DL Invest representatives have confirmed (1) they understand it is the sole responsibility of DL Invest 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 Green Bond Principles are administered by the International Capital Market Association and are available at <https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/>.

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

³ The DL Invest Group Green Finance Framework is/will be available on DL Invest Group’s website at: <https://dlinvest.pl/en/dl-green-en/>

⁴ 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 DL Invest.

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 and loan proceeds but does not measure the actual impact. The measurement and reporting of the impact achieved through projects financed under the Framework is the responsibility of the Framework owner. The Second-Party Opinion is valid for issuances aligned with the respective Framework for which the Second-Party Opinion was written for a period of twenty-four (24) months from the evaluation date stated herein.

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

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

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the DL Invest Group Green Finance Framework

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

- Use of Proceeds:
 - The five eligible categories – Green Buildings, Renewable Energy, Energy Efficiency, Sustainable Water and Wastewater Management, Clean Transportation – are aligned with those recognized by the GBP and GLP.
 - Under the Green Buildings category, DL Invest may finance the acquisition and development of commercial buildings including logistics, warehouses and office buildings that meet at least one of the following eligibility criteria:
 - Buildings that have achieved or are expected to achieve third-party certification at the following minimum levels: LEED "Gold"⁵ or BREEAM "Very Good"⁶ for new warehouses, production facilities and refurbished buildings, and LEED "Platinum" or BREEAM "Excellent" for new office buildings. Sustainalytics further notes that DL may finance zero emissions buildings that go well beyond the requirements of the above-mentioned minimum levels of certification.
 - Sustainalytics recognizes that for certain classes of developments, BREEAM Excellent is viewed as best practice. However, Sustainalytics notes that existing logistics buildings face additional challenges to achieve higher performance levels such as Excellent or above, mainly due to lack of data availability for operational buildings. As such, Sustainalytics considers the use of BREEAM Very Good to be aligned with market expectations for existing logistics buildings, and encourages DL Invest to strive for higher levels where feasible.
 - Within the Renewable Energy category, DL Invest intends to invest in renewable energy generation projects, including rooftop and land photovoltaic installations and associated systems to measure the resulting reduction of GHG emissions. DL may further invest in electric heat pumps and renewable energy storage systems under this category,

⁵ LEED certification is a globally recognized symbol of green buildings. More information can be accessed at: <https://www.usgbc.org/leed>

⁶ Standing for Building Research Establishment Assessment Method, BREEAM is a certification for a sustainable built environment. More information can be accessed at: <https://www.breeam.nl/>

- Sustainalytics notes that heat pumps offer an energy-efficient heat transfer alternative to conventional systems. Nevertheless, Sustainalytics recommends DL to exclude financing of heat pumps with high-GWP refrigerant(s), and to promote robust refrigerant leak control, detection and monitoring, while ensuring recovery, reclamation/recycling, or destruction of refrigerants at end of life.
- Under the Energy Efficiency category, DL Invest intends to finance improvements in thermal insulation, ventilation and air conditioner systems, and installation of LED lighting, nontoxic cooling and refrigerating appliances. Sustainalytics considers investments within this category to be in line with market practice.
- Within the Sustainable Waste and Water Management category, DL Invest contemplates investments in rainwater harvesting systems, water leak detection systems, low-consuming sanitary appliances and greywater re-use systems. Sustainalytics considers these activities to be in line with market practice.
- The Clean Transportation category may include public transport infrastructure including public bicycle rental stations and public transport nodes such as bus stops. DL may further finance amenities for cyclists, such as bicycle parking sheds and electric vehicle charging stations.⁷ Sustainalytics considers investments within this category to be in line with market practice.
- Project Evaluation and Selection:
 - DL Invest established a Sustainability Committee (the “Committee”) that will be responsible for identifying and selecting eligible projects to be funded based on the criteria set out in the Green Finance Framework as well as provide final project approval.
 - The Committee consists of the Chief Financial Officer (“CFO”), the Chief Operating Officer, the Leasing Director and the representatives of the Administration and Billing, and the Environmental Protection areas. Following the decisions of the Committee and subject to the approval of the Management and Supervisory Boards, the Company’s CFO manages the Green Portfolio Register to assign projects and investments eligible under the Framework.
 - DL Invest has implemented adequate measures and is well positioned to manage and mitigate environmental and social risks commonly associated with the eligible categories. See Section 2 for further details.
 - Based on the established process for project selection and the presence of risk management processes, Sustainalytics considers these to be in line with market practice.
- Management of Proceeds:
 - Proceeds from the issuance will be tracked and supervised by the Company’s Chief Financial Officer under supervision of the President of the Management Board and Supervisory Board. DL Invest has established a 36-month look-back period for its refinancing. Additionally, the Company intends to fully allocate proceeds within 24 months of each respective issuance.
 - Unallocated proceeds will be managed in accordance with DL Invest’s liquidity policies. The balances will be maintained and stored in separated accounts to cover any proceeds of a Green Bond Issuance that is pending allocation under the projects.
 - Based on the use of a tracking system and disclosure of temporary use of proceeds, Sustainalytics considers this process to be in line with market practice.
- Reporting:
 - DL Invest intends to publish allocation and impact reporting annually until the maturity of the respective issuance on its website.
 - Allocation reporting will include information on the net proceeds raised from each issuance, allocations by category and geographic location of the aggregate amount of net proceeds, and the balance of unallocated proceeds.
 - Impacting reporting will include qualitative description and quantitative performance metrics for all green categories, such as level of environmental certifications, estimation of GHG emissions avoided (tCO₂e), amount of energy saved (MWh/year), number of charging EV stations, volume of rainwater collected, etc.
 - Based on the commitment to allocation and impact reporting, Sustainalytics considers this process to be in line with market practice.

⁷ DL Invest has confirmed that parking lots will not be financed within electric vehicle charging stations.

Alignment with Green Bond Principles 2021 and Green Loan Principles 2021

Sustainalytics has determined that the DL Invest Group Green Finance Framework aligns to the four core components of the GBP and GLP. For detailed information please refer to Appendix 1: Green Bond/Green Bond Programme External Review Form.

Section 2: Sustainability Strategy of DL Invest

Contribution of framework to DL Invest Group's sustainability strategy

DL Invest has developed a sustainability strategy focused on three key areas: (i) environmental preservation, (ii) education and promotion of nature conservation and sustainable development, and (iii) supporting the development of green investments.

The Company aims to enhance the energy efficiency of new buildings through sustainable construction practices and striving to achieve the highest levels of BREEAM certification for all new builds.⁸ In line with DL Invest's commitment to decarbonize its real estate portfolio, the Company has focused on reducing the carbon emissions and energy consumption of its properties.⁹ In order to improve energy efficiency in its existing facilities, DL Invest plans to replace all its lighting with energy-efficient LED lighting in its retail, logistics and office buildings and install rooftop solar PV projects in almost 30 of its facilities.¹⁰ The Company has also implemented its own Environmental and Social corporate due diligence process to address ESG concerns stemming from its investments and has committed to increasing the share of certified green buildings in its portfolio.¹¹

As part of "DL Green" policy, DL Invest collaborates with academics and local communities to educate and promote nature conservation and sustainable development through workshops, educational materials and working with recognized academic centres.¹²

Sustainalytics recognizes DL Invest's commitment to key sustainability principles and environmental initiatives and encourages it to develop a formal sustainability strategy that includes quantifiable and time-bound GHG emission reduction targets to further strengthen its sustainability practices.

Approach to managing environmental and social risks associated with the projects

Sustainalytics recognizes that the net proceeds from the financial instruments issued under the Framework will be directed towards eligible projects that are expected to have positive environmental impact. Nevertheless, 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, waste management and business ethics.

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

- DL Invest complies with its Code of Ethics, which outlines principles with regards to acting with integrity, conducting business in compliance with the law, making ethical business decisions and respecting human rights.¹³
- As part of DL Invest's environmental and social risks management, the Company assesses its environmental and social impacts during its site selection process. The environmental assessment includes site assessments, impacts on biodiversity, groundwater and underground water resources. DL Invest also assesses its potential social implications while selecting the site to invest. The Company communicates with the local authorities to make sure its planned investments will comply with the existing development plan of the commune or city which the investment will take part.

⁸ Additional documentation, "Environmental and Social Corporate Due Diligence DL Invest Group PM S.A.", has been provided by DL Invest to Sustainalytics for review.

⁹ DL Invest, DL Green, at: <https://dlinvest.pl/en/dl-green-en/>

¹⁰ Additional documentation, "Assumptions for environmental changes over a period of 5 years", has been provided by DL Invest to Sustainalytics for review.

¹¹ Additional documentation, "Environmental and Social Corporate Due Diligence DL Invest Group PM S.A.", has been provided by DL Invest to Sustainalytics for review.

¹² DL Invest, "DL Green", at: <https://dlinvest.pl/en/dl-green-en/>

¹³ Additional documentation, "Code of Ethics – DL Invest Group", has been provided by DL Invest to Sustainalytics for review.

Additionally, the Company performs consultations with the local communities to monitor any potential risks which might affect DL Invest during the next phase of the investments.¹⁴

- DL Invest complies with all applicable federal laws, such as the Article 66, the leading Occupational Health and Safety legislation in Poland, which lays out the right to ensure safe and healthy working conditions within the country.¹⁵
- The Company is headquartered in Poland which is recognized as a Designated Country under the Equator Principles, indicating the presence of robust environmental and social governance systems, legislation and institutional capacity to mitigate the common environmental and social risks associated with the eligible asset financed or refinanced under the Framework.¹⁶
- Through the processes of general contracting, DL Invest initiates and manages the various stages of the construction process. In accordance with the EU regulation on construction and demolition waste, DL Invest is required to follow the guidelines set out by each of the Member States that the company operates in. These regulations are aimed at ensuring that waste management is carried out without endangering human health or causing harm to the environment.¹⁷

Based on these policies, standards and assessments, Sustainalytics is of the opinion that DL Invest 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 five use of proceeds categories are aligned with those recognized by the GBP and GLP. Sustainalytics has focused on one below where the impact is specifically relevant in the local context.

Importance of green buildings in Poland

Buildings are a key contributor to emissions and the largest consumer of energy in the EU.¹⁸ The building sector accounts for approximately 40% of the EU's total energy consumption and 36% of its GHG emissions.¹⁹ In the context of Poland, buildings account for 17% of the country's GHG emissions.²⁰ Poland is one of the 20 largest GHG emitters in the world with buildings being one of the primary contributors.²¹ Between 2005 and 2019, Poland reduced its GHG emissions by 12% through setting of targets and implementation of policies focused on decarbonizing different sectors including construction.²² In 2021, Poland adopted the Polish Energy Policy 2040 under which it set a target of connecting all buildings to district heating or low or zero emission sources by 2040.²³ The Polish government is also developing a Long Term Renovation Strategy with an aim to gradually increase the scale of deep building renovations²⁴ by approximately 3% annually.²⁵ In 2014, Poland implemented NZEB requirements for all new buildings and further tightened the primary energy

¹⁴ Additional documentation, "Environmental and Social Corporate Due Diligence DL Invest Group PM S.A." has been provided by DL Invest to Sustainalytics for review.

¹⁵ ILO, "HSE Regulation Database – Poland" at:

https://www.ilo.org/dyn/legosh/en/f?p=14100:1100:0::NO::P1100_ISO_CODE3,P1100_SUBCODE_CODE,P1100_YEAR:POL,2016

¹⁶ Equator Principles, "Designated Countries", (2021), at: <https://equator-principles.com/designated-countries/>

¹⁷ European Commission, "Construction and demolition waste", at: https://ec.europa.eu/environment/topics/waste-and-recycling/construction-and-demolition-waste_en

¹⁸ European Parliament, "Report on maximizing the energy efficiency potential of the EU building stock", (2020), at:

https://www.europarl.europa.eu/doceo/document/A-9-2020-0134_EN.html

¹⁹ European Commission, "Factsheet- Energy Performance of Buildings", (2021), at:

https://ec.europa.eu/commission/presscorner/detail/en/fs_21_6691

²⁰ McKinsey & Company, "Carbon-neutral Poland 2050: Turning a challenge into an opportunity", (2020), at:

<https://www.mckinsey.com/industries/electric-power-and-natural-gas/our-insights/carbon-neutral-poland-2050-turning-a-challenge-into-an-opportunity>

²¹ IMF, "Poland: Staff Concluding Statement of the 2021 Article IV Mission", (2021), at: <https://www.imf.org/en/News/Articles/2021/12/13/poland-staff-concluding-statement-of-the-2021-article-iv-mission>

²² European Environment Agency, "Greenhouse gas emissions from energy use in buildings in Europe", at: <https://www.eea.europa.eu/data-and-maps/indicators/greenhouse-gas-emissions-from-energy/assessment>

²³ Ministry of Climate and Environment, "Energy Policy of Poland until 2040 (EPP2040)", (2021), at: <https://www.gov.pl/web/climate/energy-policy-of-poland-until-2040-epp2040>

²⁴ Deep Renovation or Deep Energy Renovation is a term for a renovation that captures the full economic energy efficiency potential of improvement works, with a main focus on the building shell, of existing buildings that leads to a very high-energy performance.

²⁵ Polish Green Building Council, "Whole life carbon roadmap for Poland", (2021), at: <https://www.worldgbc.org/sites/default/files/Whole-life-carbon-roadmap-for-Poland-2050.pdf>

requirement for all buildings in 2020.²⁶ In 2019, the government also launched other incentives such as the “Clean Air” programme with the aim of replacing heat sources and insulating residential units.²⁷ Under the National Energy and Climate Plan for 2021-2030, Poland has set a target to thermally insulate 70% of the total housing stock in 2030, compared to 56% in 2015.²⁸

Sustainalytics is of the opinion that the green buildings projects are impactful, contributing to a decrease in building energy consumption in Poland and helping the country meet its energy efficiency in buildings target.

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 and loans issued under the DL Invest Group Green Finance Framework advances the following SDGs and targets:

Use of Proceeds Category	SDG	SDG target
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
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
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
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

Conclusion

DL Invest has developed the DL Invest Group Green Finance Framework under which it intends to finance projects related to green buildings, renewable energy, energy efficiency, sustainable water and wastewater management, and clean transportation. Sustainalytics considers that the projects funded by the green bond proceeds are expected to support Poland’s transition to a low-carbon economy and decarbonize DL Invest’s real estate portfolio.

The DL Invest Group Green Finance Framework outlines a process by which proceeds will be tracked, allocated, and managed, and commitments have been made for reporting on the allocation and impact of the use of proceeds. Furthermore, Sustainalytics believes that the DL Invest Group Green Finance Framework is aligned with the overall sustainability strategy of the Company and that the green use of proceeds categories will contribute to the advancement of the UN Sustainable Development Goals 6, 7, 9 and 11. Additionally,

²⁶ Buildings Performance Institute Europe, “Ready for carbon neutral by 2050?”, at: https://www.bpie.eu/wp-content/uploads/2021/12/BPIE_Assessing-NZEB-ambition-levels-across-the-EU_HD.pdf

²⁷ Government of Poland, “Clean Air 2.0” Programme launched”, at: <https://www.gov.pl/web/climate/clean-air-20-programme-launched>

²⁸ Ministry of Energy, “National Energy and Climate Plan for the years 2021-2030”, (2019), at: https://ec.europa.eu/energy/sites/ener/files/documents/poland_draftnecp_en.pdf

Sustainalytics is of the opinion that DL Invest has adequate measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects funded by the proceeds.

Based on the above, Sustainalytics is confident that DL Invest Groups is well-positioned to issue green bonds and that the DL Invest Group Green Finance Framework is robust, transparent and in alignment with the four core components of the Green Bond Principles 2021.

Appendix

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

Section 1. Basic Information

Issuer name:	DL Invest Group
Green Bond ISIN or Issuer Green Bond Framework Name, if applicable:	DL Invest Group Green Finance Framework
Review provider's name:	Sustainalytics
Completion date of this form:	March 30, 2022
Publication date of review publication:	March 30, 2022
Original publication date <i>[please fill this out for updates]:</i>	

Section 2. Review overview

SCOPE OF REVIEW

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

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

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

ROLE(S) OF REVIEW PROVIDER

- | | |
|---|--|
| <input checked="" type="checkbox"/> Consultancy (incl. 2 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 Green Buildings, Renewable Energy, Energy Efficiency, Sustainable Water and Wastewater Management, Clean Transportation, are aligned with those recognized by the Green Bond Principles and the Green Loan Principles. Sustainalytics considers that investments in the eligible categories will lead to positive environmental impacts and advance the UN Sustainable Development Goals, specifically SDG 6, 7, 9 and 11.

Use of proceeds categories as per GBP:

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

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

2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Overall comment on section (*if applicable*):

DL Invest Group's internal process in evaluating and selecting projects is assessed by a dedicated Sustainability Committee to ensure alignment with the Framework and provide final approval for projects. The Committee consists of representatives from various departments, including Finance, Operation, Leasing and the Administration and Billing, and the Environmental Protection areas. DL Invest has implemented adequate measures and is well positioned to manage and mitigate environmental and social risks commonly associated with the eligible categories. Sustainalytics considers these processes to be in line with market practice.

Evaluation and selection

- | | |
|---|--|
| <input type="checkbox"/> Credentials on the issuer's environmental sustainability objectives | <input type="checkbox"/> Documented process to determine that projects fit within defined categories |
| <input 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 type="checkbox"/> Summary criteria for project evaluation and selection publicly available | <input type="checkbox"/> Other (<i>please specify</i>): |

Information on Responsibilities and Accountability

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

3. MANAGEMENT OF PROCEEDS

Overall comment on section (*if applicable*):

DL Invest Group's processes for management of proceeds and allocation to the eligible projects are overseen by the Chief Financial Officer under Supervision of the President of the Management Board and Supervisory Board. DL Invest intends to fully allocate proceeds within 24 months. Unallocated proceeds will be managed in accordance with DL Invest's liquidity policies. Sustainalytics considers this process to be in line with market practice.

Tracking of proceeds:

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

Additional disclosure:

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

4. REPORTING

Overall comment on section (if applicable):

DL Invest Group intends to report on allocation of proceeds on its website on an annual basis until full allocation. Allocation reporting will include information on eligible green projects, amount allocated to eligible green projects and the balance of unallocated proceeds, while impact reporting will include qualitative description and relevant impact metrics where feasible. Sustainalytics views DL Invest Group's allocation and impact reporting as aligned with market practice.

Use of proceeds reporting:

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

Information reported:

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

Frequency:

- Annual
 Semi-annual
 Other (please specify):

Impact reporting:

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

Information reported (expected or ex-post):

- GHG Emissions / Savings
 Energy Savings
 Decrease in water use
 Other ESG indicators (please specify): Number of charging EV stations, volume of rainwater collected, etc.

Frequency

- Annual
 Semi-annual
 Other (please specify):

Means of Disclosure

- Information published in financial report
 Information published in sustainability report

- | | |
|---|--|
| <input type="checkbox"/> Information published in ad hoc documents | <input type="checkbox"/> Other (please specify): Information published in green finance report |
| <input type="checkbox"/> 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 INDEPENDENT REVIEW PROVIDERS AS DEFINED BY THE GBP

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

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