

Second-Party Opinion

LeasePlan Green Finance Framework



Evaluation Summary

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



USE OF PROCEEDS The eligible category for the use of proceeds, Clean Transportation, is recognized by the Green Bond Principles. Sustainalytics considers that the finance/refinance of electric vehicles will lead to positive environmental impacts and advance UN Sustainable Development Goal 11 – Sustainable Cities and Communities.



PROJECT EVALUATION / SELECTION LeasePlan defines eligible projects as its investments which increase the proportion of battery electric vehicles within its fleet. A Corporate Social Responsibility (“CSR”) Steering Committee, with oversight from LeasePlan’s Chief Financial Officer, is responsible for ensuring that eligible projects are selected in accordance with the Framework. This is in line with market practice.



MANAGEMENT OF PROCEEDS LeasePlan’s centralized treasury will manage the proceeds of the green bonds and other green finance instruments using a portfolio approach. The purchase of eligible vehicles is tracked by the company’s internal reporting systems. Unallocated proceeds will be held in cash or short-term investments. Oversight of the allocations will be provided by the CSR Steering Committee on a quarterly basis. This is in line with market practice.



REPORTING LeasePlan will report annually on the allocation of proceeds and impact on its website. Allocation reporting will disclose information such as allocated proceeds, unallocated proceeds, and the amount or percentage of financing versus refinancing, subject to the availability of suitable data. LeasePlan will provide relevant impact metrics on its impact report. This is in line with market practice.

Evaluation date	March 6, 2020
Issuer Location	Amsterdam, The Netherlands

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For inquiries, contact the Sustainable Finance Solutions project team:

Evan Bruner (Amsterdam)
Project Manager
evan.bruner@sustainalytics.com
(+31) 20 205 00 27

Mina Jang (Amsterdam)
Project Support
mina.jang@sustainalytics.com
(+31) 20 205 02 09

Jean-Claude Berthelot (Amsterdam)
Client Relations
Jean-claude.berthelot@sustainalytics.com
(+31) 20 205 00 15

Introduction

LeasePlan Corporation N.V. (“LeasePlan”, “the Company”, or “the Issuer”) is a Car-as-a-Service (“Caas”) provider and the operator of a digital pan-European marketplace for high-quality used vehicles. LeasePlan has operations in over 30 countries and 1.9 million vehicles are currently under management, serving individuals, governments, and companies of all sizes.

LeasePlan has developed the LeasePlan Green Financing Framework (the “Framework”) under which it intends to issue green bonds and other green finance instruments including, but not limited to, private placements, loans and retail deposits. Proceeds will be used to finance and/or refinance, in whole or in part, existing and/or future projects that will invest in the purchase of low-carbon vehicles aimed at increasing the proportion of eligible vehicles within the LeasePlan fleet. The Framework defines eligibility criteria in the following area:

Clean Transportation

LeasePlan engaged Sustainalytics to review the LeasePlan Green Finance Framework, dated March, 2020 and provide a second-party opinion on the Framework’s environmental credentials and its alignment with the Green Bond Principles 2018 (GBP)¹, the Green Loan Principles (GLP)², and the European Union’s (EU) draft taxonomy for sustainable activities.³ Sustainalytics notes that this second party opinion is an update to the opinion provided in February 2019. The Framework has been published in a separate document.⁴

As part of this engagement, Sustainalytics held conversations with various members of LeasePlan’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. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics’ opinion of the LeasePlan Green Finance 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 Markets Association and are available at: https://www.lma.eu.com/application/files/9115/4452/5458/741_LM_Green_Loan_Principles_Booklet_V8.pdf

³ The European Union has proposed a package of measures which aims to standardize the sustainable finance industry and channel investment to environmental sustainable economic activity, at: https://ec.europa.eu/info/publications/sustainable-finance-teg-taxonomy_en

⁴ The LeasePlan Green Finance Framework is available on LeasePlan’s website at: <https://www.leaseplan.com/corporate/investors/debtholder-centre>

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the LeasePlan Green Finance Framework

Summary

Sustainalytics is of the opinion that the LeasePlan Green Finance Framework aligns with the four core components of the Green Bond Principles 2018 and Green Loan Principles 2018. Sustainalytics highlights the following elements of LeasePlan's Green Finance Framework:

- Use of Proceeds:
 - The eligible use of proceeds category – Clean Transportation – is recognized by the Green Bond Principles as a project category with positive environmental benefits, which can contribute to the global transition towards a low carbon economy.
 - LeasePlan will use proceeds to finance battery electric vehicles (BEVs). Sustainalytics positively views promoting the proliferation of clean transportation by financing electric vehicles. Sustainalytics notes that the Framework specifically excludes vehicles that are powered through fossil fuel combustion, ethanol and biofuels, as well as plug-in hybrids. The financing of battery electric powertrain vehicles⁵ is viewed as best practice within the green bond market. For a further discussion on the impact of this category please refer to Section 3.
 - LeasePlan has specified the following exclusionary criteria under the Framework: Conventional Internal Combustion Engines (ICEs), Hybrid Electric including Plug-in Hybrid Electric Vehicles (PHEVs), Liquefied Petroleum Gas (LPG), Compressed Natural Gas (CNG), ethanol and biofuels. Sustainalytics is of the opinion that these exclusionary criteria strengthen the Framework.
 - LeasePlan ensures that the Eligible Project Portfolio will not be older than 24 months preceding the issuance of the inaugural LeasePlan Green Bond issuance.⁶
- Project Evaluation and Selection:
 - A Corporate Social Responsibility (“CSR”) Steering Committee (“Committee”) is responsible for ensuring that the allocation of proceeds is aligned with the Framework eligibility criteria. The Committee has oversight from the Chief Financial Officer, and consists of representatives from CSR, Commerce, Procurement, Human Resources, Investor Relations, Sustainable Finance and LeasePlan Nederland N.V. The Committee will meet at least on a quarterly basis. Sustainalytics considers this process to be aligned with market practice.
- Management of Proceeds:
 - LeasePlan Treasury, which is the centralized funding center for LeasePlan and its subsidiaries, will manage the proceeds of the Green Finance Instruments using a portfolio approach. The funds will be tracked through internal reporting systems. The Head of Sustainable Finance and the CSR Manager will quarterly provide information on allocated and unallocated proceeds to the Committee. Pending full allocation, unallocated proceeds will be held in cash or short-term investments in accordance with LeasePlan Treasury policies. Sustainalytics considers this management of proceeds to be in line with market practice.
- Reporting:
 - LeasePlan commits to providing annual allocation and impact reporting throughout the life of the LeasePlan Green Finance instruments on its website. Allocation reporting discloses information on the allocation of proceeds, including the amount and percentage allocated, the unallocated balance and subject to the availability of suitable data, the amount or percentage of new financing and refinancing.
 - LeasePlan will also, subject to data availability, report on a description of the eligible projects and metrics on impact reporting which will include its weighted average fleet carbon intensity and estimated CO₂ emissions avoided.⁷ This reporting process is in line with market practice.

⁵ The financing and/or refinancing of electric powertrain vehicles is aligned with the EU Technical Expert Group's June 2019 Taxonomy Technical Report as well as the Low Carbon Transportation criteria of the Climate Bond Initiative.

⁶ LeasePlan's inaugural Green Bond was issued in February 2019 and based upon the asset portfolio as at December 2018.

⁷ LeasePlan intends to appoint a technical advisor to advise on the collection and reporting of suitable data.

Alignment with Green Bond Principles 2018 and Green Loan Principles 2018

Sustainalytics has determined that LeasePlan's Green Finance Framework aligns to the four core components of the GBP 2018 and GLP 2018. For detailed information please refer to Appendix 1: Green Bond/Green Bond Programme External Review Form.

Section 2: Sustainability Performance of the Issuer

Contribution of framework to issuer's sustainability strategy

LeasePlan's sustainability strategy is underpinned by a commitment to social and environmental responsibility, within both its business operations as well as its corporate culture. To implement this approach, the Company has identified three key focus areas, each with associated action items:⁸

- **Low emission mobility:** LeasePlan is committed to "taking a leadership role in the transition from internal combustion engines to alternative powertrains."
 - LeasePlan has established a target of net-zero tailpipe emissions from its fleet by 2030. As a roadmap to net zero emissions, LeasePlan articulates the following three-stages: (i) *2017-2020 (Walk the talk)*; increasing EV shares initially in the countries where EV prevails (ii) *2020-2025 (Accelerate)*: EVs are expected to take the most of the share of the new orders in the mature EV markets, while emerging EV markets also shows the potential growth; (iii) *2025-2030 (Net zero)*: leading EV markets are expected to meet net zero emissions in the beginning of the period, followed by the maturing markets.⁹
 - Internally, as a transition to the net-zero target, the Company intends to have 100% electric vehicles in its employee fleet by 2021, aligned with the net zero road map stage one (Walk the talk) in those countries that are ready to allow full battery adoption, followed by the remaining countries with a slower pace based upon local market readiness. At present, almost 90% of the employee fleet in the Netherlands are EVs.⁹
 - The Company also has engaged with organizations such as the World Economic Forum and The Climate Group's EV100 initiative to promote policies in support of this transition.
 - LeasePlan emitted 7.90 million tonnes of CO₂ tailpipe emissions from the total fleet (Scope 3) in 2018. The share of BEVs in the employee fleet across all markets has increased to 8% in 2018 from 1% in 2017.⁹ As of Q4 in 2019, 10% of new orders of LeasePlan were EV (BEV and PHEV excluding USA).¹⁰
- **Contribute to strengthening societal wellbeing:** The Company is undertaking a variety of programmes, both within and external to the organization, intended to promote positive social outcomes. This includes road-safety training for customers and employees, updating its Supplier Code of Conduct,¹¹ and the introduction of an Occupational Health & Safety policy.
- **Reduce overall environmental impact:** LeasePlan commits to "leading by example" to reduce the impact of its own operations, through building-level energy efficiency initiatives, the procurement of renewable energy, waste and water use reduction programs.

LeasePlan plans to align to Global Reporting Initiative (GRI) standards¹² over 2020 for its sustainability reporting. Sustainalytics views positively the principles and commitments of LeasePlan's sustainability strategy. Sustainalytics considers the objectives of the Framework to be aligned with the Company's overall sustainability strategy, especially the pillar of low emission mobility. As such, Sustainalytics believes LeasePlan is well-positioned to issue Green Finance Instruments.

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

While the use of proceeds of LeasePlan's Green Finance Instruments are anticipated to deliver overall environmental benefits, as with any large investment there may be environmental and social risks associated with the projects undertaken. For the deployment of electric vehicles, the most relevant risks include the environmental and social impacts of electric vehicle supply chains, including the sourcing/production of

⁸ LeasePlan, Sustainability, at: <https://www.leaseplan.com/corporate/sustainability>

⁹ LeasePlan, LeasePlan Sustainability Report 2018/2019, at: https://www.leaseplan.com/corporate/~/_media/Files/L/Leaseplan/documents/leaseplan-sustainability-report-2019-v1.pdf

¹⁰ LeasePlan, LeasePlan Press Release Q4 and Full Year 2019 results, at:

https://www.leaseplan.com/corporate/~/_media/Files/L/Leaseplan/documents/news-articles/2020/q4-full-year-results-2019-v1.pdf

¹¹ LeasePlan, Supplier Code of Conduct, at: <https://www.leaseplan.com/corporate/site-services/supplier-code-of-conduct>

¹² GRI, GRI Standards, at: <https://www.globalreporting.org/standards/>

batteries and health & safety risks related to vehicle operations. LeasePlan can mitigate such risks with the following regulations and system:

- LeasePlan complies with the local and international standards.¹³ LeasePlan's Code of Conduct demonstrates the principles of honesty and trust, respect for the law, human rights, and sustainability.¹³
- To specifically address the risks in its supply chain, which for a company in the automotive sector are among the most material risks faced, LeasePlan has implemented several measures. These include a Supplier Code of Conduct, which lays out the expectation that the companies with which LeasePlan works respect local and international and human rights standards, as well as specifically listing actions suppliers must take such as not using forced or compulsory labor, not employing child labor, and recognizing that environmental responsibility is important and support a precautionary approach to environmental protection.¹⁴
- Additionally, the Company has issued a Modern Slavery Statement, reaffirming a commitment "to ensuring that there is no modern slavery or human trafficking in our supply chain."¹⁵ LeasePlan also endorses the United Nations' Universal Declaration of Human Rights and the principles of the International Labour Organisation.¹⁶

Sustainalytics recognizes that some risks related to the use of cars cannot be mitigated by LeasePlan and are instead dependent on customers and other third parties; these include road safety and vehicle end of life management. Nevertheless, LeasePlan is committed to working with partners across the value chain to lower emissions and drive up standards. To support this ambition, the Company became one of the founding partners of the Global Battery Alliance's 'Battery Passport' initiative¹⁷, aimed at aligning stakeholders across the EV battery value chains and ensuring clean and ethical battery production.

Sustainalytics is of the opinion that LeasePlan is well-positioned to address the common environmental and social risks associated with the projects funded by any Green Finance Instruments issued under the Framework.

Section 3: Impact of Use of Proceeds

The use of proceeds category – Clean Transportation – is recognized as impactful by GBP. Sustainalytics discusses below how the impact is specifically relevant in LeasePlan's operational context.

The relevance of clean transportation on a global scale

In 2019, the transportation sector accounted for 24% of direct CO₂ emissions from fuel combustion globally.¹⁸ Passenger and commercial cars are particularly important for LeasePlan, as their business model involves fleet management services worldwide. Even though electric vehicles make up a constantly growing share of total vehicles (over 1 million vehicles in 2015 and 2 million in 2016), fossil fuel-powered cars still dominate the landscape, with over 900 million internal combustion engine passenger vehicles on the road today.¹⁹ According to a report by the International Transport Forum (ITF), the volumes of the transportation sector will experience substantial growth across all its segments, including passenger and commercial cars, by 2050, resulting in potential CO₂ emissions increases of 60% by 2050.²⁰ Moreover, the report also highlights that while the Nationally Determined Contribution of Member States' pledged to the Paris Climate Agreement to achieve CO₂ reduction targets, the measures proposed are not sufficiently adequate for assessing the environmental impact of the transportation sector, and will likely miss their targets if growing emissions from passenger and freight mobility are not addressed.²⁰

Given this context, Sustainalytics favourably views LeasePlan's financing of low-emissions vehicles, which will result in reduced GHG emissions and, in turn, support the achievement of Paris Climate Agreement targets in countries around the world.

¹³ LeasePlan, Code of Conduct, at: <https://www.leaseplan.com/corporate/site-services/code-of-conduct>

¹⁴ LeasePlan, Supplier Code of Conduct, at: <https://www.leaseplan.com/corporate/site-services/supplier-code-of-conduct>

¹⁵ LeasePlan, Modern Slavery Statement, at: <https://www.leaseplan.com/corporate/site-services/modern-slavery-statement>

¹⁶ LeasePlan, Sustainability, at: <https://www.leaseplan.com/corporate/sustainability>

¹⁷ The Global Battery Alliance outlines 10 guiding principles designed to foster the creation of a sustainable battery value chain by 2030: <https://www.weforum.org/global-battery-alliance/home>

¹⁸ IEA, Tracking Transport, (2019), at: <https://www.iea.org/reports/tracking-transport-2019>

¹⁹ Number of passenger cars and commercial vehicles in use worldwide from 2006 to 2015 in (1,000 units);

<https://www.statista.com/statistics/281134/number-of-vehicles-in-use-worldwide/>; International Energy Agency, Global EV Outlook 2017; <https://www.iea.org/publications/freepublications/publication/GlobalEVOutlook2017.pdf>

²⁰ ITF Transport Outlook 2017, (2017), at: <https://www.itf-oecd.org/sites/default/files/docs/transport-co2-paris-climate-agreement-ndcs.pdf>

The importance of electric vehicles for low-emissions mobility

Given the necessity of decarbonising road transportation to meet global climate targets, various technologies have been proposed to replace conventional internal combustion engines. These include vehicles powered by alternative fossil fuels or biofuels, hybrid gas-electric vehicles, and hydrogen fuel cell vehicles, in addition to battery-powered electric vehicles.²¹ While many of these options may provide some environmental benefit when compared to gasoline or diesel powertrains, they are not equivalent in terms of overall emissions, at either the tailpipe or on a lifecycle “wells-to-wheels” basis.

While electric vehicles produce emissions related to both battery manufacturing as well as the generation of electricity, these lifecycle emissions are generally much lower than for hybrid cars, even in regions with carbon intensive grids.²² Furthermore, some models demonstrate that by coordinating battery charging, the amount of new generation capacity required will be limited, even at very high penetration rates.²³ Regarding hydrogen, while it is a clean-burning fuel, the vast majority of current supply is produced from the steam reformation of natural gas, with resulting carbon emissions.²⁴ While some biofuels have low lifecycle carbon emissions, land use change as well as competition with food stocks may pose additional environmental and social risks.²⁵ Considering these factors, Sustainalytics positively views LeasePlan’s focus on battery electric vehicles.

Alignment with/contribution to SDGs

The Sustainable Development Goals (SDGs) were set in September 2015 and form an agenda for achieving sustainable development by the year 2030. Green finance instruments issued under this Framework advance the following SDG goal and targets:

Use of Proceeds Category	SDG	SDG target
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

LeasePlan has developed the LeasePlan Green Finance Framework under which it will issue green bonds and other finance instruments including, but not limited to, private placements, loans and retail deposits and use the proceeds to finance or refinance clean transportation. Sustainalytics believes that the projects funded by the Green Finance Instruments will provide positive environmental impacts across the region. The Framework will directly contribute to the Company’s overall sustainable development strategy and will support the advancement of the SDGs, particularly Goal 11 - Sustainable Cities and Communities. LeasePlan’s approach for project evaluation and selection, management of proceeds, and allocation and impact reporting are aligned with market practice. Additionally, Sustainalytics is of the opinion that LeasePlan has adequate measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects funded by the use of proceeds.

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

²¹ Emissions from Hybrid and Plug-In Electric Vehicles, Alternative Fuels Data Center, https://afdc.energy.gov/vehicles/electric_emissions.html

²² How much CO2 do electric vehicles, hybrids and gasoline vehicles emit?; NEB; accessed February 2019; <https://www.neb-one.gc.ca/nrg/ntgrtd/mrkt/fttrtcl/2018-09-12hwmchcrbndxd-eng.html>

²³ Energy use, cost and CO2 emissions of electric cars, Vliet et al; accessed February 2019; https://www.researchgate.net/publication/229376531_Energy_use_cost_and_CO2_emissions_of_electric_cars

²⁴ The Development of Lifecycle Data for Hydrogen Fuel Production and Delivery; CARB; accessed February 2019; <https://www.arb.ca.gov/research/apr/past/14-318.pdf>

²⁵ Do Biofuels Reduce Greenhouse Gases?, Kevin Bullis, <https://www.technologyreview.com/s/424050/do-biofuels-reduce-greenhouse-gases/>

Appendices

Appendix 1: Green Bond / Green Bond Programme - External Review Form Section 1. Basic Information

Issuer name:	LeasePlan Corporation N.V.
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Green Bond ISIN or Issuer Green Bond Framework Name, if applicable: <i>[specify as appropriate]</i>	LeasePlan Green Finance Framework
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Review provider's name:	Sustainalytics
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Completion date of this form:	March 6, 2020
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Publication date of review publication: <i>[where appropriate, specify if it is an update and add reference to earlier relevant review]</i>	
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Section 2. Review overview

SCOPE OF REVIEW

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

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

- | | |
|--|--|
| <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 use of proceeds category – Clean Transportation – is recognized by the Green Bond Principles as a project category with positive environmental benefits, which can contribute to the global transition towards a low carbon economy. LeasePlan will use proceeds to finance battery electric vehicles (BEVs). Sustainalytics positively views promoting the proliferation of clean transportation by financing electric vehicles. Sustainalytics notes that the Framework specifically excludes vehicles that are powered through fossil fuel combustion, ethanol and biofuels, as well as plug-in hybrids and hybrids.

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 checked="" 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 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:

2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Overall comment on section (if applicable):

LeasePlan defines eligible projects as its investments which increase the proportion of battery electric vehicles within its fleet. A Corporate Social Responsibility (“CSR”) Steering Committee, with oversight from LeasePlan’s Chief Financial Officer, is responsible for ensuring that eligible projects are selected in accordance with the Framework. This is in line with market practice.

LeasePlan Green Finance Framework

Evaluation and selection

- | | |
|--|---|
| <input checked="" type="checkbox"/> Credentials on the issuer's environmental sustainability objectives | <input checked="" type="checkbox"/> Documented process to determine that projects fit within defined categories |
| <input checked="" type="checkbox"/> Defined and transparent criteria for projects eligible for Green Bond proceeds | <input checked="" 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 checked="" type="checkbox"/> Evaluation / Selection criteria subject to external advice or verification | <input type="checkbox"/> In-house assessment |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

3. MANAGEMENT OF PROCEEDS

Overall comment on section (*if applicable*):

LeasePlan's centralized treasury will manage the proceeds of the green bonds and other green finance instruments using a portfolio approach. The purchase of eligible vehicles is tracked by the company's internal reporting systems. Unallocated proceeds will be held in cash or short-term investments. Oversight of the allocations will be provided by the CSR Steering Committee on a quarterly basis. This is 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 checked="" 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 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 checked="" type="checkbox"/> Disclosure of portfolio balance of unallocated proceeds | <input type="checkbox"/> Other (<i>please specify</i>): |

LeasePlan Green Finance Framework

4. REPORTING

Overall comment on section (if applicable):

LeasePlan will report annually on the allocation of proceeds and impact on its website. Allocation reporting will disclose information such as allocated proceeds, unallocated proceeds, and the amount or percentage of financing versus refinancing, subject to the availability of suitable data. LeasePlan will provide relevant impact metrics on its impact report. This is in line with market practice.

Use of proceeds reporting:

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

Information reported:

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

Frequency:

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

Impact 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 (<i>please specify</i>): |

Frequency:

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

Information reported (expected or ex-post):

- | | |
|---|---|
| <input checked="" type="checkbox"/> GHG Emissions / Savings | <input type="checkbox"/> Energy Savings |
| <input type="checkbox"/> Decrease in water use | <input checked="" type="checkbox"/> Other ESG indicators (<i>please specify</i>): Weighted average fleet carbon intensity |

Means of Disclosure

- | | |
|---|--|
| <input type="checkbox"/> Information published in financial report | <input type="checkbox"/> Information published in sustainability report |
| <input type="checkbox"/> Information published in ad hoc documents | <input checked="" type="checkbox"/> Other (<i>please specify</i>): Debt investor documents |
| <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.)

<https://www.leaseplan.com/corporate/investors/debtholder-centre>

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 checked="" type="checkbox"/> Verification / Audit | <input type="checkbox"/> Rating |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

Review provider(s):

Date of publication:

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

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