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Sustainalytics Second Party Opinion

PSI Sustainable SA Sustainable Framework

20 October 2025

Framework owner and location:
PSI Sustainable SA
Luxembourg

Sector: Financial Institution

Overall Assessment

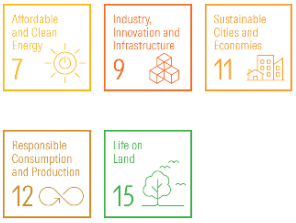
Sustainability Contribution

Principles Alignment

Aligned

Green Bond Principles 2025

Contribution to SDGs



Assessment Summary

PSI Sustainable SA has developed the Sustainable Framework dated October 2025, under which it intends to issue securities (bearer debenture bonds) through compartments[1] to fund projects in seven environmental categories, globally.

We have assessed the overall Sustainability Contribution of the Framework as **Strong**, based on the average Sustainability Contribution of the Framework's seven use of proceeds categories. As per our methodology, we have applied equal weighting across categories.

PSI intends to finance environmental expenditures in Renewable Energy, Clean Transportation, Building Efficiency, Land Use and Marine Resources, Waste and Pollution Control, Information and Communication Technology and Transport Infrastructure and Accessibility.

Investments in solar, wind, hydropower projects along with zero emissions vehicles and associated infrastructure and energy efficient data centres will strongly support the transition to a low carbon economy. Under Waste Pollution and Control, PSI may finance and refinance the construction and improvement of recycling facilities, mechanical recycling of specific materials like plastics, recycling of e-waste, anaerobic digestion of biowaste, and related waste management systems. These investments, though interim in the case of single use plastics, are expected to substantially improve recycling practices, advance circular economy goals, and reduce environmental impacts. PSI will fund the construction and renovation of residential and non-residential buildings that meet global sustainability certifications and achieve 20% improvements in energy efficiencies. Additionally, buildings constructed after 1 January 2024 will not rely on fossil fuels, hence overall these investments are expected to substantially advance sectoral decarbonization. Additionally, PSI will finance certified reforestation and sustainable agriculture projects to enhance biodiversity and ecosystem resilience, though the overall impact of agriculture schemes on soil, chemicals, efficiency and emissions varies. Financing for livestock will prioritize farms with decarbonization targets, supporting the transition to sustainable food systems, though livestock farms remain inherently emissions intensive. Overall, these investments are expected to build resilient forests and strongly promote sustainable farming.

We have assessed the Framework as **Aligned** with the Green Bond Principles 2025.

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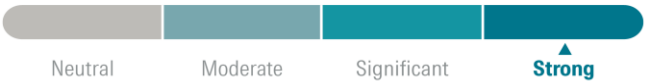
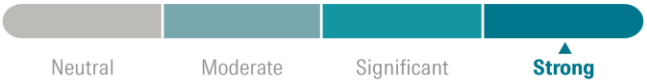
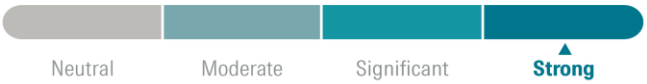
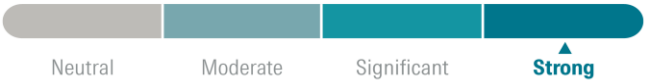
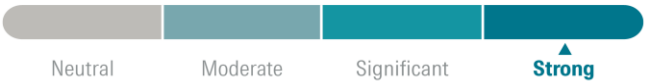
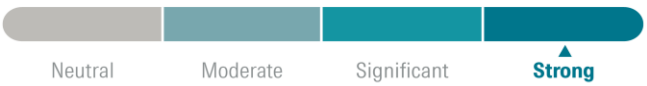
[1] A Compartment is a ring-fenced subdivision of a securitisation vehicle, each constituting a segregated pool of assets and liabilities to which investors have limited recourse. These have no separate legal personality and can be liquidated independently without affecting other compartments or the vehicle.

Breakdown per Use of Proceeds Category

We have assessed the overall Sustainability Contribution of the Framework as Strong based on the average Sustainability Contribution of the Framework's use of proceeds categories. As per our methodology, we have distributed weight equally across categories, as shown below.

Category	Sustainability Contribution Level	Weight
Renewable Energy		14.3%
Clean Transportation		14.3%
Building Efficiency		14.3%
Land Use & Marine Resources		14.3%
Waste and Pollution Control		14.3%
Information & Communication Technology		14.3%
Transport Infrastructure & Accessibility		14.3%

Issuer Overview and Sustainability Strategy

PSI Sustainable SA is a bank-independent and insolvency-protected securitisation platform established under the Luxembourg Securitisation Law of 2004 (as amended). The Company facilitates the issuance of sustainable debt instruments by directing external capital toward green projects. PSI's business model facilitates structuring securitisations with underlying assets linked to impact-driven and eligible green projects.

The Company's issuance of sustainable debt instruments is focussed on projects that promote renewable energy deployment, enable clean and accessible transportation, enhance building efficiency, prevent pollution, restore natural ecosystems and develop energy-efficient data centres.

To complement its issuances, the Company is in the process of establishing a sustainability strategy.

PSI's business governance includes a board of directors that oversees the securitised assets as well as the proceeds from the sustainable issuances. In terms of reporting, while the Company has not financed any green projects thus far, PSI intends to provide and publish regular disclosures regarding their sustainable issuances, allocation towards sustainable projects, description of the assets with the relevant impact metrics along with projects financed and balance of unallocated proceeds to investors and third parties to maintain transparency.

Principles Alignment

We have assessed the PSI Sustainable SA Green Finance Framework as follows:

Green Bond Principles 2025 – **Aligned**

PSI intends to issue bearer debenture bonds through compartments in accordance with the Luxembourg Securitisation Law of 2004 (as amended) under the Framework. Each compartment will finance eligible projects through the provision of loans or through direct investments.

Principles Alignment Detailed Evaluation

Use of Proceeds	**Aligned**

Alignment with core requirements

- The Framework describes eligibility criteria appropriately.
- All expenditures are expected to provide clear environmental benefits.

Additional considerations

- PSI has committed to the following practices, which go beyond the core requirements:
  - PSI has defined a look-back period of 12 months for refinancing activities.

Project Evaluation and Selection	**Aligned**

Alignment with core requirements

- The Framework describes a governance process for the evaluation and selection of eligible projects.
- The Framework communicates the environmental or social sustainability objectives of eligible projects.
- The Framework describes a process to identify and manage perceived environmental and social risks associated with eligible projects.

Additional considerations

- PSI has committed to the following practices, which go beyond the core requirements:
  - The Company describes how eligible projects support its overarching sustainability objectives and strategy.
  - The Company indicates the SDGs to which it expects to contribute through eligible projects.
  - The Framework excludes expenditures related to the following: i) fossil fuel exploration, production, distribution and transportation; ii) nuclear energy, related technologies and uranium mining (except for measures that mitigate environmental hazard in exiting structure); iii) deforestation and forest degradation; iv) production and trade of weapons, tobacco, alcohol, cosmetics involving animal testing; v) gambling and pornography; vi) human rights or labour law violations; and vii) corruption and bribery.

Management of Proceeds	**Aligned**

Alignment with core requirements

- The Framework describes a governance structure for the management of proceeds.
- The Framework describes the processes and systems that will be used to track the proceeds.
- The Framework states that the net proceeds will be allocated immediately upon issuance and hence, it does not describe the intended temporary placement for the balance of unallocated proceeds.

Additional considerations

- Each compartment will be tracked separately and transparently according to the respective terms and conditions.
- The proceeds from each issue will be invested as soon as the cash flow is received by the compartment – the latest being four weeks after the money is credited to the account.

Reporting	**Aligned**

Alignment with core requirements

- PSI will provide an annual allocation report until the full allocation of proceeds and renew it in case of material changes until maturity.

Additional considerations

- PSI has committed to the following practices, which go beyond the core requirements:
  - The Company will report on the qualitative and quantitative impact of projects using relevant metrics, where feasible.
  - The Framework indicates at least one impact metric for each category.
  - The Company will share the allocation and impact reports publicly.

Sustainability Contribution

PSI Sustainable SA intends to use the proceeds from instruments issued under the Framework to finance and refinance global projects, which are expected to have environmental benefits.

We have assessed the overall Sustainability Contribution of the Framework as Strong, based on the average Sustainability Contribution of the Framework's use of proceeds categories. As per our methodology, we have distributed weight equally across categories.

Sustainability Contribution

Sustainability Contribution per Use of Proceeds Category

Renewable Energy

We have assessed the Sustainability Contribution of the Renewable Energy category as **Strong**.

PSI may finance the energy generation from renewable sources, including solar, wind and hydropower. Hydropower facilities are subject to environmental and social impact assessments to ensure that no significant risks or controversies remain unresolved. Together, these investments are critical to achieving zero-emission energy systems

Category Expenditures

Expenditure	Description
Wind energy generation	► Onshore wind facilities. ► Offshore wind facilities where fossil fuel back-up will be limited to supporting operational continuity.
Solar energy generation	► Solar photovoltaic facilities
Hydropower generation	► Hydropower facilities will meet all the following criteria: i) run-of-river with low storage capacity (below 25 MW); ii) life cycle GHG emissions intensity below 50 gCO_2e/kWh; and iii) power density greater than 5 W/m^2. ► All new facilities will undergo an environmental and social impact assessment by a credible body to ensure that there are no unresolved environmental or social impacts or associated controversies.

Analytical Commentary

Investment in low carbon energy are critical for the global energy transition, as electricity and heat generation were responsible for approximately 44% of global CO_2 emissions from fuel combustion in 2022.[2] Meanwhile, unabated fossil fuels continue to account for more than 60% of

[2] IEA, "Greenhouse Gas Emissions from Energy Data Explorer", (2024), at: https://www.iea.org/data-and-statistics/data-tools/greenhouse-gas-emissions-from-energy-data-explorer

global electricity generation.[3] To limit global temperature rise at 1.5°C, the share of renewable energy generation must increase to 90% by 2050.[4]

Investments in solar, wind and hydropower that have life cycle GHG emission intensities below the technology-agnostic threshold of 100 gCO_2e/kWh are aligned with limiting global temperature rise at 2°C.[5] For expenditures in hydropower, the Framework excludes any facility that lacks a credible environmental and social impact assessment. Overall, these investments are expected to strongly contribute to the decarbonization of the energy sector.

Clean Transportation

We have assessed the Sustainability Contribution of the Clean Transportation category as **Strong**.

Investments in zero-emission passenger and freight road and rail transport with supporting infrastructure are critical to reducing emissions in the transport sector. These investments are expected to strongly contribute to the decarbonization of transport systems.

Category Expenditures

Expenditure	Description
Infrastructure for private and public e-mobility	▸ Infrastructure supporting electrified passenger and freight road and rail transport. ▸ Parking facilities and road construction will be excluded from financing.
Electric and hydrogen vehicles	▸ Zero-emission (electric and hydrogen) passenger and freight vehicles.
Zero emission public transportation	▸ Zero-emission road and rail vehicles.

Additional details

▸ Freight vehicles that are dedicated to the transportation of fossil-fuels will be excluded.

Analytical Commentary

The global transportation sector accounted for 37% of CO_2 emissions from end-use sectors in 2022 and relied on oil products for nearly 91% of its final energy use.[6,7] Road transport was the largest contributor, generating 73% of global transport emissions in 2022, followed by aviation, shipping and rail. To achieve climate neutrality by 2050, emissions from transport must decline by 25% by 2030. This will require scaling up the electrification of vehicles and the use of low emission fuels. With transport volumes projected to double by 2050, investments in zero emissions vehicles and

[3] IEA, "Electricity – Tracking", (2023), at: https://www.iea.org/energy-system/electricity
[4] IEA, "Net Zero by 2050", (2021), at: https://www.iea.org/reports/net-zero-by-2050
[5] EU Technical Expert Group on Sustainable Finance, "Taxonomy Report Technical Annex", (2020), at: https://finance.ec.europa.eu/system/files/2020-03/200309-sustainable-finance-teg-final-report-taxonomy-annexes_en.pdf
[6] UN Environment Programme Finance Initiative, "Climate Risks in the Transportation Sector", (2024), at: https://www.unepfi.org/wordpress/wp-content/uploads/2024/05/Climate-Risks-in-the-Transportation-Sector-1.pdf
[7] IEA, "Transport", (2023), at: https://www.iea.org/energy-system/transport

related infrastructure are critical to decarbonizing the transport sector.[8]

PSI may finance zero emissions road and rail transport, including vehicles for public, private and freight use. Investments will also be directed to infrastructure supporting zero emissions transport, such as electric vehicle charging stations. Collectively, investments under this category are expected to accelerate the adoption of zero emissions transport and strongly contribute to the decarbonization of the transport sector.

Building Efficiency

We have assessed the Sustainability Contribution of the Building Efficiency category as **Strong**.

Commercial, private and public buildings financed under the Framework will be certified under globally recognized green building standards and those built after 2024 will be zero emissions ready. The targeted certification levels are expected to position the buildings among the most energy efficient in the region. Additionally, expenditures for renovations of buildings will target a 20% improvement in energy efficiency and achieve globally recognized green building standards. Overall, these investments are expected to strongly contribute to the decarbonization of the buildings sector.

Category Expenditures

Expenditure	Description
Renovation of commercial, private and public buildings	► Renovation expenditures for buildings constructed before and after 1 January 2024 that result in i) a 20% improvement in energy efficiency compared to the pre-renovation levels achieved within three years; and ii) achievement of one of the following minimum green building certification levels: BREEAM[9] Excellent, LEED[10] Gold, DGNB[11] Gold, or other green building certifications with equivalent performance.
Construction of commercial, private and public buildings	► Construction of buildings that have achieved or are expected to achieve one of the following minimum green building certification levels: BREEAM Excellent, LEED Gold, DGNB Gold, or other green building certifications with equivalent performance.

Additional details

- ► Buildings constructed after 1 January 2024 will be fossil fuel-free for their energy use.
- ► The Framework excludes the financing of buildings dedicated to the storage, transportation and exploration of fossil fuels.

[8] World Economic Forum, "7 Reasons Why Global Transport is so Hard to Decarbonize", 2021, at: https://www.weforum.org/stories/2021/11/global-transport-carbon-emissions-decarbonise/
[9] BREEAM: https://breeam.com/about/how-breeam-works
[10] LEED: https://www.usgbc.org/leed
[11] DGNB, at: https://www.dgnb.de/en/index.php

Analytical Commentary

Building operations accounted for 30% of global final energy consumption and 26% of energy-related GHG emissions in 2022.[12] To reduce emissions from this sector, many countries are strengthening building energy codes and promoting energy-efficient systems and renewable technologies in the built environment. However, decarbonization in the sector must accelerate to achieve net zero emissions by 2050. As of 2020, only 5% of new buildings worldwide were zero carbon-ready, while this share must increase to 100% by 2030 to keep pace with internationally agreed-upon climate goals.[13] Investments in energy-efficient and zero-emission-ready buildings are critical to bridging this gap and decarbonizing the buildings sector.

For buildings built after 2024, the Framework limits financing to those that produce zero onsite carbon emissions from fossil fuels, thereby mitigating the risk of fossil fuel lock-in. Additionally, eligible buildings must obtain minimum levels of green building certifications, which are expected to place the buildings among the most energy efficient buildings in the region. PSI will also finance building renovations which result in an energy efficiency improvement of 20% within three years while obtaining credible green building certifications at high performance levels. Collectively, these investments are expected to strongly contribute to the decarbonization of the buildings sector.

Land Use & Marine Resources

We have assessed the Sustainability Contribution of the Land Use & Marine Resources category as **Strong**

PSI will finance certified reforestation and sustainable agriculture projects to promote biodiversity, with afforestation using locally adapted species to strengthen ecosystem resilience. While sustainable agriculture schemes aim to address soil health, reduce chemical inputs, enhance resource efficiency, and lower emissions intensity, the degree to which these aspects are addressed varies. For livestock farming, which remains emissions-intensive, financing will prioritize farms with decarbonization targets. Overall, these investments will nonetheless support the broader transition toward sustainable food systems.

Category Expenditures

Expenditure	Description
Reforestation	▸ Reforestation projects will be supported by a sustainable management plan certified under the Forest Stewardship Council (FSC)[14] or Programme for the Endorsement of Forest Certification (PEFC),[15] and use tree species that are well adapted to site conditions. ▸ Projects will not result in the degradation of land with high carbon stock or involve the conversion of habitats that are sensitive to

[12] IEA, "Tracking Buildings", (2023), at: https://www.iea.org/energy-system/buildings
[13] IEA, "Technology and Innovation Pathways for Zero-carbon-ready Buildings by 2030", (2022), at: https://www.iea.org/reports/technology-and-innovation-pathways-for-zero-carbon-ready-buildings-by-2030
[14] FSC: https://fsc.org/en
[15] PEFC: https://pefc.org/discover-pefc/what-is-pefc

	biodiversity loss, are of high conservation value, or are designated for restoration under national law.
Sustainable agriculture	► Crop production and sustainable agriculture techniques implemented on farms that are certified under the EU organic,[16] Roundtable for Sustainable Biomaterials (RSB),[17] Roundtable on Responsible Soy (RTRS),[18] UTZ,[19] or equivalent certification. ► Livestock farming that are certified under the EU Organic Label or equivalent certification. ► Projects will not involve the conversion of high conservation value areas. ► Fertilizers and pesticides banned under international conventions will not be used on the financed farms.

Analytical Commentary

Global biodiversity is rapidly declining due to land-use change, pollution, overexploitation of natural resources, invasive species and climate change. Wildlife populations decreased by 69% between 1970 and 2018, and approximately one million species are threatened with extinction.[20, 21] Deforestation persists at a rate of 10 million hectares annually, largely due to the conversion of forests for agricultural land and unsustainable logging.[22] The loss of nature poses growing financial risks, as more than half of global GDP is reliant on ecosystem services.[23] With food production projected to increase by over 50% by 2050 compared to 2010, pressure on land, resources and ecosystems are expected to further intensify.[24] Achieving the 2030 targets to protect 30% of land and sea, and restore 30% of degraded ecosystems, while meeting the demands of a growing global population, will require increased investments in nature protection, sustainable forestry and conservation agriculture.[25, 26]

PSI intends to finance reforestation projects, which will be accompanied by a certified sustainable management plan to ensure that forest resources are managed responsibly to maintain biodiversity, productivity and regeneration capacity. In addition, the use of tree species that are well adapted to local conditions in afforestation and reforestation projects will improve the stability and resilience of forest ecosystems. These are expected to contribute to sustainable forestry. The Company will also finance sustainable agriculture production, which will be certified under sustainable agriculture schemes. The sustainable agriculture certifications are intended to enhance soil health, minimize chemical inputs, promote efficient resource use and emissions intensity. However, the certifications under the Framework do not comprehensively address the above issues and the extent to which they address these aspects vary. Furthermore, for livestock farming, the Framework will prioritize financing for farms that have set decarbonization targets;

[16] EU organic: https://agriculture.ec.europa.eu/farming/organic-farming/organics-glance_en
[17] RSB: https://rsb.org/
[18] RTRS: https://responsiblesoy.org/certificacion?lang=en
[19] UTZ: https://www.rainforest-alliance.org/utz/
[20] IPBES, "2019 Global Assessment Report on Biodiversity and Ecosystem Services", (2019) at: https://files.ipbes.net/ipbes-web-prod-public-files/inline/files/ipbes_global_assessment_report_summary_for_policymakers.pdf
[21] WWF, "WWF's Living Planet Report: Devastating 69% drop in wildlife populations since 1970", (2022), at: https://www.wwf.eu/?7780966/WWF-Living-Planet-Report-Devastating-69-drop-in-wildlife-populations-since-1970
[22] FAO, "The state of the World's Forest", (2020), at: https://www.fao.org/state-of-forests/en/
[23] World Economic Forum, "Nature Risk Rising: Why the Crisis Engulfing Nature Matters for Business and the Economy", (2020), at: https://www3.weforum.org/docs/WEF_New_Nature_Economy_Report_2020.pdf
[24] World Resources Institute, "Executive Summary (Synthesis)", at: https://research.wri.org/wrr-food/executive-summary-synthesis
[25] Convention on Biological Diversity, "Kunming-Montreal Global Biodiversity Framework: 2030 Targets (with Guidance Notes), at: https://www.cbd.int/gbf/targets
[26] FAO, "Conservation Agriculture", at: http://www.fao.org/conservation-agriculture/en/

however, these may offer only short-term benefits given the inherently emissions-intensive nature of livestock farming. Overall, these investments are expected to strongly support the development of resilient forestry systems and promote sustainable agriculture practices.

Waste and Pollution Control

We have assessed the Sustainability Contribution of the Waste and pollution control category as **Strong.**

PSI may finance recycling facilities for e-waste, plastics (limited to mechanical recycling) and other various waste streams, supported by robust waste management systems. While plastic recycling, particularly of single-use plastics, is considered an interim measure, it is expected to provide notable environmental benefits alongside e-waste recycling. Investments may also include anaerobic digestion of biowaste, which supports circular economy goals. Collectively, these activities are expected to significantly improve recycling practices and reduce environmental impacts.

Category Expenditures

Expenditure	Description
Recycling	► Construction and modernization of recycling facilities for sorting or processing waste streams into secondary raw materials. Waste types will include metal and plastic. ► A robust waste management plan will accompany the recycling of electronic waste to mitigate associated risks. ► Recycling of plastic will be mechanical and intended for single use.
Sustainable Waste Management	► Anaerobic digester with segregated bio-waste ► Excludes feedstock from: i) wastewater from fossil fuel operations; ii) waste from non-certified RSPO palm oil operations, such as palm oil mill effluents; iii) animal manure from both industrial-scale and non-industrial-scale livestock operations; and iv) animal fats, oils, as well as other animal processing by-products.

Analytical Commentary

Investments in waste management systems and recycling facilities are critical in curbing GHG emissions and transitioning to a circular economy. In 2020, approximately 2.1 billion tonnes of municipal solid waste was generated globally, and this amount is projected to rise by 56%, reaching 3.8 billion tonnes by 2050, driven by population and economic growth.[27] Of the total waste generated, 30% is sent to landfills, 13% is processed in waste-to-energy facilities, and 19% is directed to recycling centres, while the remaining portion is either dumped or openly burned. Improving waste management practices has the potential to reduce global GHG emissions by 15-

[27] United Nations Environment Programme, "Global Waste Management Outlook 2024", (2024), at: https://wedocs.unep.org/handle/20.500.11822/44939

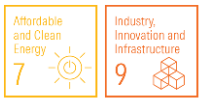
25%, highlighting the importance of recycling measures.[28]

PSI will finance recycling facilities for processing various waste streams, including electronic waste and plastics, with plastic recycling being limited to mechanical recycling. All recycling activities involving e-waste will be supported by robust waste management systems. Although mechanical recycling of plastics provides substantial benefits, recycling single-use plastics is considered an interim solution as these materials need to be phased-out in favour of sustainable alternatives that can be reused or recycled without quality loss. Nevertheless, plastic recycling, together with other expenditures are still expected to significantly enhance recycling practices and reduce the environmental impact of waste.

PSI may also finance other projects for sustainable waste management including anaerobic digestion of biowaste, which strongly supports circular economy goals by enabling organic waste reuse. The Framework's exclusionary criteria on feedstock further reinforces this contribution.

Collectively, investments under this category are expected to substantially improve waste management practices and contribute to GHG emissions reduction.

Information and Communication Technology



We have assessed the Sustainability Contribution of the Information and Communication Technology category as **Strong**.

Investments under the category include the financing of data centres with an annualized design-average power usage effectiveness (PUE) of not more than 1.5 (which is a globally accepted threshold for high-performing data centres) powered with renewable energy or cooled naturally. Investments in such energy-efficient data centres are expected to contribute strongly to the decarbonization of the data centre industry.

Category Expenditures

Expenditure	Description
Infrastructure for Information and Communications Technology	► Design, development, construction, acquisition and maintenance of infrastructure which include energy efficient data centres with a PUE of 1.5 or below and powered with renewable energy or cooled naturally.

Analytical Commentary

Data centres contain energy-intensive equipment, technologies and services that consume a significant amount of electricity.[29] Global electricity consumption from data centres was recorded at 240-340 TWh in 2022, which represents 1% to 1.3% of global final electricity demand that year.[30,31] To curb the increase in the power consumption of data centres, continual energy efficiency improvements through advanced servers, storage devices, network switches and infrastructure are required.[32]

[28] United Nations Environment Programme, "Global Waste Management Outlook 2024", (2024), at: https://wedocs.unep.org/handle/20.500.11822/44939
[29] Ratka, S. et al. (2020), "The nexus between data centres, efficiency and renewables: a role model for the energy transition". Energypost.eu, at: https://energypost.eu/the-nexus-between-data-centres-efficiency-and-renewables-a-role-model-for-the-energy-transition/.
[30] International Energy Agency, "Data Centers and Data Transmission Networks", (2023), at: https://www.iea.org/energy-system/buildings/data-centres-and-datatransmission-networks
[31] This excludes energy used for cryptocurrency mining, which was 110 terawatt hours in 2022.
[32] US Department of Energy, "United States Data Center Energy Usage Report", (2016), at: https://betterbuildingssolutioncenter.energy.gov/resources/united-states-datacenter-energy-usage-report

The expenditures under this category target energy efficient data centres using PUE[33] as the primary indicator. The financed data centres will i) procure renewable energy (or primarily power the data centre with renewables); or (ii) be cooled naturally such that they take advantage of cool ambient conditions and reduce the need for mechanical cooling and associated power. Furthermore, eligible data centres will have a PUE of 1.5 or below, which is a globally accepted threshold for high-performing data centres. Overall, investments under this category are expected to significantly reduce scope 1 and 2 emissions and contribute strongly to decarbonizing the digital infrastructure sector.

Transport Infrastructure and Accessibility

We have assessed the Sustainability Contribution of the Transport Infrastructure and Accessibility category as **Strong**.

Investments will support infrastructure for personal mobility and zero-emission public transport, accelerating the shift to cleaner transport and driving decarbonization in the transport sector.

Category Expenditures

Expenditure	Description
Transport Infrastructure and Accessibility	► Construction, refurbishment, maintenance and operation of transport infrastructure contributing to i) zero emissions public transport; ii) zero carbon emissions transport; iii) active mobility infrastructure; and iv) pedestrian infrastructure. ► Infrastructure investments include buildings, train stations and accessibility infrastructure that are fully dedicated to zero emissions transportation. ► Parking facilities will be excluded from financing.

Additional Details

- PSI has confirmed that no double counting will take place between expenditures under this category and the expenditures under Clean Transportation.

Analytical Commentary

To achieve climate neutrality by 2050, transportation emissions must decline by 25% by 2030, which will require scaling up the electrification of vehicles and the use of low-emission fuels. With transportation volumes projected to double by 2050, investments in zero-emission road and rail transportation, personal mobility devices and associated infrastructure and components are critical to decarbonizing the sector.[34]

Investments under the Framework will be directed to infrastructure that enables personal mobility and zero emissions public and private vehicles. Collectively, investments in this category are expected to accelerate the adoption of zero emissions transport and strongly contribute to the decarbonization of the transport sector.

[33] PUE is a key measure of a data centre's energy efficiency, which is calculated as the total electricity demand of a data centre divided by the electricity demand of its IT equipment

[34] World Economic Forum, "7 Reasons Why Global Transport is so Hard to Decarbonize", 2021, at: https://www.weforum.org/agenda/2021/11/global-transport-carbonemissions-decarbonise/

Environmental and Social Risk Management

We have identified the following areas of environmental and social risk associated with the expenditures eligible under the Framework: land use, biodiversity, emissions, effluents and waste issues associated with large-scale infrastructure development and generated during construction; and community relations /stakeholder participation-related issues.

While we acknowledge that as an investor, PSI has a limited role in the development and operations of specific eligible activities financed under the Framework, we note that PSI has the following policies and processes in place to identify and mitigate such risks.

E&S risk identified	Applicable policies, procedures and measures
Due Diligence and Risk Management Measures	► PSI applies a structured risk assessment process to all new green projects, ensuring responsible and sustainable practices. This process, which covers climate and social risks, involves four steps: i) a general and structural assessment; ii) an eligibility review; iii) a cross-risk assessment to evaluate potential impacts on other sustainability objectives; and iv) risk classification ensuring measures for mitigation and monitoring of identified risks. ► Furthermore, for financing in Europe, all European countries are recognized under the Equator Principles as Designated Countries. The Principles indicate the presence of robust environmental and social governance legislation systems and institutional capacity to ensure mitigation of common environmental and social risks.
Land use and Biodiversity, Emissions, Effluents and Waste	► PSI does not have internal policies in place to identify, manage and mitigate risks related to Land use and Biodiversity, emissions, effluents and waste. However, each project undergoes an internal risk assessment as outlined above. ► For projects in Europe, PSI will comply with the European Union (EU) Environmental Impact Assessment (EIA)[35] Directive for development projects within the EU. The EIA Directive ensures that projects that are likely to have a significant impact on the environment are adequately assessed before approval. With respect to biodiversity, the directive states that measures must be taken to "avoid, prevent, reduce and, if possible, offset significant adverse effects on the environment, in particular on species and habitats".
Community Relations/Stakeholder Participation	► PSI does not have internal policies in place to identify, manage and mitigate risks related to community relations. However, each project undergoes an internal risk assessment as outlined above.
Business Ethics; Human Rights	► The Company is currently in the process of formulating a Code of Conduct policy to uphold principles of business ethics and human rights across geographies. ► For its ongoing business, PSI ensures to exclude i) projects with human rights or labour law violations and ii) projects involved in production and trade of weapons.
Financial Risks Related to Securitisation	► The Securitisation Law authorizes the mitigation and management of financial risks related to securitisation. The compartmentalisation allows for the segregation of assets that creates a legally secure environment. In this context, investors whose claims arise with respect to a particular transaction will only have recourse to the assets of the specific compartment associated with that transaction, without any rights to claim over the assets of another

[35] European Commission, " Environmental Impact Assessment" , at: https://environment.ec.europa.eu/law-and-governance/environmental-assessments/environmental-impact-assessment_en.

compartment. Moreover, the Law allows for active management of a broad scope of risks related to securitised assets such as credit risk, interest risk, liquidity risk, operational risk.[36]

Annex 1: Assessment Framework Overview

The following is a brief overview of the Assessment Framework that we use to assess debt instruments and the frameworks that support them. Using this Assessment Framework, we provide two key signals in our Second Party Opinions: **Principles Alignment** and **Sustainability Contribution**.

Principles Alignment indicates a framework's alignment with the requirements of applicable sustainable debt market Principles.[37] This assessment is structured according to the four components of the Principles: Use of Proceeds, Project Evaluation and Selection, Management of Proceeds and Reporting. Principles Alignment is expressed at one of following levels:

- **Aligned:** Meets all requirements across the four components.
- **Partially Aligned:** Meets requirements on two or three of the four components.
- **Not Aligned:** Does not meet requirements on most or all of the four components.

In addition, we provide commentary on any shortcomings as well as best practices.

Sustainability Contribution provides a clear and comparable signal of the expected contribution of the use of proceeds to one or more environmental or social objectives. We assess each expenditure defined in a framework by looking at the activities, assets and projects that they finance. This assessment is carried out using a set of factors that we have identified as driving the expenditure's contribution to a primary objective as well as its avoidance of harm to other objectives. The assessment results in one of the four levels of Sustainability Contribution described in the table below.

We determine the average contribution of the expenditures within each use of proceeds category (as defined by the issuer) to produce an expected Sustainability Contribution for each category. We then aggregate across categories to determine the Sustainability Contribution of a framework overall. In most cases, weight is distributed equally across use of proceeds categories. However, we adjust the weighting if information regarding percentage allocation is provided by the issuer.

Level of Sustainability Contribution	Description
	The expenditure finances an activity that makes a strong contribution to an environmental or social objective. The activity is well aligned with credible standards; there are no significant lock-in risks; and the risk of negative impact to other sustainability objectives is low.
	The expenditure finances an activity that makes a significant positive contribution to an environmental or social objective while having minor shortcomings compared to a strong contribution. This is either because the activity falls somewhat short of credible standards; there is some risk of lock-in (in the case of some environmental activities); there is a risk of negative impact to other sustainability objectives; or there is some ambiguity in the criteria for the expenditure.
	The expenditure finances an activity that represents a step towards an environmental or social objective but has substantial shortcomings compared to expenditures that make a strong contribution. Although the activity will result in benefit over a relevant baseline, either it falls substantially short of credible standards; there is significant

[37] These primarily include the Green Bond Principles and the Social Bond Principles, published by the International Capital Market Association (ICMA); and the Green Loan Principles and the Social Loan Principles, published by the Loan Syndications and Trading Association, the Loan Market Association, the Asia Pacific Loan Market Association (LSTA-LMA-APLMA), and the Association of Southeast Asian Nations (ASEAN).

	risk of lock-in; there is significant ambiguity in the criteria; or there is a risk of significant negative impact to other sustainability objectives.
	The expenditure finances an activity that entails no net positive contribution to environmental or social objectives. Even in cases where there is some positive contribution to an objective, this is offset by shortcomings in other areas. Alternatively, the eligibility criteria may be unclear to the extent that contribution cannot be determined.

Scope of Work and Limitations

This Second Party Opinion provides a point-in-time independent opinion of the Framework as of the Evaluation Date. Our opinion may consider additional documentation and information that the Framework owner may have provided during the engagement, in addition to public and non-public information. The owner refers to the entity featuring as an issuer, borrower, special-purpose vehicle or any other entity as described in the Framework.

As part of this engagement, we communicated with representatives of the Framework owner, who acknowledge that: i) it is the sole responsibility of the Framework owner to ensure that the information provided is complete, accurate and up to date; ii) they have provided us with all of the relevant information; and iii) that all of the information has been provided in a timely manner.

This Second Party Opinion provides our opinion of the Framework and should be read in conjunction with that Framework. Any update of this Second Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and the Framework owner.

Our Second Party Opinion provides our opinion on the alignment of the Framework with current market standards and practice but provides no guarantee of alignment nor warrants alignment with future versions of any such standards. In addition, it does not guarantee the realized allocation of proceeds towards eligible activities.

No information provided in this Second Party Opinion shall be considered as being a statement, representation, warrant or argument in favour or against the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that the Framework owner may have made available to Sustainalytics for the purpose of this Second Party Opinion.

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