

Second-Party Opinion

# Wells Fargo Commercial Mortgage Trust 2024-SVEN Sustainable Finance Framework

## Evaluation Summary

Sustainalytics is of the opinion that the Wells Fargo Commercial Mortgage Trust 2024-SVEN Sustainable Finance Framework is credible and impactful and aligns with the Sustainability Bond Guidelines 2021, Green Bond Principles 2021, and Social Bond Principles 2023. This assessment is based on the following:



**USE OF PROCEEDS** The eligible categories for the use of proceeds Green Buildings, Affordable Housing are aligned with those recognized by the Green Bond Principles and Social Bond Principles. Sustainalytics considers that investments in the eligible categories will lead to positive environmental or social impacts and advance the UN Sustainable Development Goals, specifically SDGs 9 and 11.



**PROJECT EVALUATION AND SELECTION** The Depositor and Wells Fargo have selected the related mortgaged property, Sven, in accordance with the criteria under the Framework. The Borrower, together with two affiliates of the Durst Organization, which will maintain the operational control of the property, will evaluate the environmental and social risks associated with the project and implement related mitigation measures, in accordance with applicable laws and regulations. Sustainalytics considers the project selection process in line with market practice.



**MANAGEMENT OF PROCEEDS** At the time of the issuance, all the net proceeds from the issuance of the Certificates will be immediately allocated to finance the Mortgage Loan, which will be used to refinance the Mortgaged Property. There will not be any unallocated proceeds after the funding of the Mortgage Loan and neither the Depositor nor the Trust will retain the flexibility to re-allocate the use of proceeds or have any temporary use of proceeds. This is in line with market practice.



**REPORTING** The Depositor commits to include a description of the Mortgaged Property and certain sustainability features of it, in the initial offering and sale of the Certificates, within an offering circular. In addition, the Depositor will disclose relevant impact metrics to investors in the offering circular. There will not be continuous allocation and impact reporting due to immediate allocation at issuance. Sustainalytics views Wells Fargo's allocation and impact reporting as aligned with market practice.



<b>Evaluation date</b>	May 22, 2024
<b>Issuer Location</b>	New York, US

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**For inquiries, contact the Sustainable Corporate Solutions project team:**

**John-Paul Iamonaco (Toronto)**  
Project Manager  
john-paul.iamonaco@sustainalytics.com  
(+1) 416 861 0403

**Gizem Celik Bayar (Toronto)**  
Project Support

**Daniel Kan (Toronto)**  
Project Support

**Lindsay Brent (Toronto)**  
Client Relations  
susfinance.americas@sustainalytics.com  
(+1) 646 518 9623

## Introduction

Wells Fargo Bank, National Association (“Wells Fargo”) is a multinational financial services company that provides a diversified set of banking, investment and mortgage products and services, as well as consumer and commercial finance. Wells Fargo (“the “Mortgage Loan Originator” and the “Mortgage Loan Seller”), which is the affiliate of Wells Fargo Commercial Mortgage Securities, Inc. (the “Depositor”), will originate the Sven mortgage loan (the “Mortgage Loan”) that will refinance a green multifamily property at 29-55 Northern Boulevard in Long Island City, New York (“Sven” or the “Mortgaged Property”). The Mortgage Loan will be secured by, among other things, a first lien mortgage on the two affiliates of the Durst Organization’s (collectively as the “Borrower”) fee simple interest in the Mortgaged Property.

Wells Fargo Commercial Mortgage Trust 2024-SVEN (the “Issuing Entity” or the “Trust”) is a special-purpose vehicle that is exclusively structured to issue Wells Fargo Commercial Mortgage Trust 2024-SVEN, Commercial Mortgage Pass-Through Certificates, Series 2024-SVEN (the “Certificates”).

The Depositor has developed the Wells Fargo Commercial Mortgage Trust 2024-SVEN Sustainable Finance Framework dated May 2024 (the “Framework”) under which it intends to issue the Certificates<sup>1</sup> that will be collateralized by the Mortgage Loan, which will be used to refinance the Mortgaged Property. The Framework defines eligibility criteria in two areas:

1. Green Buildings
2. Affordable Housing

The Depositor engaged Sustainalytics to review the Framework and provide a Second-Party Opinion on the Framework’s environmental and social credentials and its alignment with the Sustainability Bond Guidelines 2021 (SBG), Green Bond Principles 2021 (GBP), and Social Bond Principles 2023 (SBP).<sup>2</sup> The Framework will be published in a separate document.<sup>3</sup>

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

Sustainalytics’ Second-Party Opinion reflects Sustainalytics’ independent<sup>4</sup> opinion on the alignment of the reviewed Framework with current market standards and the extent to which the eligible project categories are credible and impactful.

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

- The Framework’s alignment with the Sustainability Bond Guidelines 2021, Green Bond Principles 2021, and Social Bond Principles 2023, as administered by ICMA;
- The credibility and anticipated positive impacts of the use of proceeds; and
- The alignment of the issuer’s sustainability strategy and performance and sustainability risk management in relation to the use of proceeds.

For the use of proceeds assessment, Sustainalytics relied on its internal taxonomy, version 1.16, which is informed by market practice and Sustainalytics’ expertise as an ESG research provider.

As part of this engagement, Sustainalytics held conversations with various members of the Depositor’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. The Depositor have confirmed (1) they understand it is the sole responsibility of the Depositor to ensure that the information provided is complete, accurate and 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.

<sup>1</sup> Wells Fargo has confirmed to Sustainalytics that i) the Certificates are structured to be a Secured Sustainable Collateral Bond as per the voluntary process guidelines published in the June 2022 Appendix 1 of the GBP 2021; ii) the Mortgaged Property is fully compliant with the Framework criteria and iii) there will be no double-counting of the Mortgaged Property and any other outstanding sustainable financing instrument.

<sup>2</sup> The Sustainability Bond Guidelines, Green Bond Principles, and Social Bond Principles are administered by the International Capital Market Association and are available at <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/>

<sup>3</sup> The Wells Fargo Commercial Mortgage Trust 2024-SVEN Sustainable Finance Framework will be made available to investors during marketing of the transaction.

<sup>4</sup> 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.

This document contains Sustainalytics' opinion of the Framework and should be read in conjunction with that Framework.

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

Sustainalytics' Second-Party Opinion, while reflecting on the alignment of the Framework with market standards, is no guarantee of alignment nor warrants any alignment with future versions of relevant market standards. Furthermore, Sustainalytics' Second-Party Opinion addresses the anticipated impacts of eligible projects expected to be financed with bond proceeds but does not measure the actual impact. The measurement and reporting of the impact achieved through projects financed under the Framework is the responsibility of the Framework owner. In addition, the Second-Party Opinion opines on the potential allocation of proceeds but does not guarantee the realized allocation of proceeds towards eligible activities.

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

## Sustainalytics' Opinion

### Section 1: Sustainalytics' Opinion on the Wells Fargo Commercial Mortgage Trust 2024-SVEN Sustainable Finance Framework

Sustainalytics is of the opinion that the Wells Fargo Commercial Mortgage Trust 2024-SVEN Sustainable Finance Framework is credible, impactful and aligns with the four core components of the GBP and SBP. Sustainalytics highlights the following elements of the Framework:

- Use of Proceeds:
  - The eligible categories, Green Buildings and Affordable Housing, are aligned with those recognized by the GBP and SBP.
  - The net proceeds from the sales of the Certificates issued by the Trust under the Framework will be utilized exclusively to finance the Mortgage Loan that is used to refinance the Mortgaged Property.
  - The Mortgaged Property is a LEED<sup>5</sup> v4 New Construction (BD+C) "Platinum" certified multifamily residential building.
    - Sustainalytics considers the green building certification to be credible and the level achieved to be impactful.
  - The Mortgaged Property is also compliant with Option G under the '421-a (16) Affordable Housing New York Program of the City of New York.<sup>6</sup> According to this programme, households that earn an income up to 130% of the median income of the city are eligible to apply for affordable units,<sup>7</sup> which should be at least 30% of the unit stock of the building.
    - Sustainalytics recognizes the positive social impact of offering housing units that are below market rate to the target groups, despite higher income thresholds used by the local authority for defining these groups, considering that New York City is a high-cost market with 53% of the population rent burdened.<sup>8</sup> Further, Sustainalytics notes that the role of the parties involved in the issuance of the Certificates is limited to refinancing the Mortgaged Property that is compliant with a government-owned affordable housing programme, and none of the parties involved in this issuance have control over the detailed criteria for determining the low-income groups deemed eligible for the affordable housing properties. Sustainalytics encourages the Depositor,

<sup>5</sup> LEED: <https://www.usgbc.org/leed>

<sup>6</sup> NYC Housing Preservation & Development, "Tax Credits and Incentives 421-a (16) Affordable Housing New York Program", at: <https://www.nyc.gov/site/hpd/services-and-information/tax-incentives-421-a.page>

<sup>7</sup> Wells Fargo has communicated to Sustainalytics that the average rent of the affordable units is 43% lower than market-rate units.

<sup>8</sup> In 2021, more than 1 million households (53%) in New York City were considered rent burdened excluding those living in public housing, meaning they spent more than 30% of their income on rent. Approximately 60% of this group was considered severely rent burdened, meaning they spent more than 50% of their income on rent.

Office of the New York State Comptroller, "The Cost of Living in New York City: Housing", at: <https://www.osc.ny.gov/files/reports/osdc/pdf/>

where feasible, to provide further disclosure on the positive social impact of its financing allocated to below-median income populations.

- In Sustainalytics' opinion, it is best practice that at least 90% of the units financed meet the affordability criteria. For cases involving buildings where this number is less than 90%, Sustainalytics considers it best practice to apply a pro-rata approach based on the proportion of units that meet such criteria.<sup>9</sup> Sustainalytics acknowledges that a pro-rata approach is not possible in the case of a secured collateral bond structure, and further recognizes that despite this constraint, financing buildings where 30% of units meet affordability criteria will nonetheless have some positive impact.
- Sustainalytics considers the refinancing of the Mortgaged Property to be aligned with market practice.
- Project Evaluation and Selection:
  - The Depositor and Wells Fargo selected the Mortgaged Property based on the Framework criteria after approvals from their internal committees. This includes the Real Estate Valuation Services team's review of third-party environmental assessments, property condition, and appraisals carried out on the Mortgaged Property.
  - The Borrower, together with its affiliates, that have operational control over the Mortgaged Property, is responsible for identifying and managing the environmental and social risks associated with the Mortgaged Property and implementing related mitigation measures, in accordance with applicable laws and regulations. Please refer to Section 2 for more details on these processes.
  - Based on the established process for project selection and the presence of risk management processes Sustainalytics considers this process to be in line with market practice.
- Management of Proceeds:
  - All the net proceeds from the Certificates will be immediately allocated at the time of issuance to finance the Mortgage Loan, which will be used to refinance the Mortgaged Property. There will be no unallocated proceeds after the funding of the Mortgage Loan and neither the Depositor nor the Trust will retain the flexibility to re-allocate the use of proceeds or have any temporary use of proceeds.
  - Based on the immediate full allocation at issuance without any unallocated proceeds, Sustainalytics considers this process to be in line with market practice.
- Reporting:
  - The Depositor will provide investors, with an offering circular with a description of the Mortgaged Property, and certain sustainable features of it. The circular will be provided in the initial offering and sale of the Certificates. Investors in the Certificates will additionally receive monthly distribution date statements prepared by the Certificates' administrator. There will not be ongoing allocation and impact reporting as the net proceeds will be fully allocated at issuance.
  - The Depositor will include in the offering circular details on the LEED Platinum certification, sustainability practices related to water conservation, recycled materials, energy-efficiency systems, air quality and the number of affordable units available within the Mortgaged Property.
  - Based on the commitment to allocation and impact reporting, Sustainalytics considers this process to be in line with market practice.

### **Alignment with Sustainability Bond Guidelines 2021**

Sustainalytics has determined that the Wells Fargo Sustainable CMBS Framework aligns with the four core components of the GBP and SBP.

## **Section 2: Sustainability Strategy of Wells Fargo**

### **Contribution of the Framework to Wells Fargo's sustainability strategy**

Sustainalytics is of the opinion that Wells Fargo demonstrates a commitment to sustainability through its sustainability strategy which focuses on supporting financial health, promoting housing access and affordability, developing small business growth, scaling clean energy, increasing sustainability across its

<sup>9</sup> This is not intended to imply that it is preferable that affordable units be concentrated at high percentages in certain buildings. Indeed, there are benefits associated with buildings that have a mix of affordable units and units that do not meeting affordability criteria. Sustainalytics' stance merely reflects the view that allocation only to affordable units creates a stronger link between bond proceeds and positive impact.

operations, advancing climate finance and innovation, and supporting an equity-focused transition to a low-carbon economy.<sup>10</sup>

With respect to environmental sustainability, Wells Fargo has committed to purchase 100% renewable energy, reduce GHG emissions by 70% from a 2019 baseline, reduce resource consumption, and enhance sustainability in its supply chains. In 2021, Wells Fargo updated its sustainability goals to provide USD 500 billion in sustainable financing by 2030. In 2021 and 2022, the bank had mobilized USD 129 billion in sustainable financing, and established the Wells Fargo Institute for Sustainable Finance to assist clients with accelerating climate transitions and integrating climate risk into risk management frameworks as per the TCFD recommendations.<sup>11</sup>

In terms of social targets and achievements, in 2022 Wells Fargo's grants helped individuals save USD 14.1 million, reduce debt by USD 17.4 million, establish or increase credit scores for over 9,500 people, and support over 9,800 individuals in acquiring financial assets. Wells Fargo has programmes to promote housing affordability and small business growth. Wells Fargo also launched the Banking Inclusion Initiative to help unbanked individuals access affordable accounts and financial education.<sup>12</sup>

The sole aim of the issuance of the Certificates under the Framework is to finance the Mortgage Loan secured by Sven, a multifamily residential building located in New York. Sustainalytics acknowledges that the eligible project included in the Framework has environmental benefits based on its level of green building certification and social benefits based on its qualification under the City of New York's affordable housing programme.

It is further noted that the financing provided will further the intentions of the lead loan originator, Wells Fargo, to select and finance an eligible green asset. In addition to its LEED Platinum certification, the Mortgaged Property has been designed to advance sustainability objectives. Some of the notable features include on-site blackwater treatment plant and water-efficient fixtures to enhance water conservation, recycled and responsibly sourced building materials, mechanical systems and on-site electricity and heat cogeneration plant to increase energy-efficiency, and indoor air quality systems.

Based on the above, Sustainalytics is of the opinion that the expenditures outlined in the Framework are aligned with Wells Fargo's sustainability strategy, and that the Framework will further the bank's actions on its key sustainability priorities.

#### **Approach to managing environmental and social risks associated with the project**

Sustainalytics recognizes that the Certificates issued under the Framework will be collateralized by the Mortgaged Property, which is expected to have positive environmental and social impacts. However, Sustainalytics is aware that the project could also lead to negative environmental and social outcomes. Some key risks possibly associated with the eligible project may include issues related to health and safety, community relations, land use and biodiversity risks associated with large-scale infrastructure development, as well as effluents and waste generated during construction.

Sustainalytics is of the opinion that Wells Fargo is able to manage or mitigate potential risks through implementation of the following:

- To address the abovementioned environmental and social risks, Wells Fargo has communicated to Sustainalytics that there are loan covenants requiring compliance with applicable environmental regulations and affordable housing requirements. These requirements include the consideration of environmental risks and affordable housing requirements detailed in the loan documentation on an ongoing basis. One such commitment is compliance with the requirements to retain the Mortgaged Property's environmental permits in line with building sector regulations in force in New York. With respect to health and safety risks as well as effluents and waste generated during construction, the New York State's Labor Laws<sup>13</sup> provide specific protections for construction workers and the New York State Department of Environmental Conservation's solid waste management regulations<sup>14</sup> impose stringent standards for the disposal of debris and waste generation from construction and demolition.
- Wells Fargo has established an Environmental and Social Impact Management Policy ("ESIM") aligned with its Risk Management Framework for governance requirements related to the identification, evaluation and management of the key environmental and social risks associated with

<sup>10</sup> Wells Fargo, "Sustainability and Governance Report", (2023), at: <https://www.wellsfargo.com/assets/pdf/about/corporate-responsibility/sustainability-and-governance-report.pdf>

<sup>11</sup> Ibid.

<sup>12</sup> Ibid.

<sup>13</sup> The New York State Department of Labor, "Safety and Health", at: <https://dol.ny.gov/safety-and-health>

<sup>14</sup> The New York State Department of Environmental Conservation, "Construction and Demolition Debris", at: <https://www.dec.ny.gov/chemical/107410.html>

its financed projects. Wells Fargo's approach is informed by the Equator Principles<sup>15</sup> that are applicable to transactions linked to financing projects that comply with a minimum standard for environmental and social due diligence. At the federal level, the Occupational Health and Safety Act<sup>16</sup> and the Resource Conservation and Recovery Act<sup>17</sup> impose requirements to address these risks.

- To address environmental risks, Wells Fargo has confirmed to Sustainalytics that it engaged an independent environmental consultant to assess the potential risks associated with the Mortgaged Property. The environmental site assessment will be available to prospective investors during the offering of the Certificates.

Based on these policies, standards and assessments, Sustainalytics is of the opinion that Wells Fargo has sufficiently identified adequate measures and is well positioned to manage and mitigate environmental and social risks commonly associated with the eligible project.

### Section 3: Impact of Use of Proceeds

The use of proceeds categories, Green Buildings and Affordable Housing, are aligned with those recognized by the GBP. Sustainalytics has focused below on where the impact is specifically relevant in the local context.

#### Importance of green buildings in New York City

The buildings sector contributes accounted for 37% of total energy-related CO<sub>2</sub> emissions in 2022.<sup>18</sup> In the United States alone, residential and commercial buildings account for 36.9% of total energy consumption as of 2023.<sup>19</sup> In order to achieve a net-zero carbon building stock by 2050, which is necessary for the achievement of the Paris Climate Agreement goal of limiting global warming to well below 2°C, carbon emissions would need to decline by 50% globally by 2030. Buildings are the main source of GHG emissions in New York City, with 68% of those attributed to the energy consumption from one million buildings.<sup>20</sup> In comparison, buildings with LEED certification in the US record having 25% lower energy consumption than comparable non-green buildings, highlighting the importance of investment in properties certifies by credible schemes.<sup>21</sup>

In this context, the city of New York has committed to reducing GHG emissions in the city by 80% in 2050 compared to 2005.<sup>22</sup> In order to accelerate progress towards carbon neutrality, the city's Buildings Mandate Local Law 97 requires large buildings to reduce GHG emissions by 40% and reach net zero by 2030 and 2050, respectively, beginning in 2024.<sup>23,24</sup>

Given the above context, Sustainalytics views positively the investment in Sven and its potential contribution towards achieving the city's GHG emissions targets in the buildings sector.

#### Importance of affordable housing in New York City

Housing is both a critical social determinant of health and a human right. Affordable housing is crucial in New York City due to its direct impact on the economic stability and quality of life of its residents. More than 1 million households, making up 53% of the city's population were rent burdened in 2021, spending more than 30% of their income on rent.<sup>25</sup> This financial strain is exacerbated by a severe housing shortage, with the city's net rental vacancy rate dropping to 1.41% in 2023, the lowest since 1968.<sup>26</sup> This shortage has led to a 68.4%

<sup>15</sup> Equator Principles, "The Equator Principles (EPs)", at: <https://equator-principles.com/#>

<sup>16</sup> U.S. Department of Labor, "OSH Act of 1970", at: <https://www.osha.gov/laws-regs/oshact/completeoshact>

<sup>17</sup> U.S. Environmental Protection Agency, "Resource Conservation and Recovery Act (RCRA) Overview", at: <https://www.epa.gov/rcra/resource-conservation-and-recovery-act-rcra-overview#:~:text=RCRA%20establishes%20the%20framework%20for,discarded%20to%20be%20considered%20waste.>

<sup>18</sup> Global Alliance for Buildings and Construction, "Global Status Report for Buildings and Construction - Beyond foundations: Mainstreaming sustainable solutions to cut emissions from the buildings sector", (2024), at:

<https://wedocs.unep.org/handle/20.500.11822/45095;jsessionid=9FCC5556E42396DCFC3AE6DDE55A6681>

<sup>19</sup> U.S. Energy Information Administration FAQ, (2024), at: <https://www.eia.gov/tools/faqs/faq.php?id=86&t=1>

<sup>20</sup> Stantec, "New York City's Local Law 97 is fighting climate change, focusing on sustainable buildings", at:

<https://www.stantec.com/en/ideas/topic/buildings/new-york-citys-local-law-97-is-fighting-climate-change-focusing-on-sustainable-buildings>

<sup>21</sup> US Green Building Council, "Top 10 reasons to certify to LEED", at: <https://www.usgbc.org/articles/top-10-reasons-certify-lead>

<sup>22</sup> New York City, Mayor's Office of Sustainability, "Inventory of New York City Greenhouse Gas Emission", at: <https://nyc-ghg-inventory.cusp.nyu.edu/#inventories>

<sup>23</sup> 'Large buildings' refer to properties covering over 25,000 square feet.

<sup>24</sup> City of New York, "Local Law 97", at: <https://www.nyc.gov/site/sustainablebuildings/ll97/local-law-97.page#>

<sup>25</sup> Office of the New York State Comptroller, "The Cost of Living in New York City: Housing", (2024), at:

<https://www.osc.ny.gov/files/reports/osdc/pdf/report-17-2024.pdf>

<sup>26</sup> Forbes, "New York City Housing Shortage Highlights Need For More Development", (2024), at:

<https://www.forbes.com/sites/shimonshkury/2024/03/20/new-york-city-housing-shortage-highlights-need-for-more-development/?sh=1df0d1f54e58>

rent increase in 10 years, the highest in the country.<sup>27</sup> To meet the growing demand in housing needs, New York’s city and state governments have been employing various measures to try to address the city’s severe housing crisis and lack of affordable housing. These include modifying zoning regulations, reviving affordable housing programmes, providing tenant protections, removing barriers to housing production, offering financial incentives, and reducing regulatory hurdles.<sup>28</sup>

Given the above context, Sustainalytics views positively the investment in Sven and its potential contribution towards furthering the New York’s city and state governments’ efforts to facilitate greater access to affordable housing.

**Contribution to SDGs**

The Sustainable Development Goals (SDGs) were adopted in September 2015 by the United Nations General Assembly and form an agenda for achieving sustainable development by the year 2030. The instruments issued under the Framework are expected to advance the following SDGs and targets:

<b>Use of Proceeds Category</b>	<b>SDG</b>	<b>SDG target</b>
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
Affordable Housing	11. Sustainable Cities and Communities	11.1 By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums

**Conclusion**

The Depositor has developed the Wells Fargo Commercial Mortgage Trust 2024-SVEN, Commercial Mortgage Pass-Through Certificates, Series 2024-SVEN Sustainable Finance Framework under which it intends to issue secured sustainable collateral bonds that will be collateralized by the Mortgage Loan, which will be used to refinance Sven. Sustainalytics considers that the Mortgaged Property is expected to provide positive environmental and social impacts.

The Framework outlines a process for allocation and management of proceeds, and makes commitments for reporting on allocation and impact. Sustainalytics considers that the Framework is aligned with the overall sustainability strategy of Wells Fargo and that the use of proceeds will contribute to the advancement of UN SDGs 9 and 11. Additionally, Sustainalytics is of the opinion that the Mortgage Loan Originator has adequate measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible property.

Based on the above, Sustainalytics is confident that the Issuing Entity is well-positioned to issue secured sustainable collateral bonds and that the Framework is robust, transparent, and in alignment with the four core components of the Green Bond Principles 2021, and Social Bond Principles 2023.

<sup>27</sup> Office of the New York State Comptroller, “The Cost of Living in New York City: Housing”, (2024), at: <https://www.osc.ny.gov/files/reports/osdc/pdf/report-17-2024.pdf>

<sup>28</sup> Governor Kathy Hochul, “Addressing New York’s Housing Crisis”, at: <https://www.governor.ny.gov/programs/new-york-housing-compact>

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Or contact us [contact@sustainalytics.com](mailto:contact@sustainalytics.com)

