

Second-Party Opinion

ContourGlobal Green Bond Framework



Evaluation Summary

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



USE OF PROCEEDS The eligible categories for the use of proceeds, Renewable Capacity and Energy Efficiency, are aligned with those recognized by the Green Bond Principles 2018. Sustainalytics considers that the eligible categories will lead to positive environmental impacts and advance the UN Sustainable Development Goals, specifically SDGs 7, 9, and 12.



PROJECT EVALUATION / SELECTION ContourGlobal's internal process in evaluating and selecting projects is handled by a Green Bond Committee (GBC), responsible for reviewing, monitoring and approving Eligible Green Projects that meet the core criteria set forth in the Framework. The GBC is chaired by the Executive Vice-President of Sustainability and includes the Chief Financial Officer and members from the Planning and Operations Committee. Sustainalytics considers the project selection process in line with market practice.



MANAGEMENT OF PROCEEDS ContourGlobal's processes for management of proceeds is overseen by the GBC. Net proceeds from each Green Bond issuance will be deposited to a general account and an amount equal to the net proceeds will be earmarked for allocation to the Eligible Green Projects as selected by ContourGlobal's GBC. Pending allocation ContourGlobal's Treasury Department may invest the balance of the net proceeds in cash, cash equivalent, or other liquid marketable instruments, as per the Company's cash management policy. This is in line with market practice.



REPORTING ContourGlobal intends to report allocation proceeds on its website on an annual basis until full allocation. ContourGlobal intends to produce an allocation report annually until full allocation of the Green Bond proceeds. The Allocation Report will include metrics such as the amount of proceeds allocated to Eligible Green Projects financed/refinanced and the balance of unallocated proceeds invested in cash/cash equivalents. In addition, ContourGlobal is committed to reporting on relevant impact metrics. Sustainalytics views ContourGlobal's allocation and impact reporting as aligned with market practice.

Evaluation date	October 2, 2020
Issuer Location	London, United Kingdom

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Introduction

ContourGlobal plc (“ContourGlobal”, or the “Company”) is a power generation company, operating 107 power plants in 17 countries across Africa, Europe and the Americas. Headquartered in London, UK, the Company employs more than 1,400 people.

ContourGlobal has developed the ContourGlobal's Green Bond Framework (the “Framework”) under which it intends to issue multiple green bonds and use the proceeds to finance and/or refinance, in whole or in part, existing and/or future projects that contribute low-carbon energy systems, increasing renewable capacity, improving energy efficiency and access to electricity, or ensuring stability to generation systems. The Framework defines eligibility criteria in two areas:

1. Renewable Capacity
2. Energy Efficiency

ContourGlobal engaged Sustainalytics to review the ContourGlobal's Green Bond Framework, dated October 2020, and provide a Second-Party Opinion on the Framework's environmental credentials and its alignment with the Green Bond Principles 2018 (GBP).¹ This is published in a separate document.²

Scope of work and limitations of Sustainalytics Second-Party Opinion

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

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

- The Framework's alignment with the Green Bond Principles 2018, as administered by ICMA;
- The credibility and anticipated positive impacts of the use of proceeds;
- 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 1.5.1, 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 ContourGlobal'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. ContourGlobal representatives have confirmed (1) they understand it is the sole responsibility of ContourGlobal to ensure that the information provided is complete, accurate or up to date; (2) that they have provided Sustainalytics with all relevant information and (3) that any provided material information has been duly disclosed in a timely manner. Sustainalytics also reviewed relevant public documents and non-public information.

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

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

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.

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 ContourGlobal's Green Bond Framework is available on ContourGlobal plc's website at: www.contourglobal.com.

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

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

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

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the ContourGlobal's Green Bond Framework

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

- Use of Proceeds:
 - The eligible categories, Renewable Capacity and Energy Efficiency, are aligned with those recognized by the GBP.
 - Under the Renewable Capacity category, ContourGlobal intends to finance the development, construction, installation and maintenance of power generation facilities that produce electricity from renewable sources including solar PV and concentrated solar PV (CSP), wind power (onshore or offshore), and Hydroelectric Facilities.
 - The Company confirms that for its planned CSP projects the large majority of electricity (>85%) generated from facilities will be derived from solar energy resources.
 - Eligible hydroelectric facilities are limited to small-scale facilities (<25 MW), run-of-river facilities with low storage capacity, or lifecycle carbon intensity below 100gCO₂e/kWh, or those with a power density greater than 5W/m². All new hydropower projects are required to undergo an environmental and social impact assessment by a credible body, and no significant or expected negative impacts should be associated with the project. Furthermore, the company confirms that Do No Significant Harm⁴ criteria will be adhered to throughout all eligible projects, and that no significant controversies can surround the project in order for it to be considered eligible for financing under the Framework. The Company may also finance the rehabilitation of existing hydroelectric facilities greater than 30MW, where the rehabilitation is expected to increase the efficiency of existing water sources. The Company confirms that potential rehabilitation projects will not increase the size of the dam or the amount of water impounded.
 - The company confirms that biomass and biogas projects will be eligible per the criteria outlined by the EU Taxonomy⁵, and further confirms that expenditures involving non-waste biomass is limited to projects where production of biofuel feedstock does not take place on land with high biodiversity risk, where land with a high amount of carbon has not been converted for biofuel feedstock production, and where feedstock will not represent competition with food (considerations for food security). In cases of waste biomass, the company confirms that waste from non-RSPO-certified palm oil operations is excluded.
 - Under the Energy Efficiency category, the Company may finance or refinance investments in the development, construction, installation and maintenance of renewable energy projects that contribute to a reduction of energy consumption per unit of output. The activities financed may

⁴ Do No Significant Harm objectives as defined by the EU Taxonomy Report: Technical Annex (2020), p. 29 available at: https://ec.europa.eu/info/sites/info/files/business_economy_euro/banking_and_finance/documents/200309-sustainable-finance-teg-final-report-taxonomy-annexes_en.pdf

⁵ EU Taxonomy classification: NACE sector D – Electricity, Gas, Steam and Air Conditioning Supply

be energy storage,⁶ energy management systems, and energy efficiency projects. The Company notes that proceeds will exclusively finance/refinance assets that optimize the production of renewable energy, and no financing will be directed toward thermal energy assets.

- Project Evaluation and Selection:
 - ContourGlobal's internal process in evaluating and selecting projects is managed by a Green Bond Committee (GBC), responsible for reviewing, monitoring, and approving Eligible Green Projects that meet the core criteria set forth in the Framework. The GBC is chaired by the Executive Vice-President of Sustainability and includes the Chief Financial Officer and members from the Planning and Operations Committee.
 - Potential projects must be aligned with the criteria outlined in the Framework, adhere to the Company's internal standards and sustainability principles, and determined to substantially contribute to fighting climate change and/or contributing to natural resource preservation.
 - Final project selection for investment remains with the Company's Board of Directors.
 - Based on the above, Sustainalytics considers this process to be in line with market practice.
- Management of Proceeds:
 - ContourGlobal's processes for management of proceeds is overseen by the GBC. Net proceeds from each Green Bond issuance will be deposited to a general account and an amount equal to the net proceeds will be earmarked for allocation to the Eligible Green Projects. For future project costs, proceeds will be managed through a tracking process established by the GBC to ensure traceability. The Chair of the Green Bond Committee will oversee the allocation process.
 - The Company intends to fully allocate bond proceeds within 24 months from the issuance date of each Green Bond. The Company confirms it will also aim to maintain full allocation until maturity by replacing any projects that may have been divested or are no longer eligible.
 - Pending allocation ContourGlobal's Treasury Department may invest the balance of the net proceeds in cash, cash equivalent, or other liquid marketable instruments, as per the Company's cash management policy.
 - Based on the above elements, Sustainalytics considers this process to be in line with market practice.
- Reporting:
 - ContourGlobal intends to report on the allocation of proceeds on its website on an annual basis. This report will be available within 12 months of issuance, and annually until full allocation. The report will include information such as the amount of proceeds allocated, share of finance vs. refinancing, and a list of Eligible Green projects, the aggregated amount of allocation of the net proceeds to the Eligible Green Projects within each eligible category, and the balance of unallocated proceeds invested in cash/cash equivalents.
 - ContourGlobal is committed to report on relevant impact metrics and will develop an annual Green Bond Impact Report. The report will include metrics such as installed capacity in MW, including capacity of renewable energy plant(s) financed through ContourGlobal's Green Bonds, annual GHG emissions avoided in tonnes of CO₂ equivalent⁷, annual renewable energy generation in MWh/GWh (electricity), capacity of energy storage financed or refinanced in MW, annual reduction of consumption of natural resources and annual reduction of waste.
 - Based on the above, Sustainalytics considers this process to be in line with market practice.

Alignment with Green Bond Principles 2018

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

⁶ 'Energy storage' means, in the electricity system, deferring the final use of electricity to a moment later than when it was generated, or the conversion of electrical energy into a form of energy which can be stored, the storing of such energy, and the subsequent reconversion of such energy into electrical energy or use as another energy carrier. Defined by Article 2(59) of the Directive 2019/944/EU on common rules for the internal market for electricity and amending Directive 2012/27/EU, at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32019L0944>

⁷ Following the EIB's methods and the formulas it applied to calculate the carbon emissions avoided (<https://www.eib.org/en/about/documents/footprint-methodologies.htm>)

Section 2: Sustainability Strategy of ContourGlobal

Contribution of framework to ContourGlobal plc's sustainability strategy

ContourGlobal's sustainability strategy is rooted in four key sustainability principles: (i) operate safely and efficiently and minimize environmental impacts, (ii) grow well, (iii) responsible business management, and (iv) enhance the operating business.⁸ The strategy aims to respond to both climate change and a growing demand for energy, and related implications for the Company and its stakeholders. As such, ContourGlobal is expanding electricity generation from renewable sources and improving energy efficiency solutions.⁸

ContourGlobal's commitment to low-carbon electricity generation and reducing the impact of its operations is demonstrated through the following efforts:

- In 2006, ContourGlobal began investing in renewable energy power plants.⁹ By 2019, renewable energy sources represented 37% of the Company's total power output.⁸ The Company operates seven wind, four solar, two hydropower, and one biogas energy projects with a combined output of 1,815 MW.⁸ The projects funded under the Framework, such as solar and wind, hydropower and biomass energy sources, could further strengthen the Company's involvement in generating electricity generation from renewable sources.
- In 2019, the Company's CO₂ emissions intensity of electricity generation decreased by 27% compared to 2015 levels.⁸ Despite an increase for the first time in four years, ContourGlobal's net CO₂ emissions were 0.58 tons per MWh in 2019.⁸ These efforts will be further supported by the Framework via which the Company intends to increase renewable capacity, which in turn can further reduce emissions intensity from electricity generation.

Sustainalytics is of the opinion that the ContourGlobal's Green Bond Framework is aligned with the company's overall sustainability strategy and initiatives and will further the Company's action on its key environmental priorities. Sustainalytics encourages ContourGlobal to establish publicly available timebound targets for its investments in sustainable initiatives.

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

Sustainalytics acknowledges that the Framework will be directed towards eligible projects that have positive environmental impact. However, Sustainalytics acknowledges that such eligible projects could carry negative environmental and social risks or outcomes. Some key environmental and social risks associated with the eligible projects could include occupational health and safety concerns, and land use and biodiversity issues associated with large-scale infrastructure development.

Sustainalytics considers that the Company is expected to manage and/or mitigate potential risks through implementation of the following:

- ContourGlobal abides by its Health, Safety and Environment Policy to ensure that a safe and healthy working environment for employees, contractors and visitors is provided and maintained, and to care for the environment, society and protect natural resources in communities where the Company operates.¹⁰
- ContourGlobal's Health, Safety and Environment (HSE) Management System is applied to day-to-day activities of the Company to manage risk and hazards of the organization.¹¹ The HSE includes performance measurement and audits and inspections to ensure management of hazards and H&S compliance.¹¹
- The Company has instituted an Internal Audit Program to manage Its Health & Safety Management System (HSMS). The Program aims to assess the HSMS's strengths and opportunities, and to reduce risk of non-compliance with regulatory and corporate standards.¹²
- ContourGlobal continuously develops and implements Environmental Management Systems (EMS), tailored to each project to address issues such as air emissions, waste production, water consumption, wastewater discharges, biodiversity (flora and fauna) effects, natural resources reduction, among others.¹³

⁸ ContourGlobal, "Generating responsible energy. Annual Report 2019", (2020), at: https://www.contourglobal.com/sites/default/files/2020-04/contourglobal_annual_report_2019.pdf

⁹ ContourGlobal, "Timeline of achievement", at: <https://www.contourglobal.com/timeline-achievement>

¹⁰ ContourGlobal, "Health, Safety and Environment Policy", (2017), at: <https://www.contourglobal.com/sites/default/files/2017-08/ContourGlobal%20Health%20Safety%20%20Environment%20Policy%20-%20ENGLISH%20-%202017.pdf>

¹¹ ContourGlobal, "HSE Management System", at: <https://www.contourglobal.com/hse-management-system>

¹² ContourGlobal, "Managing Health & Safety", at: <https://www.contourglobal.com/managing-health-safety>

¹³ ContourGlobal, "Environmental Responsibility", at: <https://www.contourglobal.com/environmental-responsibility>

- ContourGlobal’s environmental sustainability policy is aligned with the International Finance Corporation (IFC) Performance Standards and with United Nations Global Compact Principles.¹³ The policy promotes environmental stewardship in the following areas: (i) pollution prevention and abatement, (ii) biodiversity conservation, and (iii) sustainable natural resource responsible management.¹³
- The Company’s Health and Safety and Environmental management systems are aligned with ISO 18001 and ISO 14001 standards.⁸
- ContourGlobal develops Stakeholder Engagement Plans (SEPs) to manage grievances and engagement with local communities to address key issues like emissions, biodiversity, , and water and waste management.⁸ The Company generates monthly grievance reports, and the SEPs guide action plans to address them. Where feasible, the Company carries out forest restoration and preservation activities in areas surrounding reservoirs for hydropower generation.⁸

Based on these policies, standards and assessments, Sustainalytics is of the opinion that ContourGlobal has implemented adequate measures and is well positioned to manage and mitigate environmental and social risks commonly associated with the eligible categories.

Section 3: Impact of Use of Proceeds

The two use of proceeds categories are aligned with those recognized by the GBP. Sustainalytics has focused on one below where the impact is specifically relevant.

Decarbonizing Global Electricity Generation

Electricity and heat generation are the primary sources of GHG emissions, accounting for 31% of global emissions in 2017.¹⁴ At the same time, global electricity demand is increasing due to population and economic growth.¹⁵ This highlights the need to accelerate the transition to renewable electricity systems and implement efficiency improvements to sustainably meet the demand for electricity. In 2019, new renewable electricity projects (mainly wind and solar) in advanced economies delivered savings of 130 Mt of CO₂, and growth in renewable powered electricity generation helped further increase the share of renewables to almost 28% of global electricity output.¹⁶

The efforts to expand the role of renewable energy in the electricity mix are a critical element to the decarbonization of electricity generation and cost-effective CO₂ emissions mitigation.¹⁷ While cost is the primary barrier to decarbonization of the global electricity mix, cost projections to 2025 indicate a 26-59% decrease compared to 2015.¹⁸ In addition, an estimated doubling of investments in low-carbon renewable energy generation (as compared to 2019) are required to align the global energy systems with Paris Agreement targets.¹⁹ Investments in renewable energy projects such as those intended by ContourGlobal under this Framework contribute towards increasing the share of renewable energy, and to meet growing demand for electricity from renewable sources. Furthermore, by investing in projects that contribute to more efficient renewable electricity production ContourGlobal could further support the adoption of renewable energies and electrification of various sectors, and thus support a shift towards a low-carbon economy and advance global targets of carbon emission reduction.

Sustainalytics is of the opinion that investments in electricity production from renewable sources, particularly, solar, wind, hydro and biomass, could accelerate the transition to low-carbon electricity generation and reduce GHG emissions associated to electricity generation.

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. This green bond advances the following SDG goals and targets:

Use of Proceeds Category	SDG	SDG target
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¹⁴ Center for Climate and Energy Solutions, “Global Emissions”, at: <https://www.c2es.org/content/international-emissions/>

¹⁵ US EIA, “Global electricity consumption continues to rise faster than population”, (2020), at: <https://www.eia.gov/todayinenergy/detail.php?id=44095>

¹⁶ IEA, “Global CO₂ emissions in 2019”, (2020), at: <https://www.iea.org/articles/global-co2-emissions-in-2019>

¹⁷ IPCC, “Energy Systems. In: Climate Change 2014: Mitigation of Climate Change. Contribution of Working Group III to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change”, (2014), at: https://www.ipcc.ch/site/assets/uploads/2018/02/ipcc_wg3_ar5_chapter7.pdf

¹⁸ IRENA, “Average Costs for Solar and Wind Electricity Could Fall 59% by 2025”, (2016), at:

<https://www.irena.org/newsroom/pressreleases/2016/Jun/Average-Costs-for-Solar-and-Wind-Electricity-Could-Fall-59-by-2025>

¹⁹ IRENA, “Investment Needs”, at: <https://www.irena.org/financeinvestment/Investment-Needs>

Renewable Capacity	7. Affordable and clean energy	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix
	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
Energy Efficiency	7. Affordable and clean energy	7.3 By 2030, double the global rate of improvement in energy efficiency

Conclusion

ContourGlobal has developed the ContourGlobal’s Green Bond Framework under which it intends to issue green bonds and the use of proceeds to finance renewable energy and energy efficiency that contribute to a transition to low-carbon energy systems, increasing renewable capacity, improving efficiency and access to electricity, or ensuring stability to electricity generation systems. Sustainalytics considers that the projects funded by the green bond proceeds is expected to provide positive environmental impact.

The ContourGlobal’s Green Bond Framework outlines a process by which proceeds will be tracked, allocated, and managed, and commitments have been made for reporting on the allocation and impact of the use of proceeds. Furthermore, Sustainalytics believes that the ContourGlobal’s Green Bond Framework is aligned with the overall sustainability strategy of the company and that the green use of proceeds categories will contribute to the advancement of the UN Sustainable Development Goals 7 and 9. Additionally, Sustainalytics is of the opinion that ContourGlobal 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 ContourGlobal plc is well-positioned to issue green bonds and that the ContourGlobal’s Green Bond Framework is robust, transparent, and in alignment with the four core components of the Green Bond Principles 2018.

Appendices

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

Section 1. Basic Information

Issuer name: ContourGlobal plc

Green Bond ISIN or Issuer Green Bond Framework Name, if applicable: ContourGlobal's Green Bond Framework

Review provider's name: Sustainalytics

Completion date of this form: October 16, 2020

Publication date of review publication:

Section 2. Review overview

SCOPE OF REVIEW

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

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

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

ROLE(S) OF REVIEW PROVIDER

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

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

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

Please refer to Evaluation Summary above.

Section 3. Detailed review

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

1. USE OF PROCEEDS

Overall comment on section (if applicable):

The eligible categories for the use of proceeds Renewable Capacity and Energy Efficiency are aligned with those recognized by the Green Bond Principles 2018. Sustainalytics considers that the eligible categories will lead to positive environmental impacts and advance the UN Sustainable Development Goals, specifically SDGs 7, 9, and 12.

Use of proceeds categories as per GBP:

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

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

2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Overall comment on section (if applicable):

ContourGlobal's internal process in evaluating and selecting projects is handled by a Green Bond Committee (GBC), responsible for reviewing, monitoring and approving Eligible Green Projects that meet the core criteria set forth in the Framework. The GBC is chaired by the Executive Vice-President of Sustainability and includes the Chief Financial Officer and members from the Planning and Operations Committee. Sustainalytics considers the project selection process in line with market practice.

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 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 (please specify): |

Information on Responsibilities and Accountability

- Evaluation / Selection criteria subject to external advice or verification
 In-house assessment
- Other (please specify):

3. MANAGEMENT OF PROCEEDS

Overall comment on section (if applicable):

ContourGlobal's processes for management of proceeds is overseen by the GBC. Net proceeds from each Green Bond issuance will be deposited to a general account and an amount equal to the net proceeds will be earmarked for allocation to the Eligible Green Projects as selected by ContourGlobal's GBC. Pending allocation ContourGlobal's Treasury Department may invest the balance of the net proceeds in cash, cash equivalent, or other liquid marketable instruments, as per the Company's cash management policy. This is in line with market practice.

Tracking of proceeds:

- Green Bond proceeds segregated or tracked by the issuer in an appropriate manner
- Disclosure of intended types of temporary investment instruments for unallocated proceeds
- Other (please specify):

Additional disclosure:

- Allocations to future investments only
 Allocations to both existing and future investments
- Allocation to individual disbursements
 Allocation to a portfolio of disbursements
- Disclosure of portfolio balance of unallocated proceeds
 Other (please specify):

4. REPORTING

Overall comment on section (if applicable):

ContourGlobal intends to report allocation proceeds on its website on an annual basis until full allocation. ContourGlobal intends to produce an allocation report annually until full allocation of the Green Bond proceeds. The Allocation Report will include metrics such as amount of proceeds allocated to Eligible Green Projects finance/refinanced and the balance of unallocated proceeds invested in cash/cash equivalents. In addition, ContourGlobal is committed to reporting on relevant impact metrics. Sustainalytics views ContourGlobal's allocation and impact reporting as aligned with market practice.

Use of proceeds reporting:

- Project-by-project
 On a project portfolio basis

- Linkage to individual bond(s) Other (please specify):

Information reported:

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

Frequency:

- Annual Semi-annual
- Other (please specify):

Impact reporting:

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

Information reported (expected or ex-post):

- GHG Emissions / Savings Energy Savings
- Decrease in water use Other ESG indicators (please specify):

Frequency

- Annual Semi-annual
- Other (please specify):

Means of Disclosure

- Information published in financial report Information published in sustainability report
- Information published in ad hoc documents Other (please specify):
- Reporting reviewed (if yes, please specify which parts of the reporting are subject to external review):

Where appropriate, please specify name and date of publication in the useful links section.

USEFUL LINKS (e.g. to review provider methodology or credentials, to issuer's documentation, etc.)

SPECIFY OTHER EXTERNAL REVIEWS AVAILABLE, IF APPROPRIATE

Type(s) of Review provided:

- Consultancy (incl. 2nd opinion) Certification

- Verification / Audit
 Rating
- Other (*please specify*):

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 recognised external green standard or label. A standard or label defines specific criteria, and alignment with such criteria is normally tested by qualified, accredited third parties, which may verify consistency with the certification criteria.
- 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 specialised research providers or rating agencies, according to an established scoring/rating methodology. The output may include a focus on environmental performance data, the process relative to the GBP, or another benchmark, such as a 2-degree climate change scenario. Such scoring/rating is distinct from credit ratings, which may nonetheless reflect material environmental risks.

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