

## SECOND PARTY OPINION (SPO)

---

Sustainability Quality of the Issuer and Green Finance Framework

VIA Outlets  
25 October 2021

### VERIFICATION PARAMETERS

---

Type(s) of instruments contemplated	<ul style="list-style-type: none"><li>• Green Finance Instruments</li></ul>
Relevant standards	<ul style="list-style-type: none"><li>• International Capital Market Association's (ICMA) Green Bond Principles (GBPs)</li><li>• Loan Market Association's (LMA) Green Loan Principles (GLPs)</li></ul>
Scope of verification	<ul style="list-style-type: none"><li>• VIA Outlets Green Finance Framework (as of 05.10.2021)</li><li>• VIA Outlets Selection Criteria (as of 05.10.2021)</li></ul>
Lifecycle	<ul style="list-style-type: none"><li>• Pre-issuance verification</li></ul>
Validity	<ul style="list-style-type: none"><li>• For as long as the Framework remains unchanged</li></ul>

## CONTENTS

Scope of work .....	3
ISS ESG ASSESSMENT SUMMARY.....	4
ISS ESG SPO ASSESSMENT.....	5
PART I: GREEN FINANCE INSTRUMENTS LINK TO VIA OUTLETS' SUSTAINABILITY STRATEGY.....	5
B. CONSISTENCY OF GREEN FINANCE INSTRUMENTS WITH VIA OUTLETS' SUSTAINABILITY STRATEGY.....	8
PART II: ALIGNMENT WITH ICMA'S GREEN BOND PRINCIPLES AND THE LMA'S GREEN LOAN PRINCIPLES.....	10
PART III: SUSTAINABILITY QUALITY OF THE ISSUANCE .....	13
A. CONTRIBUTION OF THE GREEN FINANCE INSTRUMENTS TO THE UN SDGs .....	13
B. MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS ASSOCIATED WITH THE SELECTION CRITERIA.....	14
ANNEX 1: Methodology .....	16
ANNEX 2: Quality management processes .....	17
About ISS ESG SPO .....	18

## Scope of work

VIA Outlets commissioned ISS ESG to assist with its Green Finance Instruments by assessing three core elements to determine the sustainability quality of the instrument:

1. Green Finance Instruments link to VIA Outlets' sustainability strategy – drawing on VIA Outlets' overall sustainability profile and issuance-specific Use of Proceeds categories.
2. VIA Outlets' Green Finance Framework (05.10.2021 version) – benchmarked against the International Capital Market Association's (ICMA) Green Bond Principles (GBPs) and the Loan Market Association's (LMA) Green Loan Principles (GLPs).
3. The Selection Criteria – whether the projects contribute positively to the UN SDGs and perform against ISS ESG's issue-specific key performance indicators (KPIs) (See Annex 2).

## ISS ESG ASSESSMENT SUMMARY

SPO SECTION	SUMMARY	EVALUATION <sup>1</sup>
<b>Part 1:</b>  <b>Green Finance Instruments link to issuer's sustainability strategy</b>	<p>VIA Outlets owns, operates and develops retail properties across nine countries in Europe. The company's property portfolio consists of 11 shopping centers covering approximately 267.000 square meters of gross lettable area.</p> <p>ISS ESG finds that the Use of Proceeds financed through this bond are broadly consistent with the issuer's sustainability strategy and material ESG topics for the issuer's industry. The rationale for issuing green bonds is clearly described by the issuer.</p>	<b>Consistent with issuer's sustainability strategy</b>
<b>Part 2:</b>  <b>Alignment with GBPs and GLPs</b>	<p>The issuer has defined a formal concept for its Green Finance Instruments regarding use of proceeds, processes for project evaluation and selection, management of proceeds and reporting. This concept is in line with the ICMA's GBPs and the LMA's GLPs.</p>	<b>Positive</b>
<b>Part 3:</b>  <b>Sustainability quality of the selection criteria</b>	<p>The overall sustainability quality of the selection criteria in terms of sustainability benefits, risk avoidance and minimisation is good based upon the ISS ESG assessment. The Green Finance Instruments will (re-)finance eligible asset categories which include green buildings.</p> <p>Those use of proceeds categories have a positive contribution to SDGs 11 'Sustainable cities and communities' and 13 'Climate Action'. The environmental and social risks associated with those use of proceeds categories have been well managed.</p>	<b>Positive</b>

<sup>1</sup> ISS ESG's evaluation is based on the VIA Outlets' Green Finance Framework (October 2021 version), on the analysed selection criteria as received on the 12.10.2021, and on the ISS ESG Corporate Rating applicable at the SPO delivery date (updated on the 22.10.2021).

## ISS ESG SPO ASSESSMENT

### PART I: GREEN FINANCE INSTRUMENTS LINK TO VIA OUTLETS' SUSTAINABILITY STRATEGY

#### A. ASSESSMENT OF VIA OUTLETS' SUSTAINABILITY STRATEGY<sup>2</sup>

**Methodological note:** Please note that VIA Outlets is not part of the ISS ESG Corporate Rating Universe. Thus, the below sustainability profile is an assessment conducted by the analyst in charge of the Real Estate sector based on publicly available information exclusively. No direct communication between the issuer and the analyst has taken place during the process. The below is not based on an ISS ESG Corporate Rating but considers ISS ESG Research's methodology.

*Industry classification:* Real Estate

*Key Issues of the industry:*

1. Green building considerations
2. Climate protection, energy efficiency and renewables
3. Environmental and social aspects in site selection
4. Worker safety and accident prevention
5. Health and well-being of occupants

*Indicative ESG risk and performance assessment*

VIA Outlets owns, operates, refurbishes, and develops retail properties across nine countries in Europe. The company's property portfolio consists of 11 shopping centers covering approximately 267,000 square meters of gross lettable area.

For real estate companies also active in the construction and/or refurbishment of properties, sustainability risks relate to ensuring the health and safety of employees, construction workers, tenants, and customers, and implementing strategies addressing climate change and energy and resource efficiency of buildings.

Regarding social risks, the company has implemented several elements of a health and safety management system, including a health and safety policy, trainings, audits, and collection of accident data. Yet, the company discloses the accident-related data of own employees for only two years, thus a trend cannot be calculated. Regarding contractor's health and safety, VIA Outlets integrates them into health and safety structures by providing induction training on site, conducting contractor risk assessment and monitoring health and safety performance.

Regarding tenants and customers, the company states that it is committed to ensure their health, well-being, and safety. Furthermore, measures to reduce customer and tenant's exposure to chemical (e.g., from cleaning products and paints, asbestos) and biological factors (e.g., legionella) are

<sup>2</sup> The assessment is mainly due to lack of publicly available information about the company, including ESG-related disclosure.

implemented in all properties. Measures to provide for tenant and customer safety are also implemented (e.g., first aid, fire protection, disaster management).

With regard to climate protection, VIA Outlets collects GHG inventories covering scope 1 and 2, while also covering scope 3 emissions derived from tenant energy consumption (accounting for approximately 60% of tenant's data, as at 2020). The company also assesses risks related to climate change and has set a target to reduce absolute greenhouse gas emissions of properties by 55% until 2030 with 2019 as a base year, which is established according to the CRREM tool to align the portfolio with a 1.5°C decarbonisation trajectory. In this regard, the company shows a decreasing trend of GHG emission intensity in recent years.

The company also addresses water and energy use. It has set the targets to reduce energy intensity of its properties by 50% and absolute water consumption by 20% until 2030 with 2019 as a base year. In addition, VIA Outlets has reduced energy and water intensities from 2018 to 2020 for the whole portfolio.

To increase the energy efficiency of its property portfolio, VIA Outlets refers to the implementation of measures such as the installation of smart-meters and LED lighting and sensors, as well as the procurement of renewable electricity (the later in approximately 61% of the centers, as at 2020). Furthermore, energy audits are systematically carried out for all properties and include information on targets to reduce energy consumption, plans to achieve these targets and recommended measures to increase energy efficiency of properties. To reduce water consumption of properties, the company has implemented measures to upgrade sanitary equipment to lower water-use and leak detection systems.

To promote environmental awareness among tenants and customers, VIA Outlets has established green lease agreements for 40% of its portfolio (as at 2021) and has implemented measures including the provision of environmental guides and trainings for all tenants, as well as working groups. Furthermore, the company has a strategy in place to collect energy consumption data of tenants, aiming at collecting 95% of tenant energy consumption by 2021 (the company has already collected 60%, as at 2020). In terms of sustainable transportation to and from its properties, all centers are accessible by public transport and equipped with electric vehicle charging stations as well as cycle racks.

With regards to site selection, the company carries out a due diligence process for property acquisitions, which requires the revision of biodiversity risks (e.g., whether the property is on, or adjacent to, a designated site for the protection of the natural environment, contains or has the potential for protected species, etc.) and which considers Biodiversity Action Plans as best practice. Further, the company conducts biodiversity impact assessments and implements mitigation measures in existing properties.

In addition, the company takes some measures with respect to community outreach and consultation such as grievance mechanisms. Yet, there is no indication on whether Via Outlets informs affected communities on its operations (e.g., through the provision of regularly updated information on site-specific potential impacts and/or environmental, health and safety aspects of projects), and feedback mechanisms for public consultation.

### *Indicative product portfolio assessment*

Using a proprietary methodology, ISS ESG assessed the contribution of VIA Outlets' current products and services portfolio to the Sustainable Development Goals defined by the United Nations (UN SDGs). This analysis is limited to the evaluation of final product characteristics and does not consider practices along VIA Outlets' value chain (see Annex 1).

#### **Social impact of the product portfolio**

VIA Outlets does not manage properties that would contribute significantly to relevant social-related SDG objectives such as ensuring health and delivering education (e.g., management of healthcare or educational facilities). The company's portfolio of retail properties is therefore considered to have a neutral social impact.

#### **Environmental impact of the product portfolio**

As of 2020, 100% of the company's portfolio by floor area is certified to the comprehensive green building standard BREEAM In-Use. The company's assets therefore have a significant positive environmental impact.

### *Controversy Assessment*

#### **Company Screening**

The analyst in charge of producing this report conducted a high-level controversy assessment, based on publicly available information exclusively. There is no indication of VIA Outlets being involved in any of the below mentioned controversies.

#### **Industry risks**

Based on a review of controversies in the period of 1 January 2019 – 30 September 2021, the greatest risks reported against companies operating in the Real Estate Development industry relate to activities of business malpractice and activities that may have adverse impacts on the environment. These are closely followed by activities related to labor rights and human rights. The top three issues that have been reported against companies within the industry are as follows: alleged failure to prevent bribery, failure to prevent money laundering and failure to respect the right to just and favorable conditions of work. These are closely followed by the alleged failure to assess environmental impacts, deceptive misleading and fraudulent practices, and failure to respect the right to self-determination.

## B. CONSISTENCY OF GREEN FINANCE INSTRUMENTS WITH VIA OUTLETS' SUSTAINABILITY STRATEGY

### *Key sustainability objectives and priorities defined by the issuer*

VIA Outlets' sustainability strategy is based on a 4-pillar approach, which encompasses the material issues that are identified as relevant for the company and the industry.

#### Sustainable Buildings

VIA Outlets aims to minimize the environmental impact of their buildings and contribute to limiting the global temperature increase to 1.5°C and have set emission reduction targets and energy intensity targets aligned with the Carbon Risk Real Estate Monitor (CRREM) tool. In doing so VIA Outlets works with all aspects of the value chain (development, operations, and tenants) to become more efficient, reduce carbon emissions and implement innovative solutions, so as to generate synergies and work with its partners towards a common goal.

#### Stakeholder Engagement

VIA Outlets stakeholders take an active part in defining its sustainability strategy, which is why VIA Outlets continuously improves its reporting, engages with stakeholders on VIA Outlets' targets and activities, provides training and generates awareness around sustainability issues. VIA Outlets also works with partners and experts on material sustainability issues to improve their understanding of VIA Outlets' impacts and increase its efforts to create social value.

#### Conscious Consumers

VIA Outlets enhances the social and environmental impacts of the shopping experience at different levels: transport to the centre, food & beverage options, recycling, reduction and phasing out of single use plastics, and sustainability of the products sold. On this last point, VIA Outlets supports and encourages its brand partners in their sustainability initiatives.

#### Resilient Communities

VIA Outlets sets standards in safeguarding health, safety, and wellbeing, and promoting accessibility in all their centres. VIA Outlets also strives to create a working and shopping environment that is inclusive and embraces diversity.

VIA Outlets ensures a short, medium, and long-term approach, by setting long-term and medium-term targets (energy & emissions, environmental impacts related to design & construction, waste, water, health & safety, responsible consumption), with yearly Sustainable Action Plans.

### *Rationale for issuance*

The Green Finance Framework aims to support VIA Outlets' strategy and the transition to a low carbon economy. By issuing Green Finance Instruments, VIA Outlets intends to align its funding strategy with its mission and reinforce its commitment to a low carbon, resilient, inclusive, and healthy society. VIA Outlets believes that Green Finance instruments are an effective tool to channel investments to projects that have demonstrable environmental benefits and thereby contribute to the achievement of the SDGs. Through its Green Finance Framework, VIA Outlets also intends to contribute to the growth of the Green Financing market and to address investor's willingness to finance green projects.

The Green Finance Framework is established as an overarching platform under which VIA Outlets intends to issue Green Finance Instruments, which may include bonds (including private placements),



commercial paper, loans, promissory notes (Schuldscheindarlehen) and any other Green Finance Instruments in various formats and currencies, to finance and/or refinance green projects with an environmental benefit.

*Contribution of Use of Proceeds categories to sustainability objectives and priorities*

ISS ESG mapped the Use of Proceeds categories financed under these Green Finance Instruments with the sustainability objectives defined by the issuer, and with the key ESG industry challenges as defined in the ISS ESG Corporate Rating methodology for the Real Estate sector. Key ESG industry challenges are key issues that are highly relevant for a respective industry to tackle when it comes to sustainability, e.g., climate change and energy efficiency in the buildings sector. From this mapping, ISS ESG derived a level of contribution to the strategy of the Use of Proceeds category.

USE OF PROCEEDS CATEGORY	SUSTAINABILITY OBJECTIVES FOR THE ISSUER	KEY ESG INDUSTRY CHALLENGES	CONTRIBUTION
<b>Green Buildings</b>	✓	✓	Contribution to a material objective

**Opinion:** *ISS ESG finds that the Use of Proceeds financed through this bond are broadly consistent with the issuer’s sustainability strategy and material ESG topics for the issuer’s industry. The rationale for issuing green bonds is clearly described by the issuer.*

## PART II: ALIGNMENT WITH ICMA’S GREEN BOND PRINCIPLES AND THE LMA’S GREEN LOAN PRINCIPLES

### 1. Use of Proceeds

The proceeds of VIA Outlets’ Green Finance Instruments will be used to finance and/or refinance, in whole or in part, new or existing green projects (“Eligible Green Projects”) aligned with the eligibility criteria as defined below, together forming the “Eligible Green Project Portfolio”. Eligible Green Projects may include assets, investments and capital and operational expenditures. Operational expenditures qualify with a three-year lookback period.

GREEN ELIGIBLE CATEGORIES	ELIGIBILITY CRITERIA
<p><b>Green Buildings</b></p>	<ul style="list-style-type: none"> <li>• Existing commercial real estate assets owned and managed by VIA OUTLETS or one of its subsidiaries that have received a Very Good, Excellent or Outstanding BREEAM certification.</li> <li>• Construction, development, and upgrades of properties that are expected to receive a BREEAM Very Good, Excellent or Outstanding certification.</li> <li>• Acquisition of properties that are expected to receive a BREEAM Very Good, Excellent or Outstanding certification.</li> <li>• New or existing investments in or expenditures related to the acquisition or construction of renewable energy installations. These can include but are not limited to solar energy projects owned by the issuer or one of its affiliates or wind-related energy projects.</li> <li>• Buildings built before 31 December 2020 either with an EPC label ≥ “A” or belonging to the top 15% of the national building stock.</li> <li>• Buildings built after 31 December 2020 with energy performance lower of at least 10% than the threshold set for nearly zero-building (NZEB) requirements.</li> <li>• Refurbished buildings that achieve energy savings of at least 30% in comparison to the baseline performance before the refurbishment.</li> </ul>

**Opinion:** ISS ESG considers the Use of Proceeds description provided by VIA Outlets’ Green Finance Framework as aligned with the ICMA’s GBPs and the LMA’s GLPs. Environmental benefits are described.

### 2. Process for Project Evaluation and Selection

A cross-functional Green Finance Committee (“The Committee”) reviews, monitors, and approves all Eligible Green Projects that meet the eligibility criteria. The committee will be chaired by the Group CFO and furthermore composed of the Head of Development and representatives of management at Group and affiliate level, as required, as well as the Group Sustainability Director.

The Committee is also responsible for:

- Removing or replacing assets and expenditures that no longer comply with the Eligibility Criteria or for which the Green Finance Committee has otherwise determined should not be funded under the framework;
- Reviewing and updating the content of the Green Finance Framework and managing any future updates of this document to reflect relevant changes in corporate strategy, technological developments, best market practices and the regulatory landscape.

VIA Outlets states to ensure that all of its activities comply with official national and international environmental and social standards and local laws and regulations. VIA Outlets also applies risk management measures in its capital allocation decisions which are supported by group planning, reporting, and controlling systems. VIA Outlets has baseline sustainability expectations in place that are addressed in VIA Outlets group sustainability policies, which can be accessed [here](#). VIA Outlets takes measures to identify and manage potential ESG risks associated with the eligible project pool through the application of risk analysis processes and sustainability management systems.

**Opinion:** ISS ESG considers the Process for Project Evaluation and Selection description provided by VIA Outlets' Green Finance Framework as aligned with the ICMA's GBPs and the LMA's GLPs.

### 3. Management of Proceeds

The proceeds of the Green Finance Instruments issued under the Framework will be managed by VIA Outlets in a portfolio approach.

VIA Outlets intends to allocate the proceeds from the Green Finance Instruments to an Eligible Green Project Portfolio that meet the Use of Proceeds eligibility criteria and in accordance with VIA Outlets' Evaluation and Selection process.

VIA Outlets states to strive, over time, to achieve a level of allocation to the Eligible Green Project Portfolio which matches or exceeds the balance of proceeds from its outstanding Green Finance Instruments. Additional projects will be added to the Eligible Green Project Portfolio to the extent required.

The Eligible Green Project Portfolio may consist of capex, opex or asset values. Capital and operational expenditures qualify for refinancing with a maximum three-year look-back period. Asset values qualify for refinancing without a specific look-back period. VIA Outlets intends, to the best of its abilities, to fully allocate the proceeds within 24 months after the issuance date of each Green Finance Instrument.

Pending the allocation or reallocation, as the case may be, of the net proceeds, VIA Outlets will invest the balance of the net proceeds, at its own discretion, in cash and/or cash equivalent and/or other liquid marketable instruments or use them for other capital management purposes.

**Opinion:** ISS ESG finds that Management of Proceeds proposed by VIA Outlets' Green Finance Framework is well aligned with the ICMA's GBPs and the LMA's GLPs, as all the proceeds are to be directly allocated within 24 months after the issuance date of each Green Finance Instrument.

#### 4. Reporting

VIA Outlets will make and keep readily available annual reporting on the allocation and impact of the portfolio of Eligible Green Projects after a year from the issuance of the Green Finance Instruments, to be renewed annually until full allocation or in case of material change. Reporting will take place on a portfolio basis. This report will be publicly available on [VIA Outlets' website](#).

VIA Outlets intends to report on an aggregated basis for all the Green Finance Instruments outstanding.

VIA Outlets intends to align its impact reporting with the Handbook for 'Harmonized Framework for Impact Reporting', June 2021 version.

##### Allocation report

The allocation report will provide indicators such as:

- The total amount of VIA Outlets Green Finance Instruments outstanding
- The amount of proceeds allocated to Eligible Green Project Categories
- The balance of unallocated proceeds
- The amount or the percentage of new financing and refinancing
- The geographical distribution of the projects
- The proportion that is aligned with the EU Taxonomy

##### Impact Report

The Impact Report will provide information on the environmental outcomes of the Eligible Green Projects.

The Green Finance Impact Report may include the following impact indicators:

- Reduction in average whole building energy intensity (Kwh/m<sup>2</sup>)
- Reduction in whole-asset portfolio absolute GHG emissions (KgCO<sub>2</sub>e/m<sup>2</sup>)
- BREEAM score of each asset
- Energy generated through on-site self-generation projects

**Opinion:** ISS ESG finds that the reporting proposed by VIA Outlets' Green Finance Framework is aligned with the ICMA's GBPs and the LMA's GLPs. The frequency and scope of the reporting is clearly defined, and the information will be publicly available.

#### External review

##### Annual audit/limited assurance on the Allocation Reporting

VIA Outlets may request on an annual basis, starting one year after issuance until full allocation, a limited assurance report of the allocation of the Green Finance instrument's proceeds to Eligible Green Projects, provided by an external auditor. The Annual Assurance Report will also be posted on VIA Outlets' [website](#).

## PART III: SUSTAINABILITY QUALITY OF THE ISSUANCE




### A. CONTRIBUTION OF THE GREEN FINANCE INSTRUMENTS TO THE UN SDGs

Based on the assessment of the sustainability quality of the Green Finance Instruments selection criteria and using a proprietary methodology, ISS ESG assessed the contribution of the VIA Outlets' Green Finance Instruments to the Sustainable Development Goals defined by the United Nations (UN SDGs).

This assessment is displayed on 5-point scale (see Annex 2 for methodology):

<b>Significant Obstruction</b>	<b>Limited Obstruction</b>	<b>No Net Impact</b>	<b>Limited Contribution</b>	<b>Significant Contribution</b>
------------------------------------	--------------------------------	--------------------------	---------------------------------	-------------------------------------

Each of the Green Finance Instrument's Use of Proceeds categories has been assessed for its contribution to, or obstruction of, the SDGs:

USE OF PROCEEDS	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<b>Green Buildings</b> <i>(BREEAM certification)</i>	<b>Significant Contribution</b>	
<b>Green Buildings</b> <i>(Buildings built before 31 December 2020 either with an EPC label ≥ "A" or belonging to the top 15% of the national building stock)</i> <i>(Buildings built after 31 December 2020 with energy performance lower of at least 10% than the threshold set for nearly zero-building (NZEB) requirements)</i> <i>(Refurbished buildings that achieve energy savings of at least 30% in comparison to the baseline performance before the refurbishment)</i>	<b>Limited Contribution</b>	
	<b>Significant Contribution<sup>3</sup></b>	

<sup>3</sup> This assessment differs from the ISS ESG SDG Solutions Assessment (SDGA) proprietary methodology designed to assess the impact of an issuer's product and service portfolio on the SDGs. For the projects to be financed under Use of Proceeds categories that comply with the Technical Screening Criteria defined by the EU Taxonomy Technical Annex (buildings smaller than 5000 m<sup>2</sup>), a significant contribution to climate change mitigation is attested. Assets compliance with EU taxonomy is not evaluated under the SPO.

## B. MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS ASSOCIATED WITH THE SELECTION CRITERIA

### Green Buildings

As a Use of Proceeds category, green buildings have a significant contribution to the SDG 11 “Sustainable cities and communities” and SDG 13 “Climate Action”. The table below presents the findings of an ISS ESG assessment of the selection criteria against ISS ESG KPIs.

#### ASSESSMENT AGAINST ISS ESG KPI

##### Prerequisite for Green Buildings – Energy Efficiency

- ✓ 100% of assets underwent an appropriate and detailed selection process that ensures good standards regarding energy efficiency. All new buildings are located in EU countries, Switzerland and Norway and received an EPC Rating.

##### Site selection

- ✓ The company has policies excluding protected areas and sites of high environmental value.
- ✓ All the assets are located within c. 1 km from one or more modalities of public transport.

##### Construction standards

- ✓ The company exclusively operates in EU countries, Switzerland, and Norway where high labour and health and safety standards are in place (e.g., ILO core conventions).
- ✓ The company has policies in place for sustainable procurement regarding building materials (e.g., at least 10% of the total value of materials used should derive from recycled and/or reused content in the products and materials selected, third-party certification of wood-based materials).

##### Water use minimization in buildings

- ✓ The company follows measures to reduced water consumption as provided by national legislation (e.g., water metering, high-efficiency fixtures and fittings, rainwater harvesting), has a specific water efficiency policy and reports its consumption levels (including data coverage and performance against targets) to its shareholder on a quarterly basis.

##### Safety of building users

- ✓ The company ensures good measures for the safety of users, based on internal policies and national legislation.

##### Sustainability Labels

- ✓ More than 60% of the assets obtained certification or interim certification of BREEAM "Very Good" or higher. The remaining assets are currently in the process of reobtaining the sustainability certifications. The Issuer commits to having all future assets certified with a BREEAM "Very Good" sustainability label.

## DISCLAIMER

1. Validity of the SPO: as long as the Framework remains unchanged.
2. ISS ESG uses a scientifically based rating concept to analyse and evaluate the environmental and social performance of companies and countries. In doing so, we adhere to the highest quality standards which are customary in responsibility research worldwide. In addition, we create a Second Party Opinion (SPO) on bonds based on data from the issuer.
3. We would, however, point out that we do not warrant that the information presented in this SPO is complete, accurate or up to date. Any liability on the part of ISS ESG in connection with the use of these SPO, the information provided in them and the use thereof shall be excluded. In particular, we point out that the verification of the compliance with the selection criteria is based solely on random samples and documents submitted by the issuer.
4. All statements of opinion and value judgements given by us do not in any way constitute purchase or investment recommendations. In particular, the SPO is no assessment of the economic profitability and credit worthiness of a bond but refers exclusively to the social and environmental criteria mentioned above.
5. We would point out that this SPO, in particular the images, text and graphics contained therein, and the layout and company logo of ISS ESG and ISS-ESG are protected under copyright and trademark law. Any use thereof shall require the express prior written consent of ISS. Use shall be deemed to refer in particular to the copying or duplication of the SPO wholly or in part, the distribution of the SPO, either free of charge or against payment, or the exploitation of this SPO in any other conceivable manner.

The issuer that is the subject of this report may have purchased self-assessment tools and publications from ISS Corporate Solutions, Inc. ("ICS"), a wholly-owned subsidiary of ISS, or ICS may have provided advisory or analytical services to the issuer. No employee of ICS played a role in the preparation of this report. If you are an ISS institutional client, you may inquire about any issuer's use of products and services from ICS by emailing [disclosure@issgovernance.com](mailto:disclosure@issgovernance.com).

This report has not been submitted to, nor received approval from, the United States Securities and Exchange Commission or any other regulatory body. While ISS exercised due care in compiling this report, it makes no warranty, express or implied, regarding the accuracy, completeness or usefulness of this information and assumes no liability with respect to the consequences of relying on this information for investment or other purposes. In particular, the research and scores provided are not intended to constitute an offer, solicitation or advice to buy or sell securities nor are they intended to solicit votes or proxies.

Deutsche Börse AG ("DB") owns an approximate 80% stake in ISS HoldCo Inc., the holding company which wholly owns ISS. The remainder of ISS HoldCo Inc. is held by a combination of Genstar Capital ("Genstar") and ISS management. ISS has formally adopted policies on non-interference and potential conflicts of interest related to DB, Genstar, and the board of directors of ISS HoldCo Inc. These policies are intended to establish appropriate standards and procedures to protect the integrity and independence of the research, recommendations, ratings and other analytical offerings produced by ISS and to safeguard the reputations of ISS and its owners. Further information regarding these policies is available at <https://www.issgovernance.com/compliance/due-diligence-materials>.

© 2021 | Institutional Shareholder Services and/or its affiliates

## ANNEX 1: Methodology

### ISS ESG Green KPIs

The ISS ESG Green Bond KPIs serve as a structure for evaluating the sustainability quality – i.e., the social and environmental added value – of the use of proceeds of VIA Outlets' Green Finance Instruments.

It comprises firstly the definition of the use of proceeds category offering added social and/or environmental value, and secondly the specific sustainability criteria by means of which this added value and therefore the sustainability performance of the assets can be clearly identified and described.

The sustainability criteria are complemented by specific indicators, which enable quantitative measurement of the sustainability performance of the assets, and which can also be used for reporting. If a majority of assets fulfill the requirement of an indicator, this indicator is then assessed positively. Those indicators may be tailor-made to capture the context-specific environmental and social risks.

To review the KPIs used in this SPO, please contact Federico Pezzolato (details below) who will send them directly to you.

### Environmental and social risks assessment methodology

ISS ESG evaluates whether the assets included in the asset pool match the eligible project category and criteria listed in the Green Bond KPIs.

All percentages refer to the amount of assets within one category (e.g., wind power). Additionally, the assessment “no or limited information is available” either indicates that no information was made available to ISS ESG or that the information provided did not fulfil the requirements of the ISS ESG Green Bond KPIs.

The evaluation was carried out using information and documents provided to ISS ESG on a confidential basis by VIA Outlets (e.g., Due Diligence Reports). Further, national legislation and standards, depending on the asset location, were drawn on to complement the information provided by the issuer.

### Assessment of the contribution and association to the SDG

The 17 Sustainable Development Goals (SDGs) were endorsed in September 2015 by the United Nations and provide a benchmark for key opportunities and challenges toward a more sustainable future. Using a proprietary method, ISS ESG identifies the extent to which VIA Outlets' Green Finance Instruments contributes to related SDGs.



## ANNEX 2: Quality management processes

### SCOPE

VIA Outlets commissioned ISS ESG to compile a Green Finance Instruments SPO. The Second Party Opinion process includes verifying whether the Green Finance Framework aligns with the ICMA's GBPs and the LMA's GLPs and to assess the sustainability credentials of its Green Finance Instruments, as well as the issuer's sustainability strategy.

### CRITERIA

Relevant Standards for this Second Party Opinion

- ICMA's GBPs and the LMA's GLPs
- ISS ESG KPI set: Commercial Buildings
- Other relevant KPI

### ISSUER'S RESPONSIBILITY

VIA Outlets' responsibility was to provide information and documentation on:

- Framework
- Asset pool / Eligibility criteria
- Documentation of ESG risks management at the asset level

### ISS ESG'S VERIFICATION PROCESS

ISS ESG is one of the world's leading independent environmental, social and governance (ESG) research, analysis and rating houses. The company has been actively involved in the sustainable capital markets for over 25 years. Since 2014, ISS ESG has built up a reputation as a highly reputed thought leader in the green and social bond market and has become one of the first CBI approved verifiers.

ISS ESG has conducted this independent Second Party Opinion of the Green Finance Instruments to be issued by VIA Outlets based on ISS ESG methodology and in line with the ICMA's GBPs and the LMA's GLPs.

The engagement with VIA Outlets took place in October 2021.

### ISS ESG'S BUSINESS PRACTICES

ISS has conducted this verification in strict compliance with the ISS Code of Ethics, which lays out detailed requirements in integrity, transparency, professional competence and due care, professional behaviour and objectivity for the ISS business and team members. It is designed to ensure that the verification is conducted independently and without any conflicts of interest with other parts of the ISS Group.

## About ISS ESG SPO

ISS ESG is one of the world's leading rating agencies in the field of sustainable investment. The agency analyses companies and countries regarding their environmental and social performance.

As part of our Sustainable (Green & Social) Bond Services, we provide support for companies and institutions issuing sustainable bonds, advise them on the selection of categories of projects to be financed and help them to define ambitious criteria.

We assess alignment with external principles (e.g. the ICMA Green / Social Bond Principles), analyse the sustainability quality of the assets and review the sustainability performance of the issuer themselves. Following these three steps, we draw up an independent SPO so that investors are as well informed as possible about the quality of the bond / loan from a sustainability perspective.

Learn more: <https://www.isscorporatesolutions.com/solutions/esg-solutions/green-bond-services/>

For Information about SPO services, contact:

**Federico Pezzolato**

SPO Business Manager EMEA/APAC

[Federico.Pezzolato@isscorporatesolutions.com](mailto:Federico.Pezzolato@isscorporatesolutions.com)

+44.20.3192.5760

**Miguel Cunha**

SPO Business Manager Americas

[Miguel.Cunha@isscorporatesolutions.com](mailto:Miguel.Cunha@isscorporatesolutions.com)

+1.917.689.8272

For Information about this Green Finance Instruments SPO, contact: [SPOOperations@iss-esg.com](mailto:SPOOperations@iss-esg.com)

### Project team

**Project lead**

Leontine Schijf  
Associate  
ESG Consultant

**Project support**

Joao Ferreira  
Analyst  
ESG Consultant

**Project support**

Jolly Sinha  
Sr. Associate  
ESG Consultant

**Project supervision**

Viola Lutz  
Associate Director  
Deputy Head of  
Climate Services