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Sustainalytics Second Party Opinion
ACEN Green Finance Framework

22 August 2025

Framework owner and location:
ACEN Corporation
Philippines

Sector:
Utilities

Overall Assessment

Sustainability Contribution

Principles Alignment

Aligned

Green Bond Principles 2025
Green Loan Principles 2025

Contribution to SDGs

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Assessment Summary

ACEN Corporation has developed the Green Finance Framework, dated August 2025, under which it intends to obtain or issue green financing instruments, such as loans, bonds, contingent facilities, revolving credit facilities and other debt instruments.[1] ACEN will use the proceeds to fund projects in its core market, the Philippines, and its other key markets, including Australia, Vietnam, India, Laos, Indonesia and the United States, in one environmental category.

We have assessed the overall Sustainability Contribution of the Framework as **Strong** based on the Sustainability Contribution of the Framework's single use of proceeds category.

ACEN intends to finance environmental expenditures in Renewable Energy, with a focus on solar, wind, geothermal and hydropower energy generation; battery energy storage solutions; and production of renewable energy components. Such expenditures are expected to strongly contribute to reducing emissions from the energy sector and support its decarbonization.

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

[1] This Second Party Opinion is valid only for the instruments expressly listed in the Framework.

This Second Party Opinion provides our point-in-time independent opinion of the Framework as at the Evaluation Date above and serves as an update to our previous Second Party Opinion dated 18 August 2021. Our assessments of Sustainability Contribution and Principles Alignment are based on our Assessment Framework for Use of Proceeds Instruments (also see Annex 1: Assessment Framework Overview). Our opinion also considers additional information that the Framework owner provided up to the Evaluation Date, as well as public and non-public information.

Breakdown per Use of Proceeds Category

We have assessed the overall Sustainability Contribution of the Framework as **Strong** based on the Sustainability Contribution of the Framework's single use of proceeds category.

Category	Sustainability Contribution Level	Weight
Renewable Energy		100%

Issuer Overview & Sustainability Strategy

ACEN Corporation is Ayala Group's listed renewable energy company, with core operations in the Philippines and a significant presence in Australia, Vietnam, India, Indonesia, Laos and Indonesia.[2] Headquartered in Makati, the Philippines, ACEN develops, operates and invests in electric power generation assets.[3,4] As of 2024, ACEN had more than 1,000 employees and an attributable capacity of renewables of nearly 7,000 MW in solar (65%), wind (29%), battery (4%) and geothermal (2%).[5,6]

The Group's sustainability strategy focuses on regional energy transition, environmental management, workforce transition, inclusive communities and sustainable business operations.[7] ACEN aims to achieve net zero GHG emissions by 2050, having launched a roadmap in 2023 with four interim targets. As of 2024, ACEN has made progress toward three interim targets relative to a 2021 baseline: i) scope 1 emissions from owned generation activities reduced by 81% compared to its targets of 73.6% by 2030 and 94.5% by 2040; ii) scope 1 and 3 emissions from owned generation and retail activities reduced by 39% compared to its targets of 73.8% by 2030 and 99% by 2040; and iii) other scope 3 emissions reduced by 40% compared to targets of 51.6% by 2030 and 97% by 2040. However, emissions from other scope 1 and 2 emissions increased substantially by 159% from 2021 to 2024, which diverges from ACEN's targeted reductions of 42% by 2030 and 90% by 2040. This was primarily due to the construction and operation of more renewable energy plants. To address this increase, ACEN is implementing measures to promote energy efficiency, procure energy attribute certificates and increase the use of solar power across its plants. ACEN has also set a target to achieve 100% renewables generation in attributable capacity by 2025 to support its net zero target.[8]

The Group closed a market-based Energy Transition Mechanism (ETM) in 2022, which leverages public and private capital to decommission its coal assets earlier than scheduled.[9] As part of the ETM structure, ACEN's 246 MW South Luzon Thermal Energy Corporation (SLTEC) coal plant's operating life of up to 50 years will be reduced by half as it aims to retire the plant and transition to cleaner technologies by 2040.[10] Since 2023, ACEN has been working with several partners to explore the development of transition credits that would leverage carbon finance to accelerate the early retirement of coal-fired power plants and replace them with cleaner energy.[11]

ACEN's Board-level Sustainability Committee oversees its sustainability strategy and climate-related risks, while the executive-level ESG Committee monitors performance on key ESG and climate-related metrics. The corporate-level Sustainability Team works with business units, including project-level development leads and plant managers, as well as health, safety, security and environment leads, pollution control officers and sustainability officers to assess and manage environmental and social risks and issues.[12] Since 2021, the Group has published an annual Integrated Report, which comprises its sustainability disclosures.[13]

[2] ACEN, "About us", at: https://www.acenrenewables.com/about-us/
[3] ACEN, "Quarterly Report (Q1)", (2025), https://www.acenrenewables.com/storage/2025/05/ACEN-CORPORATION-Quartery-Report-quarter-ended-31-March-2025.pdf
[4] ACEN, "Environmental, Social and Governance (ESG) Investor Pack", (2025), at: https://www.acenrenewables.com/storage/2025/07/2025-ACEN-ESG-Investor_0806.pdf
[5] Ibid.
[6] ACEN, "Analyst & Investor Briefing", (2025), at: https://www.acenrenewables.com/storage/2025/05/First-Quarter-2025-Analyst-and-Investor-Briefing.pdf
[7] ACEN, "Environmental, Social and Governance (ESG) Investor Pack", (2025), at: https://www.acenrenewables.com/storage/2025/07/2025-ACEN-ESG-Investor_0806.pdf
[8] Ibid.
[9] ACEN, "Energy Transition Mechanism", at: https://www.acenrenewables.com/energy-transition-journey/etm/
[10] ACEN, "ACEN completes the world's first ETM transaction for the 246 MW SLTEC coal plant", at: https://www.acenrenewables.com/2022/11/acen-completes-worlds-first-energy-transition-mechanism-etm-transaction-246-mw-sltec-coal-plant/
[11] ACEN, "Transition credits", at: https://www.acenrenewables.com/energy-transition-journey/transition-credits/
[12] ACEN, "Environmental, Social and Governance (ESG) Investor Pack", (2025), at: https://www.acenrenewables.com/storage/2025/07/2025-ACEN-ESG-Investor_0806.pdf
[13] ACEN, "Reports and Presentations: Integrated Reports", at: https://www.acenrenewables.com/investors/reports/

Principles Alignment

We have assessed the Green Finance Framework as follows:

Green Bond Principles 2025 – **Aligned**

Green Loan Principles 2025 – **Aligned**

ACEN intends to issue or obtain green financing instruments, such as loans, bonds, contingent facilities, revolving credit facilities and other instruments,[14] under the Framework. ACEN will ensure that there is no double counting of allocation or impact for all types of financial instruments considered under the Framework and across eligible projects financed by previous issuances.

ACEN will ensure alignment of each issuance by its subsidiaries with the four core components of the Principles, as defined in the Framework.

Principles Alignment Detailed Evaluation

Use of Proceeds	**Aligned** *Alignment with core requirements* ► The Framework describes eligibility criteria appropriately. ► All expenditures are expected to provide clear environmental benefits. *Additional considerations* ► ACEN has committed to the following practices, which go beyond the core requirements: ► ACEN has defined a look-back period of three years for refinancing.
Project Evaluation and Selection	**Aligned** *Alignment with core requirements* ► The Framework describes a governance process for the evaluation and selection of eligible projects. ► The Framework communicates the environmental sustainability objectives of eligible projects. ► The Framework describes a process to identify and manage perceived environmental and social risks associated with eligible projects. *Additional considerations* ► ACEN has committed to the following practices, which go beyond the core requirements: ► The Framework states how eligible projects are positioned within the context of ACEN's overarching sustainability strategies and policies. ► The Framework identifies the SDGs to which eligible projects are expected to contribute.

[14] This Second Party Opinion is valid only for the instruments expressly listed in the Framework.

Management of Proceeds	**Aligned**

Alignment with core requirements

- The Framework describes a governance structure for the management of proceeds.
- The Framework describes the processes and systems that will be used to track the proceeds.
- The Framework describes the intended temporary placement for the balance of unallocated proceeds.
- In the event of multi-tranching, ACEN will only label tranches that are exclusively allocated to green projects.

Additional considerations

- ACEN has committed to the following practices, which go beyond the core requirements:
  - ACEN intends to allocate all proceeds to eligible projects within three years of issuance.
  - Pending full allocation, temporary proceeds will be held in cash and cash equivalents.
  - ACEN intends to repay existing debt under general credit facilities of the Group with the temporary proceeds and commits to excluding carbon-intensive assets.
  - ACEN will engage an external auditor to provide independent verification of its management of proceeds and allocation reporting in accordance with the Framework.

Reporting	**Aligned**

Alignment with core requirements

- ACEN will provide an annual allocation report until full allocation of proceeds and renew it in case of material changes until maturity.
- ACEN will report on allocation to revolving credit facilities until loan maturity.

Additional considerations

- ACEN has committed to the following practices, which go beyond the core requirements:
  - ACEN will publish a category- and project-level allocation report.
  - ACEN will share at least one impact metric for each project or in aggregate for all projects that the proceeds finance.
  - ACEN will report on the quantitative impacts of projects using relevant metrics, where relevant and possible.
  - ACEN will share the allocation and impact report publicly on its website and in its Integrated Report.

Sustainability Contribution

ACEN intends to use the proceeds from instruments issued under the Framework to finance and refinance projects and activities expected to lead to environmental benefits in ACEN's core market, the Philippines, and its other key markets, including Australia, Vietnam, India, Laos, Indonesia and the US.

We have assessed the overall Sustainability Contribution of the Framework as **Strong** based on the Sustainability Contribution of the Framework's single use of proceeds category.

Sustainability Contribution

Sustainability Contribution per Use of Proceeds Category

Renewable Energy

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

Expenditures under this category include investments in renewable energy generation from solar, wind, geothermal and hydropower sources; battery energy storage solutions (BESS); and the production of renewable energy components, which are critical to achieving zero-emission energy production. By generating low-emission electricity and storing surplus output for later use, these expenditures are expected to strongly contribute to decarbonizing the energy sector.

Category Expenditures

Expenditure	Description
Solar energy generation	► Planning, development, construction, acquisition, financing and operation of solar photovoltaic (PV) projects.
Wind energy generation	► Planning, development, construction, acquisition, financing and operation of on- and offshore wind energy projects. ► Fossil fuel back-up for offshore wind will be limited to that required for operational continuity.
Geothermal energy generation	► Planning, development, construction, acquisition, financing and operation of geothermal energy projects with direct emissions lower than 100 gCO_2/kWh.
Hydropower generation	► Planning, development, construction, acquisition, financing and operation of hydropower energy projects. ► All projects must meet one of the following criteria: i) run-of-river without artificial reservoir or low storage capacity; ii) power density greater than 10 W/m^2; or iii) life cycle carbon intensity below 50 gCO_2e/kWh. ► All projects must have undergone environmental and social impact assessments, with no significant controversies or expected negative impact identified.

Energy storage	▸ Planning, development, construction, acquisition, financing and operation of: ▸ BESS projects directly linked to renewable electricity sources. ▸ BESS projects arising from ACEN's ETM[15] programme, where the BESS plants are intended to replace ACEN's SLTEC coal plant – slated for early decommissioning – to provide energy storage for its ongoing expansion of renewable energy sources. The BESS plants will be connected to the Philippines' national grid. ▸ BESS or pumped hydropower energy storage projects directly connected to renewable electricity sources or connected to a grid that integrates at least 90% renewables or energy sources with an average carbon intensity below 100 gCO_2e/kwh electricity. All pumped hydropower projects must have undergone environmental and social impact assessments, with no significant controversies or expected negative impacts identified. ▸ Excludes the manufacturing of BESS or batteries.
Production of renewable energy components and technologies	▸ Production of renewable energy components and technologies. ▸ Financed manufacturing facilities will be entirely dedicated to the production of components or technologies for renewable energy generation.

Analytical Commentary

Investments in low carbon energy are critical for the energy transition and the decarbonization of the energy sector. The production of electricity and heat accounted for 44% of global GHG emissions in 2022.[16] In the IEA Net Zero by 2050 pathway for the global energy sector, the share of renewable energy generation must increase to 90% by 2050 to meet internationally agreed-upon climate goals, with solar PV and wind contributing nearly 70%, hydropower at 12% and geothermal at 1%.[17]

Investments in renewable energy generation projects and the production of renewable energy components are expected to strongly contribute to the goal of zero-emission energy systems. Solar, wind and hydropower facilities have average life cycle GHG emissions intensities well below the technology-agnostic threshold of 100 gCO_2e/kWh. Investments in geothermal energy generation facilities are also limited to those that meet a 100 gCO_2e/kWh threshold. These are consistent with limiting the global temperature rise to 2°C.[18] Additionally, offshore wind projects will limit fossil fuel back-up to that needed for operational continuity, thereby minimizing direct operational emissions that otherwise result from using fossil fuels to manage intermittency.

BESS and pumped hydropower projects directly connected to renewable energy or a grid with at least 90% low carbon electricity sources can help mitigate intermittency, reduce peak-demand

[15] ACEN, "Energy Transition Mechanism", at: https://www.acenrenewables.com/energy-transition-journey/etm/
[16] IEA, "Greenhouse Gas Emissions from Energy Data Explorer", (2024), at: https://www.iea.org/data-and-statistics/data-tools/greenhouse-gas-emissions-from-energy-data-explorer
[17] IEA, "Net Zero by 2050 – A Roadmap for the Global Energy Sector", (2021), at: https://iea.blob.core.windows.net/assets/deebef5d-0c34-4539-9d0c-10b13d840027/NetZeroby2050-ARoadmapfortheGlobalEnergySector_CORR.pdf
[18] Silva, M. et al., (2019), "Life cycle GHG emissions of renewable and non-renewable electricity generation technologies", Østfoldforskning, at: https://reinvestproject.eu/wp-content/uploads/2019/11/OR_RE-INVEST_Life-cycle-GHG-emissions-of-renewable-and-non-renewable-electricity.pdf

stress and store surplus output for later use.[19] BESS projects arising from ACEN's ETM programme are connected to the Philippines' national grid, which remains largely dependent on non-renewable energy sources, with renewable energy representing 22% of the total energy mix as of 2023.[20] Nonetheless, these BESS projects are intended to replace ACEN's coal plant slated for early decommissioning and will be dedicated to support the expansion of its renewable energy generation portfolio. In this context, BESS plays an important role in maintaining grid stability in the transition from coal's consistent baseload supply to intermittent renewables.[21]

Overall, the expenditures under this category are expected to strongly contribute to zero-emission energy generation.

[19] Coccato, S. et al., (2025), "A Review of Battery Energy Storage Optimization in the Built Environment", Batteries, at: https://www.mdpi.com/2313-0105/11/5/179
[20] Philippines Department of Energy, "Key Energy Statistics 2023", (2024), at: https://legacy.doe.gov.ph/sites/default/files/pdf/energy_statistics/2023%20Key%20Energy%20Statistics.pdf
[21] London School of Economics and Political Science, Grantham Research Institute on Climate Change and the Environment and Just Transition Finance Lab, "Case study: ACEN Renewables – using transition credits to accelerate coal closure", (2024), at: https://justtransitionfinance.org/wp-content/uploads/2024/12/ACEN-Renewables_using-transition-credits-to-accelerate-coal-closure.pdf

Environmental and Social Risk Management

We have identified the following areas of environmental and social risks associated with the expenditures eligible under the Framework: land use and biodiversity; emissions, effluents and waste; occupational health and safety; and community relations. ACEN has the following policies and processes in place to identify and mitigate such risks.

E&S Risk identified	Applicable policies, procedures and measures
Due diligence and risk management measures	► ACEN has developed an environmental and social management system (ESMS) to identify, manage and monitor environmental and social risks and impact in the life cycle of each project. The ESMS covers material topics identified by ACEN, such as climate change, biodiversity, circularity, local communities, and human and labour rights.[22] ► As of 2024, eight out of ACEN's twelve operating plants in the Philippines have obtained the Integrated Management System certification, which comprises the ISO 14001,[23] ISO 9001,[24] and ISO 45001[25] certifications on environmental management systems, quality management systems, and occupational health and safety management, respectively.[26]
Land use and biodiversity	► ACEN's ESG Policy Statement commits to avoiding operations in critical habitats defined in accordance with the IFC Performance Standards, unless no other viable alternatives are available. The policy also seeks to avoid new project sites that pose significant risks to endangered and migratory species identified in the IUCN Red List of Threatened Species.[27,28] ► To further manage land use and biodiversity risks, ACEN shared that project site selection under the Framework will require biodiversity assessments to determine the presence of critical habitats, such as Key Biodiversity Areas (KBA) and Protected Areas (PA). ACEN also highlighted that it would rely on its ESMS to carefully screen new project sites to avoid unnecessary conversion of natural habitats or operations within critical habitats. Projects that take place in critical habitats or pose high biodiversity risks – specifically in PAs and KBAs – are excluded from development if the associated environmental, regulatory and social risks are deemed significant and cannot be adequately mitigated or redesigned.[29] ► Where projects proceed in forest areas or natural habitats, ACEN commits to implementing mitigation measures to ensure no net loss in biodiversity and no major impact on the natural habitats from its operations. ACEN follows the mitigation hierarchy principles (avoid, minimize, restore and offset) in managing its biodiversity impacts. These include identifying and designating areas reserved for protection and conservation and restoring natural habitats during or after operations.[30,31] ► ACEN has clarified that its ESG Policy Statement provides overarching guidance for its general operations, while its Framework and ESMS incorporate additional E&S due diligence

[22] ACEN, "Environmental, Social and Governance (ESG) Investor Pack", (2025), at: https://www.acenrenewables.com/storage/2025/07/2025-ACEN-ESG-Investor_0806.pdf
[23] ISO, "ISO 14001:2015 Environmental management systems — Requirements with guidance for use", (2015), at: https://www.iso.org/standard/60857.html
[24] ISO, "ISO 9001:2015 Quality management systems — Requirements", (2015), at: https://www.iso.org/standard/62085.html
[25] ISO, "ISO 45001:2018 Occupational health and safety management systems — Requirements with guidance for use", (2018), at: https://www.iso.org/standard/63787.html
[26] ACEN, "Environmental, Social and Governance (ESG) Investor Pack", (2025), at: https://www.acenrenewables.com/storage/2025/07/2025-ACEN-ESG-Investor_0806.pdf
[27] IUCN, "IUCN Red List of Threatened Species", at: https://www.iucnredlist.org/
[28] ACEN, "Environmental, Social and Governance (ESG) Investor Pack", (2025), at: https://www.acenrenewables.com/storage/2025/07/2025-ACEN-ESG-Investor_0806.pdf
[29] ACEN has shared additional details on its biodiversity assessment and ESMS with Sustainalytics confidentially.
[30] Ibid.
[31] ACEN has shared details on its operations in forest areas and natural habitats with Sustainalytics confidentially.

	considerations for land use and biodiversity risks.[32] For our assessment, we have assumed that ACEN's additional E&S due diligence considerations implemented through its Framework and ESMS, including removing sites posing unacceptable biodiversity risks from consideration, will prevail.
Emissions, effluents and waste	► ACEN's ESG Policy Statement outlines its commitment to managing waste and effluents across its operations to prevent pollution and safeguard water quality in the ecosystems where it operates.[33] This includes compliance with relevant local and international regulatory policies and standards for wastewater and waste, as well as integration of material recovery facilities and waste segregation systems on project sites.[34] ► ACEN aims to minimize solid waste generation, improve waste recovery and recycling, and ensure that any hazardous materials are handled, stored, treated and disposed of in a way that safeguards the environment and human health.[35]
Occupational health and safety	► ACEN commits to the following in its Health, Safety, Security and Environment (HSSE) Policy Statement: i) implement a HSSE Management System to ensure compliance with relevant laws; ii) identify, report and eliminate hazards in its operating sites; iii) collaborate with partners and contractors to implement the policy; and iv) set and monitor HSSE performance targets.[36] ► All of ACEN's operating plants in the Philippines have obtained the ISO 45001 certification on occupational health and safety management.[37] ► In its Human Rights Policy Statement, ACEN commits to not engage in any form of forced labour, human trafficking or child labour, and provide and maintain a safe, healthy and productive workplace for its employees. It also carries out human rights due diligence assessments to identify, prevent and mitigate human rights impact.[38] ACEN's human rights approach references the UN Guiding Principles on Business and Human Rights,[39] UN Universal Declaration of Human Rights,[40] ILO's Fundamental Principles and Rights at Work,[41] and OECD Guidelines for Multinational Enterprises on Responsible Business Conduct.[42]
Community relations	► ACEN's ESG Policy Statement defines its community relations approach to: i) protect local communities, vulnerable populations and Indigenous people affected by its operations; ii) engage with local governments and communities throughout the life cycle of a power plant, with grievance mechanisms in place; iii) develop and operate projects in areas that require little or no involuntary settlement; iv) assess if involuntary or economic displacement may occur prior to project implementation; and v) provide compensation for land, assets or economic opportunities lost.[43]

[32] ACEN has shared details on its overall E&S due diligence procedures with Sustainalytics confidentially.
[33] Ibid.
[34] Ibid.
[35] Ibid.
[36] ACEN, "Health, Safety, Security and Environment Policy Statement", (2023), at: https://www.acenrenewables.com/wp-content/uploads/2024/10/ACEN-HSSE-Policy-Statement-sgd.pdf
[37] ACEN, "Environmental, Social and Governance (ESG) Investor Pack", (2025), at: https://www.acenrenewables.com/storage/2025/07/2025-ACEN-ESG-Investor_0806.pdf
[38] ACEN, "Human Rights Policy Statement", (2023), at: https://www.acenrenewables.com/wp-content/uploads/2024/10/ACEN-Human-Rights-Policy.pdf
[39] UNDP, "UN Guiding Principles on Business and Human Rights", (2021), at: https://www.undp.org/sites/g/files/zskgke326/files/migration/in/UNGP-Brochure.pdf
[40] United Nations, "Universal Declaration of Human Rights", (1948), at: https://www.un.org/en/about-us/universal-declaration-of-human-rights
[41] ILO, "Fundamental Principles and Rights at Work", (2022), at: https://www.ilo.org/sites/default/files/2024-04/ILO_1998_Declaration_EN.pdf
[42] OECD, "OECD Guidelines for Multinational Enterprises on Responsible Business Conduct", at: https://www.oecd.org/en/publications/2023/06/oecd-guidelines-for-multinational-enterprises-on-responsible-business-conduct_a0b49990.html
[43] ACEN, "Environmental, Social and Governance (ESG) Investor Pack", (2025), at: https://www.acenrenewables.com/storage/2025/07/2025-ACEN-ESG-Investor_0806.pdf

Annex 1: Assessment Framework Overview

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

Principles Alignment indicates a framework's alignment with the requirements of applicable sustainable debt market Principles.[44] This assessment is structured according to the four components of the Principles: Use of Proceeds, Project Evaluation and Selection, Management of Proceeds and Reporting. Principles Alignment is expressed at one of following levels:

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

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

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

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

Level of Sustainability Contribution	Description
	The expenditure finances an activity that makes a strong contribution to an environmental or social objective. The activity is well aligned with credible standards; there are no significant lock-in risks; and the risk of negative impact to other sustainability objectives is low.
	The expenditure finances an activity that makes a significant positive contribution to an environmental or social objective while having minor shortcomings compared to a strong contribution. This is either because the activity falls somewhat short of credible standards; there is some risk of lock-in (in the case of some environmental activities); there is a risk of negative impact to other sustainability objectives; or there is some ambiguity in the criteria for the expenditure.
	The expenditure finances an activity that represents a step towards an environmental or social objective but has substantial shortcomings compared to expenditures that make a strong contribution. Although the activity will result in benefit over a relevant baseline, either it falls substantially short of credible standards; there is significant risk of lock-in; there is significant ambiguity in the criteria; or there is a risk of significant negative impact to other sustainability objectives.
	The expenditure finances an activity that entails no net positive contribution to environmental or social objectives. Even in cases where there is some positive contribution to an objective, this is offset by shortcomings in other areas. Alternatively, the eligibility criteria may be unclear to the extent that contribution cannot be determined.

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

Scope of Work and Limitations

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

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

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

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

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

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The issuer is fully responsible for certifying and ensuring the compliance with its commitments, for their implementation and monitoring.