

SECOND PARTY OPINION

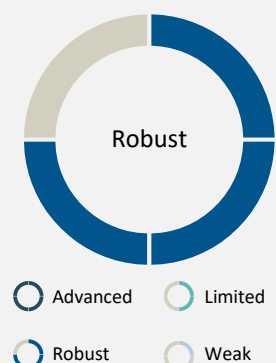
on the sustainability of NW Natural Holding and NW Natural Gas Company Sustainable Financing Framework

V.E considers that NW Natural Holding and NW Natural Gas Company Sustainable Financing Framework is aligned with the four core components of ICMA's Green Bond Principles 2021 ("GBP") and Social Bond Principles 2021 ("SBP").



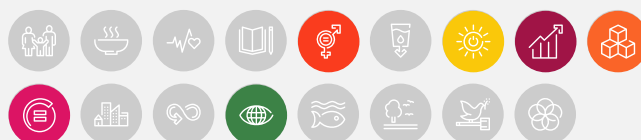
Framework

Contribution to Sustainability:



	Weak	Limited	Robust	Advanced
Expected impacts				
ESG risks management				

SDG Mapping



Characteristics of the Framework

Project Categories	⇒ 3 Green categories ⇒ 1 Social category
Target population	⇒ Minority-owned businesses and Small Businesses
Project locations	United States
Existence of framework	Yes
Share of refinancing	To be disclosed for each issuance
Look back period	36 months

Issuer

Controversial Activities

The Issuer appears to be involved in one of the 17 controversial activities screened under our methodology:

- | | | | |
|---|---|---|--|
| <input type="checkbox"/> Alcohol | <input checked="" type="checkbox"/> Fossil fuels industry | <input type="checkbox"/> High interest rate lending | <input type="checkbox"/> Pornography |
| <input type="checkbox"/> Animal welfare | <input type="checkbox"/> Coal | <input type="checkbox"/> Human embryonic stem cells | <input type="checkbox"/> Reproductive medicine |
| <input type="checkbox"/> Cannabis | <input type="checkbox"/> Gambling | <input type="checkbox"/> Military | <input type="checkbox"/> Tar sands and oil shale |
| <input type="checkbox"/> Chemicals of concern | <input type="checkbox"/> Genetic engineering | <input type="checkbox"/> Nuclear power | <input type="checkbox"/> Tobacco |
| <input type="checkbox"/> Civilian firearms | | | |

ESG Controversies

Number of controversies	None
Frequency	N/A
Severity	N/A
Responsiveness	N/A

Coherence

Coherent
Partially coherent
Not coherent

V.E considers that the contemplated Sustainable Financing Framework is coherent with NW Natural's strategic sustainability priorities and sector issues and that it contributes to achieving the Issuer's sustainability commitments.

Key findings

V.E considers that NW Natural Holding and NW Natural Gas Company Framework is aligned with the four core components of the GBP & SBP.

Use of Proceeds –aligned with GBP & SBP

- Eligible Projects are clearly defined, the Issuer has communicated the nature of the expenditures, the eligibility criteria, the target populations and location of Eligible Projects.
- The Environmental and Social Objectives are clearly defined, these are relevant for all of the eligible projects and set in coherence with sustainability objectives defined in international standards.
- The Expected Environmental and Social Benefits are clear, these are considered relevant, measurable, and will be quantified for all the Eligible Projects in the reporting.
- The Issuer has committed to transparently communicate the estimated share of proceeds allocated to refinancing for each instrument before each issuance. The look-back period for refinanced Eligible Projects will be equal or less than 36 months from the issuance date, in line with market practices.

Evaluation and Selection - aligned with GBP & SBP

- The Process for Project Evaluation and Selection has been clearly defined by the Issuer, it is considered structured. The roles and responsibilities clear and include relevant internal expertise. The Process will be publicly disclosed in the Framework.
- Eligibility criteria (selection) for project selection have been clearly defined by the Issuer for all of the eligible projects.
- The process applied to identify and manage potentially material E&S risks associated with the projects is publicly disclosed in this SPO. The Process is considered robust: it combines monitoring, identification and corrective measures for all projects (see detailed analysis on pages 18 - 21).

Management of Proceeds - aligned with GBP & SBP

- The Process for the Management and Allocation of Proceeds is clearly defined and will be publicly available in the Framework.
- The period for allocation of proceeds is 24 months or less.
- Net proceeds of the Instrument will be tracked by the Issuer in an appropriate manner and attested in a formal internal process.
- Information on the intended types of temporary placement for the balance of the unallocated net proceeds is publicly disclosed.
- The Issuer has committed that, as long as the Instrument is outstanding, the balance of the tracked net proceeds will be periodically adjusted to match allocations to eligible projects made during that period.
- The Issuer has provided information on the procedure that will be applied in case of project divestment or postponement and it has committed to reallocate divested proceeds to projects that are compliant with the framework.

Reporting - aligned with GBP & SBP

- The Issuer has committed to report on the Use of Proceeds annually, until full allocation and on a timely basis in case of material developments. The report will be publicly available until full allocation and then available upon request. If the report is externally verified, this verification will also be made publicly available.
- The reporting will cover relevant information related to the allocation of Bonds proceeds and to the expected sustainable benefits of the projects. The Issuer has also committed to report on material issues to investors such as developments/issues/controversies related to the projects, as the Issuer determines is necessary under the US Securities and Exchange Commission guidance for a current report (Form 8-K).

- The reporting methodology and assumptions used to report on environmental and social benefits of the Eligible projects will be publicly disclosed.
- An external auditor will verify the tracking and allocation of funds to Eligible Projects/Categories until full allocation and in case of material changes. Indicators used to report on environmental and social benefits of the Eligible Projects will be verified internally by the Issuer.

Contact

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SCOPE

V.E was commissioned to provide an independent opinion (thereafter “Second Party Opinion” or “SPO”) on the sustainability credentials and management of the Green, Social and Sustainable Financing Instruments¹ (“Instruments”) to be issued by NW Natural Holding Company and/or NW Natural (the “Issuer”) in compliance with the Sustainable Financing Framework (the “Framework”) created to govern their issuance.

Our opinion is established according to V.E’s Environmental, Social and Governance (“ESG”) exclusive assessment methodology and to the latest version of the ICMA’s Green Bond Principles (“GBP”) - edited in June 2021 - and Social Bond Principles (“SBP”) - edited in June 2021 - voluntary guidelines (referred together as the “GBP & SBP”).

Our opinion is built on the review of the following components:

- Framework: we assessed the Framework, including the coherence between the Framework and the Issuer’s environmental and social commitments, the Instruments’ potential contribution to sustainability and its alignment with the four core components of the GBP & SBP 2021.
- Issuer²: we assessed the Issuer’s management of potential stakeholder-related ESG controversies and its involvement in controversial activities³.

Our sources of information are multichannel, combining data (i) gathered from public sources, press content providers and stakeholders, (ii) from V.E’s exclusive ESG rating database, and (iii) information provided from the Issuer, through documents and interviews conducted with the Issuer’s managers and stakeholders involved in the Instruments issuance, held via a telecommunications system.

We carried out our due diligence assessment from August 9th to September 29th, 2021. We consider that we were provided with access to all the appropriate documents and interviewees we solicited. To this purpose we used our reasonable efforts to verify such data accuracy.

Type of External Reviews supporting this Framework

<input checked="" type="checkbox"/>	Pre-issuance Second Party Opinion	<input type="checkbox"/>	Independent verification of impact reporting
<input checked="" type="checkbox"/>	Independent verification of funds allocation	<input type="checkbox"/>	Climate Bond Initiative Certification

¹ The “Green Bond” and “Social Bond” is to be considered as the bond to be potentially issued, subject to the discretion of the Issuer. The name “Green Bond”/“Social Bond” has been decided by the Issuer: it does not imply any opinion from V.E.

² The Issuer is not part of our ESG performance rating universe.

³ The 17 controversial activities screened by V.E are: Alcohol, Animal welfare, Cannabis, Chemicals of concern, Civilian firearms, Coal, Fossil Fuels industry, Unconventional oil and gas, Gambling, Genetic engineering, Human embryonic stem cells, High interest rate lending, Military, Nuclear Power, Pornography, Reproductive Medicine and Tobacco.

COHERENCE

Coherent	V.E considers that the contemplated Framework is coherent with NW Natural’s strategic sustainability priorities and sector issues and that it contributes to achieving the Issuer’s sustainability commitments.
Partially coherent	
Not coherent	

Renewable Natural Gas (RNG) can reduce climate impact through processes such as capturing additional methane from organic wastes and replacing fossil fuels in emissions-intensive sectors. Aside from climate mitigation, World Resources Institute (WRI) notes that RNG should also pursue environmental and sustainability goals to alleviate the adverse impacts of waste management in the United States, improve local energy resilience, and provide clean energy alternatives to consumers.⁴

A state-level assessment, conducted by the Oregon Department of Energy, found significant resource utilization opportunities from RNG’s local waste to contribute to regional climate and energy goals. Additional studies, by Energy and Environmental Economics, found that RNG and hydrogen may be used in existing gas distribution networks in the Pacific Northwest to help decarbonize hard-to-abate sectors and meet peak heating demand in the region.⁵

In 2019, Senate Bill 98 became law, setting voluntary goals to add as much as 30% RNG into the state’s pipeline system by 2050.⁶

NW Natural has established its main sustainability commitments in its “Carbon Neutral 2050” strategy. For this, the Issuer has set long-term goals including:

- Developing energy efficiency and offset projects
- Lowering the carbon intensity of their products and services through the diversification of their energy matrix, including the use of renewable natural gas (RNG)
- Providing resiliency and reliability to their region’s energy supply, strengthening their energy delivery system and long-duration storage assets
- Keeping energy affordable

In 2016, The Issuer also established a voluntary 30% carbon savings goal, based on 2015 emissions associated with their own operations and the use of their product by customers, to be achieved by 2035. Customers also have the option of participating in a carbon-offset program by funding biogas projects on local farms.

In terms of their social impacts and community involvement, NW Natural addresses community-related issues through their Public Affairs and Environmental Policy Committee, which is part of its Board of Directors, and recently introduced a new diversity, equity and inclusion strategy focused on people, partners and customers and community. In addition, the Issuer reports engaging stakeholders regularly, conducting annual customers surveys and developing their integrated resource plan (IRP) approximately every two years. The IRP is designed to demonstrate how they will meet customers’ energy needs while fulfilling their commitment to help the region achieve its climate goals. In 2020, NW Natural published its first Environmental, Social and Governance Report.⁷

⁴ Syrs, Feldmann, and Gasper (2020). Renewable Natural Gas as a Climate Strategy: Guidance for State Policymakers. World Resources Institute. <https://www.wri.org/research/renewable-natural-gas-climate-strategy-guidance-state-policymakers>

⁵ Syrs, Feldmann, and Gasper (2020). Renewable Natural Gas as a Climate Strategy: Guidance for State Policymakers. World Resources Institute. <https://www.wri.org/research/renewable-natural-gas-climate-strategy-guidance-state-policymakers>; Aas et al. (2018). Pacific Northwest Pathways to 2050. Energy and Environmental Economics. https://www.ethree.com/wp-content/uploads/2018/11/E3_Pacific_Northwest_Pathways_to_2050.pdf

⁶ 80th Oregon Legislative Session -- 2019 Regular Session. Senate Bill 98. <https://olis.oregonlegislature.gov/liz/2019R1/Downloads/MeasureDocument/SB98/A-Engrossed>

⁷ <https://www.nwnatural.com/about-us/the-company/sustainability>

FRAMEWORK

The Issuer has described the main characteristics of the Instruments within a formalized Sustainable Financing Framework which covers the four core components of the GBP and SBP 2021 (the last updated version was provided to V.E on November 2nd, 2021). The Issuer has committed to make this document publicly accessible on NW Natural's website, in line with good market practices.

Alignment with the Green & Social Bond Principles

Use of Proceeds



The amounts equivalent to the net proceeds of the Instruments will be allocated to finance or refinance, in part or in full, projects falling under three Green Project Categories and one Social Project Category ("Eligible Categories"), as indicated in Table 1.

- Eligible Projects are clearly defined, the Issuer has communicated the nature of the expenditures, the eligibility criteria, the target populations and location of Eligible Projects.
- The Environmental and Social Objectives are clearly defined, these are relevant for all of the eligible projects and set in coherence with sustainability objectives defined in international standards.
- The Expected Environmental and Social Benefits are clear, these are considered relevant, measurable, and will be quantified for all the Eligible Projects in the reporting.
- The Issuer has committed to transparently communicate the estimated share of proceeds allocated to refinancing for each instrument before each issuance. The look-back period for refinanced Eligible Projects will be equal or less than 36 months from the issuance date, in line with market practices.

BEST PRACTICES

- ⇒ Relevant environmental and social benefits are identified and measurable for all project categories.
- ⇒ The Issuer has committed to transparently communicate the estimated share of proceeds allocated to refinancing for each Instrument before each issuance.

Table 1. V.E' analysis of Eligible Categories, Sustainability Objectives and Expected Benefits as presented in the Issuer's Framework

- Location of Eligible Projects/Assets: United States.

ELIGIBLE CATEGORIES	DESCRIPTION	SUSTAINABILITY OBJECTIVES AND BENEFITS	V.E'S ANALYSIS
Renewable Energy	<p>Expenditures and investments related to the construction, development, expansion, production, acquisition, maintenance, transmission, research and development, and operation of renewable energy generation and infrastructure including:</p> <ul style="list-style-type: none"> • Renewable natural gas (RNG) • Hydrogen <p>The purchase of renewable energy from renewable natural gas and hydrogen facilities.</p>	<p><u>Climate Change mitigation</u></p> <p>Avoidance of GHG emissions</p>	<p>The Eligible Projects are clearly defined. The Issuer has communicated the nature of the expenditures and the eligibility criteria of Eligible Projects and will communicate their location for each transaction.</p> <p>In terms of RNG, the Issuer communicates that they will follow the EU directive 2018/2001 on Feedstock for advanced Biofuels⁸. As the projects are currently inactive, the Issuer is not able to measure the actual carbon intensity of these projects. The Issuer commits to conducting a carbon intensity analysis to calculate the carbon intensity of the projects under this category.</p> <p>Additionally, in terms of Hydrogen, the Issuer communicates that:</p> <ul style="list-style-type: none"> - Green hydrogen will be produced using electricity with a carbon intensity lower than 100gCO₂/kWh. The electrolyzers that the Issuer is looking to use for its green hydrogen projects have efficiency metrics in the range of 58 MWh/t. - Blue Hydrogen will be produced using natural gas and coupled with carbon sequestration. Issuer's current supply of natural gas for its sales customers has a carbon intensity of approximately 56gCO₂/MJ; however, coupled with partial oxidation hydrogen production, 99% of this carbon can be captured and sequestered. Therefore, the Issuer estimates blue hydrogen projects will have carbon intensities of 2kgCO₂/kgH₂ (60gCO₂/kWh) or less. - Therefore, either green or blue hydrogen are projected to be lower than 3tCO₂/tH₂ using low-carbon electricity and carbon capture and sequestration respectively. <p>The Environmental Objective is clearly defined and relevant for all of the Eligible Projects; it is set in coherence with sustainability objectives defined in international standards.</p> <p>The expected Environmental Benefits are clear, these are considered relevant, measurable, and will be quantified for all of the Eligible Projects in the reporting</p>

⁸ [DIRECTIVE \(EU\) 2018/ 2001 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL - of 11 December 2018 - on the promotion of the use of energy from renewable sources \(europa.eu\) – Annex IX part A.](#)








ELIGIBLE CATEGORIES	DESCRIPTION	SUSTAINABILITY OBJECTIVES AND BENEFITS	V.E'S ANALYSIS
Energy Efficiency	Programs to aid customers with energy efficiency.	<p><u>Energy savings</u></p> <p>Reduce the energy consumption compared to the baseline</p>	<p>The Eligible Projects are clearly defined. The Issuer has communicated the nature of the expenditures and the eligibility criteria of Eligible Projects and has stated the locations are within NW Natural service territory in Oregon and Washington.</p> <p>The Issuer communicates that they will finance energy efficiency initiatives through Energy Trust (a non-profit organization). Energy Trust is the Issuer's approved third-party administrator of the energy efficiency program in Oregon and Washington. Energy Trust executes the energy efficiency programs, so they work with Issuer's customers on the projects and verify the energy savings.</p> <p>The following are the initiatives/assets that NW Natural finances for energy efficiency through the Energy Trust⁹:</p> <ul style="list-style-type: none"> • Space Heating (residential, commercial, industrial) • Water heating (residential, commercial, industrial) • Cooking (residential, commercial, industrial) • Process (Industrial). <p>Equipment must meet certain criteria by the Energy Trust in order to qualify for the program.</p> <p>Low-income projects have had a 20% reduction in average annual gas usage historically, however, as the energy efficiency program is administrated by a third party, the Issuer does not have precise visibility on the impact of each specific project implemented. NW Natural receives annual reports that have been filled with their Regulatory Commissions that provide the total therms saved from all the projects executed.</p> <p>The Environmental Objective is clearly defined and relevant for all of the Eligible Projects; these are set in coherence with sustainability objectives defined in international standards.</p> <p>The expected Environmental Benefits are clear, these are considered relevant, measurable, and will be quantified for all of the Eligible Projects in the reporting</p>

⁹ More details of each energy efficiency program, requirements and measures here: [Fact Sheets | Energy Trust Insider](#)

ELIGIBLE CATEGORIES	DESCRIPTION	SUSTAINABILITY OBJECTIVES AND BENEFITS	V.E'S ANALYSIS
Green Buildings	<p>Expenditures related to the new construction/renovation, development, expansion, maintenance, rent or operation of offices or service centers that have received or are expected to receive:</p> <ul style="list-style-type: none"> LEED Gold or Platinum 	<p><u>Energy savings</u></p> <p>Reduce the energy consumption compared to the baseline</p>	<p>The Eligible Projects are clearly defined. The Issuer has communicated the nature of the expenditures and the eligibility criteria of Eligible Projects and will communicate their location for each transaction.</p> <p>The Environmental Objective is clearly defined and relevant for all of the Eligible Projects; it is set in coherence with sustainability objectives defined in international standards.</p> <p>The expected Environmental Benefits are clear, these are considered relevant, measurable, and will be quantified for all of the Eligible Projects in the reporting.</p>
Supplier Diversity Program	<p>Diverse Supplier Procurement and Empowerment – expenditures and program investments related to enabling opportunities for diverse business enterprises (minority-owned, women-owned, veteran-owned, LGBTQ-owned, and/or small businesses). Examples include:</p> <ul style="list-style-type: none"> Procurement of products and services from diverse and small business suppliers Programs that empower diverse and small businesses through training, education on potential business opportunities and mentoring programs 	<p><u>Local social and economic Development</u></p> <p>Increasing job and business opportunities</p> <p>Support training and education</p>	<p>The Eligible Projects are clearly defined. The Issuer has communicated the nature of the expenditures and the eligibility criteria of Eligible Projects and will communicate their location for each transaction.</p> <p>The target population is clearly identified.</p> <p>The Social Objective is clearly defined and relevant for all of the Eligible Projects; it is set in coherence with sustainability objectives defined in international standards.</p> <p>The expected Social Benefits are clear; they are considered relevant, measurable, and will be quantified for all of the Eligible Projects in the reporting.</p>

SDG Contribution

The Eligible Categories are likely to contribute to five of the United Nations' Sustainable Development Goals ("SDGs"), namely:

ELIGIBLE CATEGORY	SDG	SDG TARGETS
Supplier Diversity Program	 5 Gender Equality	5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.
Renewable Energy	 7 Affordable and Clean Energy	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix.
Energy Efficiency	 7 Affordable and Clean Energy	7.3 By 2030, double the global rate of improvement in energy efficiency.
Supplier Diversity Program	 8 Decent Work and Economic Growth	8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small-and medium-sized enterprises, including through access to financial services.
Green Building	 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
Supplier Diversity Program	 10 Reduced Inequalities	10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status
Renewable Energy Energy Efficiency Green Buildings	 13 Climate Action	UN SDG 13 consists of taking urgent action to combat climate change and its impacts. Corporates can contribute to this goal by investing in renewable energy, green buildings, and reducing greenhouse gas emissions from its operations.

Evaluation and Selection of Eligible Projects



- The Process for Project Evaluation and Selection has been clearly defined by the Issuer, it is considered structured. The roles and responsibilities clear and include relevant internal expertise. The Process will be publicly disclosed in the Framework.
- Eligibility criteria (selection) for project selection have been clearly defined by the Issuer for all of the eligible projects.
- The process applied to identify and manage potentially material E&S risks associated with the projects is publicly disclosed in this SPO. The Process is considered robust: it combines monitoring, identification and corrective measures for all projects (see detailed analysis on pages 18 - 21).

Process for Project Evaluation and Selection

- For the purpose of the Instruments, a Sustainable Financing coordination group (“the Group”) has been created. This Committee is composed of representatives of the following areas:
 - ESG Steering Committee which includes representatives from Environmental policy and sustainability, Corporate responsibility, Operations, Corporate governance and Chief compliance office, Finance accounting and procurement and the Chief Financial Officer. This committee reports to the Chief Executive Officer.
- The Treasury team will propose eligible projects to the ESG Steering Committee.
- The Committee is responsible for:
 - Evaluating and Selecting the Eligible Projects to be included in the Green, Social or Sustainability Instruments according to a pre-selection of potential Eligible Projects. The Group will meet as necessary, but at least annually.
 - Treasury Department will work with the respective groups referenced below to understand the Eligible Projects for the past year. For completed projects, Treasury will obtain relevant documentation from the appropriate departments as referenced below:
 - Renewable Energy – for biogas/RNG and hydrogen, Treasury will work with the business development team to understand the feedstock and ensure its environmental team had calculated and verified the project fell within the criteria established in the Table 1.
 - Energy Efficiency – Treasury will work with the energy efficiency team to understand on an annual basis how much energy was saved through the Energy Trust’s projects and obtain the Energy Trust reports and the carbon savings calculations from the environmental team.
 - Green Buildings – Treasury will work with our facilities team to understand what buildings or renovations had been completed that obtained LEED gold or platinum certification.
 - Supplier Diversity Program – Treasury would work with our procurement team to understand the dollar amount and number of suppliers that had been used in the year that qualified under their criteria.
- The traceability and verification of the selection and evaluation of the projects is partially ensured throughout the process:
 - Once the project is operational and proceeds have been allocated and approved by the Sustainable Financing Coordination group, the projects will not be monitored on an ongoing basis.

- The Issuer has established protocols and disclosure requirements for potential controversies that might occur in the projects financed using the regulations of the U.S. Securities and Exchange Commission. The Corporate Secretary and Chief Compliance Office will be in charge of monitoring potential controversies in all the operations of the issuer, including those related to the Eligible Projects.
- The Issuer commits to having meeting minutes of the Group to document the decisions taken.

An area for improvement is establishing responsibilities to monitor the compliance of the project with the eligibility criteria over the time.

Eligibility Criteria

The process relies on explicit eligibility criteria (selection), relevant to the environmental and social objectives defined for the Eligible Categories.

- The selection criteria is based on definitions in Eligible Categories defined Table 1 in the Use of Proceeds section.

Management of Proceeds



- The Process for the Management and Allocation of Proceeds is clearly defined and will be publicly available in the Framework.
- The period of allocation of proceeds is 24 months or less.
- Net proceeds of the Instrument will be tracked by the Issuer in an appropriate manner and attested in a formal internal process.
- Information on the intended types of temporary placement for the balance of the unallocated net proceeds is publicly disclosed.
- The Issuer has committed that, as long as the Instrument is outstanding, the balance of the tracked net proceeds will be periodically adjusted to match allocations to eligible projects made during that period.
- The Issuer has provided information on the procedure that will be applied in case of project divestment or postponement and it has committed to reallocate divested proceeds to projects that are compliant with the framework

Management Process

- The Treasury department will track the amount of net proceeds from the sale of any Sustainable Financing Instruments allocated to Eligible Projects. The proceeds will be credited in the Issuer's General treasury account and tracked and monitored separately.
- Treasury department will receive the proceeds and use the Group Minutes or Resolutions to track in Excel that proceeds are being allocated to the Eligible Projects under the framework. Accounting team will provide review of allocation and tracking, and the Group will be provided with a report to help ensure funds are properly allocated.
- The unallocated funds would be held within Issuer's treasury in accordance with its usual internal liquidity policy. Unallocated proceeds may be temporarily invested in cash or cash equivalent instruments or used to repay outstanding indebtedness.
- In case of projects postponement, cancelation, divestment or ineligibility, or in case an Eligible Project has matured, the Issuer has committed to replace the no longer Eligible Project by a new Eligible Project.

BEST PRACTICES

- ⇒ The period of allocation of proceeds is 24 months or less.
- ⇒ The Issuer has provided information on the procedure that will be applied in case of project divestment or postponement and it has committed to reallocate divested proceeds to projects that are compliant with the bond framework.

Monitoring & Reporting



- The Issuer has committed to report on the Use of Proceeds annually, until full allocation and on a timely basis in case of material developments. The report will be publicly available until full allocation and then available upon request. If the report is externally verified, this verification will also be made publicly available for the same time periods.
- The reporting will cover relevant information related to the allocation of Instruments proceeds and to the expected sustainable benefits of the projects. The Issuer has also committed to report on material issues to investors such as developments/issues/controversies related to the projects, as the Issuer determines is necessary under the US Securities and Exchange Commission guidance for a current report (Form 8-K).
- The reporting methodology and assumptions used to report on environmental and social benefits of the Eligible projects will be publicly disclosed.
- An external auditor will verify the tracking and allocation of funds to Eligible Projects/Categories until full allocation and in case of material changes. Indicators used to report on environmental and social benefits of the Eligible Projects will be verified internally by the Issuer.

Indicators

The Issuer has committed to transparently communicate at Eligible Category level (and project by project when feasible), on:

- Allocation of proceeds: The indicators selected by the Issuer to report on the allocation of proceeds are relevant:

REPORTING INDICATORS

- ⇒ The list of Eligible Projects (re)financed, including a brief description and case studies (where applicable).
- ⇒ The aggregated amount of allocated net proceeds to Eligible Projects.
- ⇒ The proportion of proceeds allocated to financing vs refinancing (%).
- ⇒ The balance of the unallocated proceeds.

- Environmental and social benefits: The indicators selected by the Issuer to report on the environmental and social benefits are clear, relevant and exhaustive.

ELIGIBLE CATEGORIES	ENVIRONMENTAL AND SOCIAL BENEFITS INDICATORS	
	OUTPUTS AND OUTCOMES	IMPACT INDICATORS
Renewable Energy		- CO2e emissions saved or avoided in metric tons.
Energy Efficiency		- CO2e emissions saved or avoided in metric tons.
Green Buildings	- LEED Gold or Platinum certified buildings or components of building certified to this standard	
Supplier Diversity Program	- Number of diverse suppliers engaged and/or dollar amount of good and services procured from suppliers	

BEST PRACTICES

- ⇒ The issuer report will be publicly available.
- ⇒ The reporting will cover relevant information related to the allocation of Instrument proceeds and to the expected sustainable benefits of the projects. The Issuer has also committed to report on material development related to the projects, including ESG controversies.¹⁰
- ⇒ The indicators selected by the Issuer are clear and relevant and cover all expected benefits associated with the Eligible Categories.
- ⇒ The reporting methodology and assumptions used to report on environmental/social benefits of the Eligible projects will be disclosed publicly.

¹⁰ Controversies will be reported as the Issuer determines necessary as a publicly traded company under U.S. Securities and Exchange Commission rules.

Contribution to sustainability

Expected Impacts

The potential positive Impact of the eligible projects on environmental and social objectives is considered to be robust.

ELIGIBLE CATEGORY	EXPECTED IMPACT	ANALYSIS
Renewable Energy	ROBUST	Development of renewable energy is a key driver for climate change mitigation in the energy sector, especially to reduce the dependency on fossil fuels. Projects in this category aim to purchase renewable energy from renewable natural gas (biogas) and hydrogen (green and blue) facilities. Hydrogen projects comply with thresholds set in international standards including carbon intensity of 100gCO ₂ /kWh and lifecycle emissions lower than 3t CO ₂ /tH ₂ . Although, as of today, the carbon intensity levels for biogas projects have not been detailed, the Issuer is committed to follow the EU directive 2018/2001 on Feedstock for advanced Biofuels and also to assess the lifecycle emissions once the projects start its operations.
Energy Efficiency	LIMITED	Projects included in this category can contribute to increase energy efficiency among residential, commercial and industrial customers. The projects for residential low-income customers target an overall increase in energy efficiency of 20% on average. As the Issuer works with a non-profit organization which develop all the energy efficiency projects, which report annually the consolidated performance and energy savings (in therms) related to the projects financed. However, the Issuer is not able to set specific energy efficiency thresholds for the residential, commercial and industrial projects included in the category. Additionally, these projects are involved with the distribution of natural gas in a home or business, which have a relevant emissions level.
Green Buildings	ADVANCED	The projects included in this category aims to achieve green building certifications, which covers relevant environmental impacts in infrastructure. For LEED certification the Issuer will aim to achieve gold or Platinum levels, which are the highest levels in this certification.
Supplier Diversity Program	ADVANCED	The project includes in this category aims to diversify the Issuers supply chain, which will contribute to sustainable growth and decent job creation. The beneficiaries of this program are minority-owned, women-owned, veteran-owned, LGBTQ-owned, and/or small businesses, all of which can be considered underserved populations. The program also includes training, education on potential business opportunities and mentoring programs for the beneficiaries.
OVERALL ASSESSMENT	ROBUST	

ESG Risks Identification and Management systems in place at project level

The identification and management of the environmental and social risks associated with the Eligible Projects are considered robust¹¹.

¹¹ The "X" indicates the E&S risks that have been activated for each Eligible Category.

	ELIGIBLE CATEGORIES			
	RENEWABLE ENERGY	ENERGY EFFICIENCY	GREEN BUILDING	SUPPLIER DIVERSITY PROGRAM
Environmental risks	X	X	X	
Human rights	X	X	X	X
Health & safety	X	X	X	
Sustainability in the supply chain	X	X	X	X
Ethics risks	X	X	X	X
OVERALL ASSESSMENT	ROBUST			

Environmental risks

The Issuer reports having an Environmental Management System (EMS) which is not certified. However, NW Natural reports its EMS addresses how their resource centers and work sites are designed and operated. The Issuer has procedure manuals which outlines how to design sites following federal, state and local rules and regulations. These rules and regulations cover mainly water quality, air quality, chemical handling, spill response, waste, cultural resources and threatened and endangered species. NW Natural states its EMS allows to assign roles and responsibilities and monitoring activities for compliance of their operation permits.

The Issuer's internal audit department performs periodic audits of their environmental programs and trainings, and external agencies such as the Environmental Protection Agency (EPA), Department of Environmental Quality (DEQ) and Department Of energy (DOE) also conduct periodic audits of operating facilities. NW Natural also has an Environmental and Sustainability Management Team that report to the Chief Sustainability Officer who is responsible for the company's EMS.

Biodiversity

The Issuer reports that although they do not conduct Environmental Impact Assessments, all their RNG projects undertake a Phase 1 Environmental Site Assessment. They have implemented measures to mitigate existing negative impacts of industrial activities, such as effluent being discharged into water bodies and/or land application of biosolids.

The Issuer has an Environmental and Sustainability Management Team that reports ultimately to the Chief Sustainability Officer that is responsible for the Environmental Management System, which monitors and looks at prevention for environmental pollution and biodiversity for Issuer's operations. This Team conducts these activities daily. The Issuer internal audit department performs periodic audits of its environmental programs and trainings, and external agencies such as the EPA, DEQ and DOE also periodically audit its permitted facilities.

Regarding the green building project, the Issuer reports that this building was constructed on a half block site which was already developed and did not include any landscaping. The site had buildings which were demolished to construct the new project. The new building features a rooftop deck which several includes landscaping features such as trees, wild grasses and other plants.

Climate change adaptation

NW Natural reports to assess specific utility projects for the applicable climate change situations following the appropriate regulations and local jurisdiction requirements, which could include flood, drought, sea rise, storms, coastal erosion, etc.

Renewable Natural Gas (RNG) projects are designed considering local water tables and in areas that are subject to flood, they are designed to be sited above flood plains. NW Natural reports they have not yet built any RNG projects in coastal areas.

Regarding the green building project, it was constructed on a site located outside of the 100-year flood plain¹². In addition, the Issuer reports a backup electrical system is located on the roof of the building and a pump system is located in a parking garage under the building that was designed to remove any water that might enter the garage.

¹² <https://www.oregoncity.org/maps/100-year-floodplain-map>

Pollution

In terms of emissions, the Issuer reports all RNG projects must comply with all requirements under their operating air permits, and emissions are monitored closely, since the resulting gas streams from RNG projects must meet detailed pipeline specifications and require full transparency and regular monitoring of the project's overall gas production and emissions. RNG projects are typically sited at facilities that are already conducting significant measuring and monitoring of air, water, and soil emissions, such as wastewater treatment plants, farms, etc.

Energy demand-side management

The Issuer also reports that since 1970, the average NW Natural residential customer has cut their emissions in half. In its 2020 Integrated Resource Plan (IRP) update the company projects that emissions are likely to be cut by another 50% or more by 2050 from 2020 levels.

Through the Energy Trust of Oregon¹³, NW Natural supports energy-efficiency improvements such as cost-effective equipment upgrades, insulation and building improvements. The company also works with non-profit organizations like the Gas Technology Institute¹⁴, Low Carbon Resources Initiative¹⁵, and the Northwest Energy Efficiency Alliance¹⁶ to encourage innovation through new products like gas heat pumps, zero-net energy homes, fuel cells and other less energy intensive technologies.

NW Natural's Smart Energy program¹⁷ enables verifiable offsets in order to lower their emissions. In 2020, the Issuer reports funding approximately 174,000 metric tons in emission reductions. Since its first implementation in 2007, the Smart Energy program has reportedly funded over a million metric tons of CO₂e emissions reductions.

Human rights

The Issuer has several policies to uphold and respect human rights, including its Human Rights, Equal Employment Opportunity, and Prohibition on Discrimination and Harassment policies. NW Natural's Human rights Policies cover key issues such as prohibition of forced and child labor, respect freedom of association and collective bargaining, and respect of working hours, wages and benefits, among others. The Human Rights policy has been approved by the Board of Directors, the Public Affairs and Environmental Policy Committee oversees implementation of the policy at board level, while the Business Integrity Team oversees implementation of the policy at management level, led by the Chief Compliance Officer, in collaboration with legal, human resources, community affairs, and the governmental affairs departments.

The same policy states that if an employee, business partner, supplier, customer or other stakeholder witnesses or learns of any violation of the policy, they can report their concern, anonymously through the Integrity Hotline or in the company's integrity website which permanently available.

Health & Safety

The Issuer has health and safety policies and procedures in place which are compliant with all applicable regulations (e.g., OSHA, PHMSA, manufacturers' recommendations). NW Natural also reports to work to incorporate industry best practices and benchmarking, including peer analysis conducted by the American Gas Association (AGA)¹⁸. The Company's internal auditors periodically audit the Safety Department and corporate health and safety policies. The Issuer also reports conducting third-party assessments on a periodic basis to audit aspects of their safety management system.

NW Natural's dedicated safety team is led by subject matter experts reporting to the company's Vice President, the Chief human resources and Diversity officer, who report directly to the CEO. NW Natural also reports that a portion of their executives' compensation is tied to achieving safety metrics, and the board of directors regularly reviews company safety metrics.

The Issuer reports conducting health & safety training programs for compliance, emergency preparedness and procedures for identifying hazards and handling high-risk emergency situations. Employees complete these classroom instructions and practical trainings at the company's state-of-the-art facility in Oregon.

Finally, NW Natural reports that in order to ensure healthy measures in their procurement, they have required Personal Protection Equipment (PPE) and COVID-19 protection requirement documents. These were sent to all contractors along with the purchase orders. On top of this, contractors are required to provide a Site-Specific Safety Plan (SSSP), for each job that

¹³ <https://www.energytrust.org/>

¹⁴ <https://www.gti.energy/>

¹⁵ <https://lcri-vision.epri.com/>

¹⁶ <https://neea.org/>

¹⁷ <https://www.nwnatural.com/about-us/carbon-offset-program/about-smart-energy>

¹⁸ <https://www.aga.org/events-community/peer-review/>

they are doing for NW Natural. The Safety Department conducts safety audits at the job location on a regular basis. The Issuer states it meets on a monthly basis with several of their large contractors to discuss current projects for safety and operations.

Sustainability in the supply chain

The Issuer reports the NW Natural Subject Matter Experts for their Socioeconomic Advancement projects, including procurement from their supplier diversity program (DE&I) or small businesses, are in charge of purchasing supplies for projects that have been vetted by various committees within the company. For instance, the Environmental Management Team and in certain instances the Chemical Safety Evaluation Committee (joint Committee between Safety, Environmental Management and the procurement teams) vet chemicals among other things to help minimize the environmental impact NW Natural's supply chain.

The Issuer states it is currently developing a holistic process for contractor dealing related to ESG requirements. NW Natural sets security as a priority issue in its procurement, to ensure contractors strive to meet the company's strict safety, insurance, and drug and alcohol testing standards, they use ISNetwork's contractor management services¹⁹ for contractors that conduct critical activities for the company. ISNetwork allows to evaluate and grade these contractors based on the Issuer's specific criteria.

Finally, NW Natural states it does not participate in any of the activities on the IFC Exclusion List²⁰.

Ethics Risks

NW Natural's Code of Ethics²¹ covers all relevant ethics risks including Government relations (corruption), Antitrust and Conflict of interests. The Code also provides guidance on other legal and reputational risks such as management of confidential information, intellectual property, cybersecurity and use of social media.

The Issuer reports that every employee completes an annual online Code of Ethics training to refresh their understanding of the company's Business Compliance and Integrity Program and Code of Ethics. NW Natural also states reinforcing their annual Code of Ethics and Information Security trainings with periodic communications addressing key business integrity topics and messages from senior leadership, as well as providing additional resources to employees via an internal intranet page dedicated to business integrity.

The Code identifies the Business Integrity Team as responsible for this policy and includes reporting mechanisms such as the Integrity hotline. The Code of Ethics also applies to NW Natural's business partners including consultants, agents, and vendors.

¹⁹ <https://www.isnetworld.com/en/>

²⁰ https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/company-resources/ifcexclusionlist#2007

²¹ https://s23.q4cdn.com/611156738/files/doc_presentations/313f5dc6-feeaa-b123-c382-0bd61e33e975.pdf

ISSUER

Management of ESG Controversies

As of today, the review conducted by V.E did not reveal any ESG controversy against NW Natural over the last four years.

Involvement in Controversial Activities

The Issuer appears to be involved in one of the controversial activities screened under our methodology, namely:

- Minor involvement in fossil fuel: NW Natural has an estimated turnover from fossil fuels which is less than 5% of total turnover. This turnover is derived from natural gas transport and storage activities. In addition to its core gas distribution business, the Company is involved in some interstate transmission and storage (the Mist facility) activities, and has 736 miles of dedicated transmission pipelines serving natural gas utility customers. Revenues from these activities are estimated to be around 3% of total turnover.

The Issuer appears to be not involved in any of the other 16 controversial activities: Alcohol, Animal welfare, Cannabis, Chemicals of concern, Civilian firearms, Coal, Unconventional oil and gas, Gambling, Genetic engineering, Human embryonic stem cells, High interest rate lending, Military, Nuclear Power, Pornography, Reproductive Medicine and Tobacco.

The controversial activities research provides screening of companies to identify involvement in business activities that are subject to philosophical or moral beliefs. The information does not suggest any approval or disapproval on their content from V.E.

METHODOLOGY

In V.E's view, Environmental, Social and Governance (ESG) factors are intertwined and complementary. As such they cannot be separated in the assessment of ESG management in any organisation, activity or transaction. In this sense, V.E provides an opinion on the Issuer's ESG performance as an organisation, and on the processes and commitments applicable to the intended issuance.

Our Second Party Opinions (SPOs) are subject to internal quality control at three levels (Analyst, Project Manager and Quality Reviewer). If necessary, this process is complemented by a final review and validation by the Expertise Committee and Supervisor. A right of complaint and recourse is guaranteed to all companies under our review, following three levels: first, the team in contact with the company; then the Executive Director in charge of Methods, Innovation & Quality; and finally, V.E's Scientific Council.

COHERENCE

Scale of assessment: not coherent, partially coherent, coherent

This section analyses whether the activity to be financed through the selected instrument is coherent with the Issuer's sustainability priorities and strategy, and whether it responds to the main sustainability issues of the sector where the Issuer operates.

ISSUANCE

Alignment with the Green and/or Social Bond Principles

Scale of assessment: Not aligned, Partially aligned, Aligned, Best Practices

The Framework has been evaluated by V.E according to the ICMA's Green Bond Principles - June 2021 ("GBP"), the Social Bond Principles - June 2021 ("SBP") and on our methodology based on international standards and sector guidelines applicable in terms of ESG management and assessment.

Use of proceeds

The definition of the Eligible Projects and their sustainable objectives and benefits are a core element of Green/Social/Sustainable Bonds and Loans standards. V.E evaluates the clarity of the definition of the Eligible Categories, as well as the definition and the relevance of the primary sustainability objectives. We evaluate the descriptions of the expected benefits in terms of relevance, measurability and quantification. In addition, we map the potential contribution of Eligible Projects to the United Nations Sustainable Development Goals' targets.

Process for evaluation and selection

The evaluation and selection process is assessed by V.E on its transparency, governance and relevance. The eligibility criteria are assessed on their clarity, relevance and coverage vs. the intended objectives of the Eligible Projects.

Management of proceeds

The process and rules for the management and the allocation of proceeds are assessed by V.E on their transparency, traceability and verification.

Reporting

The monitoring and reporting process and commitments defined by the Issuer are assessed by V.E on their transparency, exhaustiveness and relevance, covering the reporting of both proceeds' allocation and sustainable benefits (output, impact indicators).

Contribution to sustainability

Scale of assessment: Weak, Limited, Robust, Advanced

V.E's assessment of activities' contribution to sustainability encompasses both the evaluation of their expected positive impacts on environmental and/or social objectives, as well the management of the associated potential negative impacts and externalities.

Expected positive impact of the activities on environmental and/or social objectives

The expected positive impact of activities on environmental and/or social objectives to be financed by the Issuer or Borrower is assessed on the basis of:

- i) the relevance of the activity to respond to an important environmental objective for the sector of the activity; or to respond to an important social need at country level;²²
- ii) the scope of the impact: the extent to which the expected impacts are reaching relevant stakeholders (i.e., the issuer, its value chain, local and global stakeholders); or targeting those populations most in need;
- iii) the magnitude and durability of the potential impact of the proposed activity on the environmental and/or social objectives (capacity to not just reduce, but to prevent/avoid negative impact; or to provide a structural/long-term improvement);
- iv) only for environmental objectives, the extent to which the activity is adopting the best available option.

ESG risk management for eligible activities

The identification and management of the potential ESG risks associated with the eligible projects/activities are analysed on the basis of V.E's ESG assessment methodology, international standards and sector guidelines applicable in terms of ESG management and assessment.

ISSUER

Management of stakeholder-related ESG controversies

V.E defines a controversy as public information or contradictory opinions from reliable²³ sources that incriminate or make allegations against an issuer regarding how it handles ESG issues as defined in V.E ESG framework. Each controversy may relate to several facts or events, to their conflicting interpretations, legal procedures or non-proven claims.

V.E reviewed information provided by the Issuer, press content providers and stakeholders (partnership with Factiva Dow Jones: access to the content of 28,500 publications worldwide from reference financial newspapers to sector-focused magazines, local publications or Non-Government Organizations). Information gathered from these sources is considered as long as it is public, documented and traceable.

V.E provides an opinion on companies' controversies risks mitigation based on the analysis of 3 factors:

- **Frequency:** reflects for each ESG challenge the number of controversies that the Issuer has faced. At corporate level, this factor reflects on the overall number of controversies that the Issuer has faced and the scope of ESG issues impacted (scale: Isolated, Occasional, Frequent, Persistent).
- **Severity:** the more a controversy is related to stakeholders' fundamental interests, proves actual corporate responsibility in its occurrence, and have caused adverse impacts for stakeholders and the company, the higher its severity is. Severity assigned at the corporate level will reflect the highest severity of all cases faced by the company (scale: Minor, Significant, High, Critical).
- **Responsiveness:** ability demonstrated by an Issuer to dialogue with its stakeholders in a risk management perspective and based on explanatory, preventative, remediating or corrective measures. At corporate level, this factor will reflect the overall responsiveness of the company for all cases faced (scale: Proactive, Remediate, Reactive, Non- Communicative).

The impact of a controversy on a company's reputation reduces with time, depending on the severity of the event and the company's responsiveness to this event. Conventionally, V.E's controversy database covers any controversy with Minor or Significant severity during 24 months after the last event registered and during 48 months for High and Critical controversies.

Involvement in controversial activities

17 controversial activities have been analysed following 30 parameters to screen the company's involvement in any of them. The company's level of involvement (Major, Minor, No) in a controversial activity is based on:

- An estimation of the revenues derived from controversial products or services.

²² The importance of a specific social need at country level is assessed on the basis of the country performance on the priority SDG that the project is targeting using data from Sachs, J., Schmidt-Traub, G., Kroll, C., Lafortune, G., Fuller, G., Woelm, F. 2020. The Sustainable Development Goals and COVID-19. Sustainable Development Report 2020. Cambridge: Cambridge University Press.

²³ 'Reliable' means that there are sufficient details to substantiate claims made, with due attention paid to the political dimension of news and the danger of misinformation. V.E draws on investigative journalism, the business press, NGO and trade union reports which focus on corporate behavior relating to ESG issues. It is neither possible nor advisable to create a prescriptive fixed list of sources as new, valid sources arise all the time and it is necessary to investigate these as and when they are retrieved in order to comprehensively cover evolving issues and media.

- The specific nature of the controversial products or services provided by the company.

V.E'S ASSESSMENT SCALES

Scale of assessment of Issuer's ESG performance or strategy and financial instrument's Contribution to sustainability		Scale of assessment of financial instrument's alignment with Green and/or Social Bond and Loan Principles	
Advanced	Advanced commitment; strong evidence of command over the issues dedicated to achieving the sustainability objective. An advanced expected impact combined with an advanced to robust level of E&S risk management & using innovative methods to anticipate new risks.	Best Practices	The Instrument's practices go beyond the core practices of the ICMA's Green and/or Social Bond Principles and/or of the Loan Market Association's Green Loan Principles by adopting recommended and best practices.
Robust	Convincing commitment; significant and consistent evidence of command over the issues. A robust expected impact combined with an advance to robust level of assurance of E&S risk management or an advanced expected impact combined with a limited level of assurance of E&S risk management.	Aligned	The Instrument has adopted all the core practices of the ICMA's Green and/or Social Bond Principles and/or of the Loan Market Association's Green Loan Principles.
Limited	Commitment to the objective of sustainability has been initiated or partially achieved; fragmentary evidence of command over the issues. A limited expected impact combined with an advanced to limited level of assurance of E&S risk management; or a robust expected impact combined with a limited to weak level of assurance of E&S risk management; or an advance expected impact combined with a weak level of assurance of E&S risk management.	Partially Aligned	The Instrument has adopted a majority of the core practices of the ICMA's Green and/or Social Bond Principles and/or of the Loan Market Association's Green Loan Principles, but not all of them.
Weak	Commitment to social/environmental responsibility is non-tangible; no evidence of command over the issues. A weak expected impact combined with an advanced to weak level of assurance of E&S risk management or a limited expected impact with a weak level of assurance of E&S risk management.	Not Aligned	The Instrument has adopted only a minority of the core practices of the ICMA's Green and/or Social Bond Principles and/or of the Loan Market Association's Green Loan Principles.

Statement on V.E' s independence and conflict-of-interest policy

Transparency on the relation between V.E and the Issuer: V.E has not carried out any audit mission or consultancy activity for NW Natural Holding Company. No established relation (financial or commercial) exists between V.E and the NW Natural. V.E's conflict of interest policy is covered by its Code of Conduct, which can be found at <http://vigeo-eiris.com/wp-content/uploads/2018/07/Code-of-Conduct-Vigeo-Eiris-EN.pdf>

This opinion aims at providing an independent opinion on the sustainability credentials and management of the Bond/Loan, based on the information which has been made available to V.E. V.E has neither interviewed stakeholders out of the Issuer/Borrower's employees, nor performed an on-site audit nor other test to check the accuracy of the information provided by the Issuer/Borrower. The accuracy, comprehensiveness and trustworthiness of the information collected are a responsibility of the Issuer/Borrower. The Issuer/Borrower is fully responsible for attesting the compliance with its commitments defined in its policies, for their implementation and their monitoring. The opinion delivered by V.E neither focuses on the financial performance of the Bond/Loan, nor on the effective allocation of its proceeds. V.E is not liable for the induced consequences when third parties use this opinion either to make investments decisions or to make any kind of business transaction. Restriction on distribution and use of this opinion: The deliverables remain the property of V.E. The draft version of the Second Party Opinion by V.E is for information purpose only and shall not be disclosed by the client. V.E grants the Issuer/Borrower all rights to use the final version of the Second Party Opinion delivered for external use via any media that the Issuer/Borrower shall determine in a worldwide perimeter. The Issuer/Borrower has the right to communicate to the outside only the Second Party Opinion complete and without any modification, that is to say without making selection, withdrawal or addition, without altering it in any way, either in substance or in the form and shall only be used in the frame of the contemplated concerned bond/loan(s) issuance. The Issuer acknowledges and agrees that V.E reserves the right to publish the final version of the Second Party Opinion on V.E' website and on V.E' internal and external communication supporting documents.

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