



# WHA CORPORATION PUBLIC COMPANY LIMITED (“WHA GROUP”) SUSTAINABILITY FRAMEWORK

**Document title:** Second Party Opinion on WHA Group's Sustainability Framework

**Prepared by:** DNV (Thailand) Co., Ltd.

**Location:** Bangkok, Thailand

**Date:** 07 September 2023

This statement is valid while the Framework provided in September 2023 remains unchanged.

## Table of Contents

|   |   |
|---|---|
| Table of Contents.....  | 2 |
| DNV’S INDEPENDENT ASSESSMENT .....  | 3 |
| Scope and Objectives .....  | 3 |
| Responsibilities of the Management of the Customer and DNV .....                  | 3 |
| Basis of DNV’s opinion .....  | 4 |
| Work Undertaken.....  | 5 |
| Findings and DNV’s Opinion – Sustainability-Linked Financing .....                | 6 |
| Schedule 1. WHA Group’s Sustainability Performance Targets .....                  | 8 |
| Schedule 2. Sustainability-Linked Financing Eligibility Assessment Protocol ..... | 9 |

### Disclaimer

Our assessment relies on the premise that the data and information provided by the client to us as part of our review procedures have been provided in good faith. Because of the selected nature (sampling) and other inherent limitation of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected. Limited depth of evidence gathering including inquiry and analytical procedures and limited sampling at lower levels in the organization were applied as per scope of work. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Statement.

### Statement of Competence and Independence

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021:2011 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We have complied with the DNV Code of Conduct<sup>1</sup> during the assessment and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV was not involved in the preparation of statements or data included in the Framework except for this Statement. DNV maintains complete impartiality toward stakeholders interviewed during the assessment process.

<sup>1</sup> DNV Code of Conduct is available from DNV website ([www.dnv.com](http://www.dnv.com))

## DNV'S INDEPENDENT ASSESSMENT

### Scope and Objectives

WHA Corporation Public Company Limited ("WHA Group" or the "Customer") is a leading player in logistics, industrial estates, utilities and power and digital services in Thailand and across Southeast Asia region. WHA Group has established industrial clusters in the automotive, electronics and petrochemical sectors in Eastern Seaboard which has now become a key player in the development of Eastern Economic Corridor (EEC) with the goal to create new high-tech cluster industries.

WHA Group is committed to conducting business according to the organization's vision, and mission of "The Ultimate Solution for Sustainable Growth", which reflects its intention of creating sustainability for the best interests of WHA Group and stakeholders throughout the value chain. WHA Group is committed to operating business with quality and international standards along with the conservation and restoration of the environment, being responsible for the community society under good governance and good corporate governance principles as well as considering all stakeholders' expectations. All above is integrated into the Sustainable Development Policy covering all three dimensions: environmental, social, governance, and in compliance with the Sustainable Development Goals (SDGs) to create shared value between business and society, leading to sustainable growth for the organization, community, and the nation as follows:

To achieve these goals, WHA Group has created a Sustainability Framework ("Framework") for development with adherence to corporate governance, human resource development, digital transformation, and conservation of natural resources, which is WHA Group's long-term goal in corporate sustainability management.

The Framework is in alignment with the stated standards and principles (collectively the "Principles").

- Sustainability-Linked Bond Principles ("SLBP"), issued by the International Capital Markets Forum ("ICMA") in June 2023.
- Sustainability-Linked Loan Principles ("SLLP"), issued by the Loan Market Association ("LMA"), the Loan Syndications and Trading Association ("LSTA"), and the Asia Pacific Loan Market Association ("APLMA") in February 2023.
- ASEAN Sustainability-Linked Bond Standards ("ASEAN SBS"), issued by the ASEAN Capital Markets Forum ("ACMF") in October 2022.

DNV (Thailand) Co., Ltd. ("DNV") has been commissioned by WHA Group to review its Framework and provide a Second Party Opinion on the Framework, based on the above-mentioned Principles.

Our methodology to achieve this is described under the 'Work Undertaken' below. We were not commissioned to provide independent assurance or other audit activities.

### Responsibilities of the Management of the Customer and DNV

The management of the Customer has provided the information and data used by DNV during the delivery of this review. Our statement represents an independent opinion and is intended to inform the Customer's management and other interested stakeholders in the Framework as to whether the Framework is aligned with Principles. In our work, we have relied on the information and the facts presented to us by the Customer. DNV is not responsible for any aspect of the nominated assets referred to in this opinion and cannot be held liable if estimates, findings, opinions, or conclusions are incorrect. Thus, DNV shall not be held liable if any of the information or data provided by the Customer's management and used as a basis for this assessment were not correct or complete.

## Basis of DNV's opinion

We have adapted our assessment methodology to create the WHA Group-specific Eligibility Assessment Protocol (henceforth referred to as "Protocol"). Our Protocol includes a set of suitable criteria that can be used to underpin DNV's opinion.

As per our Protocol, the criteria against which the Framework has been reviewed are grouped accordingly:

**Sustainability-Linked Financing Protocol** includes the five core components:

- **Principle One: Selection of Key Performance Indicators (KPIs).** The Borrower/Issuer of an SFI should clearly communicate its overall sustainability objectives, as set out in its sustainability strategy, and how these relate to its proposed SPTs. The KPI should be reliable, material to the Borrower's core sustainability and business strategy, address relevant ESG challenges of the industry sector and be under management control.
- **Principle Two: Calibration of Sustainability Performance Targets (SPTs).** The SPTs should be ambitious, meaningful, and realistic. The target setting should be done in good faith and based on a sustainability improvement in relation to a predetermined performance target benchmark.
- **Principle Three: Loan/Bond Characteristics.** The loan/bond will need to include a financial and/or structural impact depending on whether the selected KPIs reach (or not) the predefined SPTs. The loan/bond documentation needs to include the definitions of the KPI(s) and SPT(s) and the potential variation of the SLL's/SLB's financial and/or structural characteristics. Any fallback mechanisms in case the SPTs cannot be calculated or observed in a satisfactory manner, should be explained.
- **Principle Four: Reporting.** The Borrower/Issuer should publish and keep readily available and easily accessible up to date information on the performance of the selected KPI(s), as well as a verification assurance report (see Principle 5) outlining the performance against the SPTs and the related impact and timing of such impact on the Loan's/Bond's financial and/or structural characteristics, with such information to be provided to those institutions participating in this securities/ loan or to investors participating in the Loan at least once per annum.
- **Principle Five: Verification (Post-issuance).** The Borrower/Issuer should have its performance against its SPTs independently verified by a qualified external reviewer with relevant expertise, at least once per annum. The verification of the performance against the SPTs should be made publicly available.

**Green Financing Protocol** includes the four core components:

### 1. Use of Proceeds

The Use of Proceeds criteria are guided by the requirement that an issuer of a bond / a borrower of a loan must use the funds raised to finance or refinance or to repay equity of eligible activities. The eligible activities should produce clear environmental and social benefits.

### 2. Process for Project Evaluation and Selection

The Project Evaluation and Selection criteria are guided by the requirements that an issuer of a bond / a borrower of a loan should outline the process it follows when determining eligibility of an investment using Green Bond / Loan proceeds and outline any impact objectives it will consider.

### 3. Management of Proceeds

The Management of Proceeds criteria are guided by the requirements that a bond / loan should be tracked within the organization, that separate portfolios should be created when necessary and that a declaration of how unallocated funds will be handled.

### 4. Reporting

The Reporting criteria are guided by the recommendation that at least annual reporting should be made of the use of proceeds and that quantitative and/or qualitative performance indicators should be used, where feasible.

No assurance is provided regarding the financial performance of instruments issued via the Framework, the value of any investments, or the long-term environmental benefits of the transaction. Our objective has been to provide an assessment that the Framework has met the criteria established on the basis set out below.

## Work Undertaken

Our work constituted a high-level review of the available information, based on the understanding that this information was provided to us by the Customer in good faith. We have not performed an audit or other tests to check the veracity of the information provided to us. The work undertaken to form our opinion included:

- Creation of a WHA Group-specific Protocol, adapted to the purpose of the Framework, as described above and in Schedule 3 to this Assessment;
- Assessment of documentary evidence provided by the Customer on the Framework and supplemented by a high-level desktop research. These checks refer to current assessment best practices and standards methodology;
- Review of published materials by the Customer and the website of the Customer, and where relevant, parent organizations;
- Discussions with the Customer's management, and review of relevant documentation and evidence related to the criteria of the Protocol; and
- Documentation of findings against each element of the criteria. Our opinion as detailed below is a summary of these findings.

Our opinion as detailed below is a summary of these findings.

## Findings and DNV's Opinion – Sustainability-Linked Financing

DNV's findings on the alignment with Principles are listed below:

- Principle One: Selection of Key Performance Indicators (KPIs).** DNV confirms that WHA Group's KPIs are core, relevant, material, and consistent with the company's overarching sustainability position and strategy:

**KPI 1 Scope 1 and Scope 2 GHG Emission Intensity Reduction:** WHA Group commits to reducing its greenhouse gas (GHG) emissions intensity. This is a commitment to decreasing the amount of GHG emissions produced per unit of total revenue including share of profit, aiming for a consistent reduction over time.

**KPI 2 Reduce the raw water consumption and reliance from natural sources by increasing reclamation water production:** WHA Group targets increasing reclamation water production, which is treated wastewater that has been purified so it can be reused for a variety of non-potable needs. This KPI aims to decrease the reliance on raw water from natural sources by increasing the production and use of reclamation water.

These proposed KPIs are considered to be material to the activities of WHA Group and are core to the sustainability of the organisation, its stakeholders and are appropriate in the local context.
- Principle Two: Calibration of Sustainability Performance Targets (SPTs).** DNV concludes that the SPTs: (1) Scope 1 and Scope 2 GHG Emission Intensity Reduction; (2) Reduce the raw water consumption and reliance from natural sources by increasing reclamation water production are meaningful and relevant in the context of WHA Group's broader sustainability and business strategy and represent a material improvement over a predefined timeline. DNV concludes that WHA Group's targets are ambitious and deemed to go beyond what is considered 'business-as-usual'. DNV has also reviewed the credibility of WHA Group's approach to achieve the SPTs and considers them to be achievable within the timing set.
- Principle Three: Financial Characteristics.** DNV reviewed the disclosures related to loan/bond characteristics stated in WHA Group's Framework and, in our opinion, the financial characteristics of securities to be issued under the Terms that could be impacted based on KPI performance under SPTs, are in line with the Principles. This impact includes, but is not limited to, coupon/margin rate variation via step-ups and step-downs, and specific performance obligations which may include committing funding towards pre-defined projects with specific ESG objectives, purchase (and forthwith cancellation) of carbon credits, etc.
- Principle Four: Reporting.** DNV concludes that the Loan/Bond Terms include the required information on annual reporting of WHA Group's annual performance including measurement, monitoring and reporting of metrics including chosen formats for reporting and meets the requirement as outlined in the Principles. WHA Group confirms that dedicated reporting will be provided to lenders/investors on an annual basis.
- Principle Five: Verification.** DNV confirms that the Loan/Bond Terms require WHA Group to have its performance against the SPTs independently verified annually by an independent third party.

On the basis of the information provided by WHA Group and the work undertaken, it is DNV's opinion that the Sustainability Framework proposed meets the criteria established in the Protocol and is aligned with the Principles. The SPTs are material and relevant to WHA Group's business strategy, operational environment and are considered to be ambitious and meaningful in the context of their operational environment.



for DNV (Thailand) Co., Ltd.

Bangkok, Thailand / 07 September 2023

A handwritten signature in black ink, appearing to read "Jerus D'Silva", written over a horizontal line.

Jerus D'Silva  
**Senior Sustainability Consultant  
Supply Chain and Product Assurance  
(SCPA)**

A handwritten signature in blue ink, appearing to read "Thomas Leonard", written over a horizontal line.

Thomas Leonard  
**Lead Reviewer  
Supply Chain & Product Assurance  
(SCPA)**

### Schedule 1. WHA Group's Sustainability Performance Targets

| KPIs   | Unit of measurement  | 2019 | 2020 | 2021              | 2022           | 2023 | 2024 | 2025              |
|--|----------------------|------|------|-------------------|----------------|------|------|-------------------|
| <b>KPI 1:</b><br>Scope 1 and Scope 2 GHG Emission Intensity Reduction  | tonCO2e per THB 1 mm | 1.50 | 2.05 | 1.61 <sup>1</sup> |                |      |      | 1.45 <sup>2</sup> |
| <b>KPI 2:</b><br>Reduce the raw water consumption and reliance from natural sources by increasing reclamation water production | Million cubic meters |      |      |                   | 7 <sup>1</sup> |      |      | 10                |

<sup>1</sup> Baseline

<sup>2</sup> The calculation should derive from the combined average of Scope 1 and Scope 2 Greenhouse Gas Emission Intensity Reduction for the years 2024 and 2025.



## Schedule 2. Sustainability-Linked Financing Eligibility Assessment Protocol

### 1. Selection of Key Performance Indicators (KPIs)

| Ref | Criteria  | Requirements   | Work Undertaken   | DNV Findings   |
|-----|---|--|---|--|
| 1a  | KPI – material to core sustainability and business strategy | <p>The Borrower/Issuer's sustainability performance is measured using sustainability KPIs that can be external or internal.</p> <p>The KPIs should be material to the Borrower/Issuer's core sustainability and business strategy and address relevant environmental, social and/or governance challenges of the industry sector and be under management's control.</p> <p>The KPI should be of high strategic significance to the Borrower/Issuer's current and/ or future operations.</p> <p>It is recommended that Borrower/Issuer communicate clearly to investors the rationale and process according to which the KPI(s) have been selected and how the KPI(s) fit into their sustainability strategy.</p> | <p>Review of:</p> <ul style="list-style-type: none"> <li>WHA Group Sustainability Framework, September 2023</li> <li>WHA Group – Website</li> <li>Correspondence with WHA Group representatives.</li> </ul> | <p>DNV has reviewed WHA Group's proposed KPIs for the prospective SFI, including:</p> <ul style="list-style-type: none"> <li>KPI 1: Scope 1 and Scope 2 GHG Emission Intensity Reduction</li> <li>KPI 2: Reduce the raw water consumption and reliance from natural sources by increasing reclamation water production</li> </ul> <p>In addition to the SFI Terms, WHA Group also shared its broader sustainability strategy and aims. These were reviewed and confirmed to include key related commitments, linked to the UN SDGs and covering key issues through management guidelines and goals.</p> <p>DNV regards these KPIs as appropriate indicators of the contribution to sustainability being made by WHA Group. The KPIs meet the requirements of Section 1 under the SLLP Guidance:</p> <ul style="list-style-type: none"> <li>of being material and measurable to the overall business;</li> <li>are verifiable externally; and</li> <li>can be benchmarked against other standards and guidelines</li> </ul> |
| 1b  | KPI – Measurability   | <p>KPIs should be measurable or quantifiable on a consistent methodological basis; externally verifiable; and able to be benchmarked, i.e., as much as possible using an external reference or definitions to facilitate the assessment of the SPT's level of ambition.</p> <p>Borrowers/Issuers are encouraged, when possible, to select KPI(s) that they have already been included in their previous annual reports, sustainability reports or other non-financial</p>  | <p>Review of:</p> <ul style="list-style-type: none"> <li>WHA Group Sustainability Framework, September 2023</li> <li>WHA Group – Website</li> <li>Correspondence with WHA Group representatives</li> </ul>  | <ul style="list-style-type: none"> <li>KPI 1: Scope 1 and Scope 2 GHG Emission Intensity Reduction</li> <li>KPI 2: Reduce the raw water consumption and reliance from natural sources by increasing reclamation water production</li> </ul> <p>DNV concludes that the KPIs are measurable using quantifiable performance data and established benchmarks. The SLLP Guidance encourages borrowers/issuers to benchmark based on a materiality assessment of itself and the relevant industry. Based on these suggestions, it is of DNV's opinion that the measurement methodology used by WHA Group is robust and a reliable set of metrics is used to measure the KPIs over time.</p>  |

|    |                        |  |  |   |
|----|------------------------|--|--|---|
|    |                        | reporting disclosures to allow investors to evaluate historical performance of the KPIs selected. In situations where the KPIs have not been previously disclosed, Borrowers/Issuers should, to the extent possible, provide historical externally verified KPI values covering at least the previous 3 years. |  |   |
| 1c | KPI – Clear definition | A clear definition of the KPI(s) should be provided and include the applicable scope or perimeter as well as the calculation methodology   | <p>Review of:</p> <ul style="list-style-type: none"> <li>• WHA Group Sustainability Framework, September 2023</li> <li>• WHA Group – Website</li> <li>• Correspondence with WHA Group representatives</li> </ul> | <p>KPI 1: Scope 1 and Scope 2 GHG Emission Intensity Reduction</p> <ul style="list-style-type: none"> <li>• GHG emission intensity is realistically measurable through net consumption of electricity and consideration of sources (from the Thai network, or own sources).</li> <li>• It is assumed that reported revenue will be as reported in the WHA Group Annual Report.</li> </ul> <p>KPI 2: Reduce the raw water consumption and reliance from natural sources by increasing reclamation water production</p> <ul style="list-style-type: none"> <li>• Measurable through water metering from respective sources</li> </ul> <p>DNV confirms that the KPIs have been clearly defined and are readily understood.</p> |

## 2. Calibration of Sustainability Performance Targets (SPTs)

| Ref | Criteria                    | Requirements  | Work Undertaken   | DNV Findings   |
|-----|-----------------------------|---|---|--|
| 2a  | Target Setting – Meaningful | The SPTs should be ambitious, realistic and meaningful to the Borrower's business and be consistent with the Borrowers' overall strategic sustainability/ESG strategy   | Review of: <ul style="list-style-type: none"> <li>WHA Group Sustainability Framework, September 2023</li> <li>WHA Group – Website</li> <li>Correspondence with WHA Group representatives</li> </ul> | KPI 1: Scope 1 and Scope 2 GHG Emission Intensity Reduction <ul style="list-style-type: none"> <li>As an operator of large warehouses, WHA Group is a major consumer of energy, which is derived from the Thai network. Thailand had an emissions intensity of 407 gCO<sub>2</sub>/kWh in 2022.<sup>2</sup></li> </ul> KPI 2: Reduce the raw water consumption and reliance from natural sources by increasing reclamation water production <ul style="list-style-type: none"> <li>WHA Group is a significant consumer of water.</li> <li>In 2022, WHA Group executed a Water Reclamation project, facilitating the reuse of 7.0 million cubic metres of water. This initiative resulted in a reduction of 7.0 million cubic metres, or 9.4% of total water consumption. This has been set at the baseline for future reductions.</li> </ul> It is of DNV's opinion that the SPTs show are realistic and meaningful to the Borrower's business and be consistent with the Borrowers' overall strategic sustainability/ESG strategy |
| 2b  | Target Setting – Meaningful | SPTs should represent a material improvement in the respective KPIs and be beyond a "Business as Usual" trajectory; where possible be compared to a benchmark or an external reference and be determined on a predefined timeline, set before (or concurrently with) the issuance of the Bond/Loan. | Review of: <ul style="list-style-type: none"> <li>WHA Group Sustainability Framework, September 2023</li> <li>WHA Group – Website</li> <li>Correspondence with WHA Group representatives</li> </ul> | KPI 1: Scope 1 and Scope 2 GHG Emission Intensity Reduction <ul style="list-style-type: none"> <li>GHG emissions are in advance of Thai NDC target for net zero by 2050.</li> </ul> KPI 2: Reduce the raw water consumption and reliance from natural sources by increasing reclamation water production <ul style="list-style-type: none"> <li>This is a meaningful target considering that, as of 2022, only 3.4% of water in Thailand comes from reclaimed sources.<sup>3</sup></li> </ul> It is of DNV's opinion that the SPTs show a material improvement in WHA Group's performance over time and meet the requirements of the SLLP  |

<sup>2</sup> <https://www.ceicdata.com/en/thailand/carbon-dioxide-emissions-statistics/carbon-dioxide-emission-per-electricity-generation>

<sup>3</sup> [https://www.pseau.org/outils/ouvrages/iwa\\_wastewater\\_reclamation\\_trends\\_in\\_thailand\\_2022.pdf](https://www.pseau.org/outils/ouvrages/iwa_wastewater_reclamation_trends_in_thailand_2022.pdf)

|    |                              |  |  |   |
|----|------------------------------|--|--|---|
|    |                              |  |  | Guidance for benchmarking against standards.  |
| 2c | Target Setting – Benchmarks  | <p>The target setting exercise should be based on a combination of benchmarking approaches:</p> <ol style="list-style-type: none"> <li>1. The Borrower/Issuer's own performance over time for which a minimum of 3 years, where feasible, of measurement track record on the selected KPI(s) is recommended and when possible forward-looking guidance on the KPI</li> <li>2. The SPTs relative positioning versus the Borrower's peers where comparable or available, or versus industry or sector standards</li> <li>3. Systematic reference to science-based scenarios, or absolute levels (e.g., carbon budgets) or official country / regional / international targets or to recognised Best-Available-Technologies or other proxies</li> </ol> | <p>Review of:</p> <ul style="list-style-type: none"> <li>• WHA Group Sustainability Framework, September 2023</li> <li>• WHA Group – Website</li> <li>• Correspondence with WHA Group representatives</li> </ul> | <p>Based on our discussions and review of documents - DNV confirms that the SPT target setting exercise has been based on an appropriate combination of methodologies including benchmarking approaches:</p> <ol style="list-style-type: none"> <li>1. DNV confirms that the Loan/Bond Terms provide KPI descriptions and SPT performance as relevant. This is indicated by showing a term of more than 3 years, exceeding the expectations set under the SLLP Guidance.</li> <li>2. DNV concludes that the SPTs outlined go beyond that of the industry standard as considered by DNV on a regional basis. WHA Group's SPTs for KPI 1 fall in line with Thailand's national objectives and NDC targets to meet net-zero emissions by 2065 and KPI 2 represents a considerable improvement against current water reclamation benchmarks.</li> <li>3. DNV concludes that the SPTs are appropriate in the context of sustainability efforts for WHA Group.</li> </ol> |
| 2d | Target setting – Disclosures | <p>Disclosures on target setting should make clear reference to:</p> <ol style="list-style-type: none"> <li>1. the timelines for the target achievement, including the target observation date(s)/ period(s), the trigger event(s) and the frequency of review of the SPTs</li> <li>2. Where relevant, the verified baseline or reference point selected for improvement of KPIs as well as the rationale for that baseline or reference point to be used</li> </ol>   | <p>Review of:</p> <ul style="list-style-type: none"> <li>• WHA Group Sustainability Framework, September 2023</li> <li>• WHA Group – Website</li> <li>• Correspondence with WHA Group representatives</li> </ul> | <p>DNV confirms that the relevant disclosures on target setting are appropriately referenced:</p> <ol style="list-style-type: none"> <li>1. The timelines of SPT target achievement are clearly referred to, at an annual frequency leading up to 2027.</li> <li>2. The reference point for the SPTs is a baseline of 2021 (for KPI 1) and 2022 for KPI 2. This is a reasonable consideration for both KPIs, as the projections are to 2027, to follow Thailand's net-zero transition.</li> <li>3. Based on the review and discussion with the WHA Group team, DNV is of the opinion that WHA Group has considered any situations that could</li> </ol>   |

|  |  |  |  |  |
|--|--|--|--|--|
|  |  | <p>3. Where relevant, in what situations recalculations or pro-forma adjustments of baselines will take place</p> <p>4. Where possible and taking into account competition and confidentiality considerations, how the Borrower intends to reach such SPTs</p> |  | <p>lead to a recalculation of the KPI baseline/trajectory.</p> <p>4. The SFI Terms and background information provided, offer sufficient information on how SPTs will be achieved, references how progress to date has been achieved and the likely measures to be implemented to meet the KPI. Based on our interactions with WHA Group and review of the materials provided, the method by which each SPT is to be achieved is considered to be well explained and logical in context.</p> <p>After review of WHA Group's overall policy strategy and management approach, DNV concludes that the SPTs are realistic and possible to meet.</p> |
|--|--|--|--|--|

**3. Financial Characteristics**

| Ref | Criteria   | Requirements   | Work Undertaken   | DNV Findings  |
|-----|--|--|---|---|
| 3a  | Loan/Bond Characteristics – SPT<br>Financial / structural impact | The SFI will need to include a financial and/or structural impact based on whether the KPI(s) reach the predefined SPT(s). | Review of: <ul style="list-style-type: none"> <li>• WHA Group Sustainability Framework, September 2023</li> <li>• WHA Group – Website</li> <li>• Correspondence with WHA Group representatives</li> </ul> | <p>The Framework states that WHA Group will set out the relevant KPI, SPT, as well as financial implications in the event of its failure to achieve the SPT in the documentation of the financial instrument.</p> <p>Any changes to the financial characteristics, including but not limited to the coupon rate adjustments, will apply to the relevant bonds/loans from the first day of the next interest period immediately following the target observation date. This will continue to apply until the maturity of the bond/loan, provided the SPTs of the defined KPIs are not achieved.</p> <p>It is of DNV's opinion the above-mentioned meet the criteria stipulated in the SLLP Guidance for notifying lenders and/or holders of implications in the loan/bond characteristics. WHA Group has indicated a structured breakdown of the steps involved for meeting the financial characteristics.</p> |

**4. Reporting**

| Ref | Criteria  | Requirements   | Work Undertaken  | DNV Findings  |
|-----|-----------|--|--|---|
| 4a  | Reporting | <p>Borrowers of SFIs should publish, and keep readily available and easily accessible:</p> <ol style="list-style-type: none"> <li>Up-to-date information on the performance of the selected KPI(s), including baselines where relevant</li> <li>A verification assurance report relative to the SPT outlining the performance against the SPTs and the related impact, and timing of such impact, on the Loan's financial and/or structural characteristics</li> <li>Any information enabling investors to monitor the level of ambition of the SPTs</li> </ol> <p>This reporting should be published regularly, at least annually, and in any case for any date/period relevant for assessing the SPT performance leading to a potential adjustment of the SFI's financial and/or structural characteristics.</p> | <p>Review of:</p> <ul style="list-style-type: none"> <li>WHA Group Sustainability Framework, September 2023</li> <li>WHA Group – Website</li> <li>Correspondence with WHA Group representatives</li> </ul> | <p>WHA Group will report on its KPIs and SPTs on an annual basis, which will be disclosed within its annual report and/or sustainability report and/or standalone report to be published and made available to investors/lenders on WHA Group's website each year until the maturity of the sustainability-linked instrument.</p> <p>This will include:</p> <ul style="list-style-type: none"> <li>The most recent data on the performance of the selected KPI, including any relevant baselines.</li> <li>A verification assurance report, conducted on the basis of limited assurance, outlining the performance of the KPI against the SPT.</li> <li>Any other information deemed important for enabling investors to track the progress of the selected KPI.</li> </ul> <p>It is of DNV's opinion that these meet the criteria and standards stipulated under the SLLP Guidance. Annual reporting is a key requirement to disclose key information on bond/loan characteristics, as well as to maintain transparency and good governance of SFIs. WHA Group meets these requirements through ensuring the reporting standards highlighted in the Framework.</p> |

**5. Verification**

| Ref | Criteria              | Requirements   | Work Undertaken   | DNV Findings  |
|-----|-----------------------|--|---|---|
| 5a  | External Verification | Borrowers should have its performance against each SPT for each KPI independently verified by a qualified external reviewer with relevant expertise, at least once a year. | Review of: <ul style="list-style-type: none"> <li>• WHA Group Sustainability Framework, September 2023</li> <li>• WHA Group – Website</li> <li>• Correspondence with WHA Group representatives</li> </ul> | <p>WHA Group has provided assurances that it will obtain external verification on the KPIs and progress towards achieving the SPTs and disclose such findings to investors/lenders through a verification report provided by the independent auditor.</p> <p>WHA Group will commission an external verifier of qualified stature, endowed with the relevant expertise to fulfil the requisite verification duties. The verifier's scope of duties will encompass the evaluation of the advancements made towards the attainment of the SPTs, the ramifications of this performance on the financial and structural attributes of the bond/loan, and any significant deviations in the SPTs throughout the reporting period. In circumstances where the selected verifier must be replaced, a substitute external reviewer will be appointed, one who fulfills the stringent preconditions set out in the Framework.</p> <p>The verification of performance against the SPTs will be made available to the public, thereby augmenting the transparency of the process. These disclosures will be incorporated in the annual updates of the bond's/loan's performance and will be rendered accessible to all relevant stakeholders via publication on the WHA Group website.</p> <p>It is of DNV's opinion that the above-mentioned are sufficient for the meeting the criteria in the SLLP Guidance.</p> |



## ABOUT ROLE(S) OF REVIEW PROVIDERS AS DEFINED BY THE GLP

- 1. Second Party Opinion:** An institution with environmental expertise, that is independent from the issuer may issue a Second Party Opinion. The institution should be independent from the issuer's adviser for its Green Loan Framework, or appropriate procedures, such as information barriers, will have been implemented within the institution to ensure the independence of the Second Party Opinion. It normally entails an assessment of the alignment with the Green Loan Principles. In particular, it can include an assessment of the issuer's overarching objectives, strategy, policy and/or processes relating to environmental sustainability, and an evaluation of the environmental features of the type of projects intended for the Use of Proceeds.
- 2. Verification:** An issuer can obtain independent verification against a designated set of criteria, typically pertaining to business processes and/or environmental criteria. Verification may focus on alignment with internal or external standards or claims made by the issuer. Also, evaluation of the environmentally sustainable features of underlying assets may be termed verification and may reference external criteria. Assurance or attestation regarding an issuer's internal tracking method for use of proceeds, allocation of funds from Green Loan proceeds, statement of environmental impact or alignment of reporting with the GLP, may also be termed verification.
- 3. Certification:** An issuer can have its Green Bond or associated Green Loan Framework or Use of Proceeds certified against a recognised external green standard or label. A standard or label defines specific criteria, and alignment with such criteria is normally tested by qualified, accredited third parties, which may verify consistency with the certification criteria.
- 4. Green Loan Scoring/Rating:** An issuer can have its Green Loan, associated Green Loan Framework or a key feature such as Use of Proceeds evaluated or assessed by qualified third parties, such as specialised research providers or rating agencies, according to an established scoring/rating methodology. The output may include a focus on environmental performance data, the process relative to the GBP, or another benchmark, such as a 2-degree climate change scenario. Such scoring/rating is distinct from credit ratings, which may nonetheless reflect material environmental risks.



## About DNV

Driven by our purpose of safeguarding life, property and the environment, DNV enables organisations to advance the safety and sustainability of their business. Combining leading technical and operational expertise, risk methodology and in-depth industry knowledge, we empower our customers' decisions and actions with trust and confidence. We continuously invest in research and collaborative innovation to provide customers and society with operational and technological foresight. With our origins stretching back to 1864, our reach today is global. Operating in more than 100 countries, our 16,000 professionals are dedicated to helping customers make the world safer, smarter and greener.

The trademarks DNV®, DNV® and Det Norske Veritas® are the properties of companies in the Det Norske Veritas group. All rights reserved.