Sustainable Fitch
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Financial Institutions
Banks
Kazakhstan

Development Bank of Kazakhstan JSC

Second-Party Opinion — Sustainability Framework

Excellent | Good | Aligned | Not Aligned

Pillar	Alignment	Key Drivers
Use of Proceeds	Good	• Sustainable Fitch considers the use of proceeds (UoP) included in this framework aligned with the ICMA Green Bond Principles 2021 (GBP), Social Bond Principles 2023 (SBP) and Sustainability Bond Guidelines 2021 (SBG); it is also aligned with the Green Loan Principles 2023 (GLP) and Social Loan Principles 2023 (SLP) of the Loan Market Association (LMA), Loan Syndications and Trading Association (LSTA) and Asia Pacific Loan Market Association (APLMA). • The framework outlines 14 categories that contribute to Development Bank of Kazakhstan JSC 's (DBK) environmental and social objectives. We positively assess the green UoP categories, especially those with more stringent eligibility criteria such as renewable energy, clean transportation and green buildings. We positively view the social UoPs' defined target populations, although the definition may be broad.
Use of Proceeds – Other Information	Good	• DBK set an exclusion list for activities in certain environmentally or socially harmful sectors. The framework allows the bank to finance new and existing projects. DBK does not commit to keep a certain level of new projects in its portfolio, which would increase the instrument's additionality.
Evaluation and Selection	Excellent	• The evaluation and selection process is clearly outlined and in line with external and internal guidelines, such as the ICMA principles. We consider the process multi-layered, with involvement of relevant structured divisions and a credit committee. Having sustainability experts involved would further improve internal checks and balances, and provide a further degree of ESG expertise.
Management of Proceeds	Good	• We consider DBK's proceeds management process to be appropriate, with the use of virtual segregation within the general funding account. There is a process in place to replace ineligible projects, and it discloses how it will manage unallocated proceeds per ICMA requirements.
Reporting and Transparency	Excellent	• The allocation and impact reporting will be provided annually at the project level until full allocation. The indicators in the impact report are specifically measurable and relevant and are intended to be referenced from the ICMA Harmonised Framework for Impact Reporting. DBK commits to obtaining an external review on its allocation and impact reporting annually until full allocation.

Framework Type	Sustainability	
Alignment	✓	Green Bond Principles 2021 (ICMA)
	✓	Social Bond Principles 2023 (ICMA)
	✓	Sustainability Bond Guidelines 2021 (ICMA)
	✓	Green Loan Principles 2023 (LMA/LSTA/APLMA)
	✓	Social Loan Principles 2023 (LMA/LSTA/APLMA)
Date assigned	2 April 2024	

See Appendix B for definitions.

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Relevant UN Sustainable Development Goals

Use of Proceeds Summary

Green	Renewable energy Energy efficiency Pollution prevention and control Clean transportation Climate chance adaptation Circular economy adapted products, production technologies and processes and/or certified eco-efficient products Environmentally sustainable management of living natural resources and land use Sustainable water and wastewater management Green buildings
Social	Access to essential services Affordable basic infrastructure Employment generation Food security and sustainable food systems Socioeconomic advancement and empowerment

Source: ICMA GBP, ICMA SBP, DBK green and sustainable financing framework (March 2024)

Framework Highlights

We consider transactions under this green and sustainable financing framework aligned with the ICMA GBP, SBP and SBG; it is also aligned with the LMA, LSTA and APLMA GLP and SLP. Our opinion is that the alignment is 'Good'.

DBK established its green and sustainable financing framework with the objective of issuing various green, social and sustainability financing instruments, including bonds, loans and other types of financing instruments. The proceeds raised through this framework will be channelled to a range of projects aimed at environmental and social improvements.

The projects include developing renewable energy sources, transitioning to sustainable transportation systems and promoting energy efficiency. Investments will also be made in constructing and maintaining green buildings, controlling pollution, implementing climate change adaptation measures, promoting circular economy-adapted products and ensuring environmentally responsible management of natural resources and land, and sustainable water and wastewater management.

The sustainable financing instruments will additionally support social projects related to essential services related to healthcare and education, affordable basic infrastructure, employment generation, food security and sustainable food systems, and socioeconomic advancement and empowerment.

The overarching goal of these investments is to promote economic diversification through manufacturing projects and private sector engagement, and development of infrastructure and economy of non-oil sectors in Kazakhstan.

The framework is articulated through four core components recommended by the aforementioned principles and guidelines: use of proceeds, process for project evaluation and selection, management of proceeds, and reporting.

In line with its sustainable policies and strategy, DBK committed to funding projects that follow national laws, environmental standards and the bank's internal acts; it also committed to projects that are designed, constructed, operated and maintained sustainably.

The framework supports the achievement of the UN Sustainable Development Goals (SDGs) and refers to the Climate Bonds Initiative (CBI)'s industry criteria standards; Kazakhstan's green taxonomy (2021), which classifies investments and projects that are environmentally sustainable and contribute to the country's transition to a green economy; and the EU taxonomy, where applicable.

The ICMA GBP, SBP and SBG, and the LMA, LSTA and APLMA GLP and SLP recommend that eligible projects are clearly described in the legal documentation for transactions. We only reviewed the green and sustainable financing framework for this Second-Party Opinion and have not reviewed any transaction legal documents or marketing materials; however, the framework provides the description of the projects.

Source: Sustainable Fitch, DBK green and sustainable financing framework (March 2024)

Entity Highlights

DBK is one of Kazakhstan's main development institutions, with a mandate to improve and increase the efficiency of government investment activities, develop production of infrastructure and the manufacturing industry, and assist in attracting foreign and domestic investment into the country's economy. It is a wholly owned subsidiary of JSC National Management Holding Baiterek, a 100% state-owned development institution that plays an important role in the implementation of objectives for the sustainable development of Kazakhstan's economy.

DBK provides services to corporate clients and financial institutions with a focus on financing investment projects and export operations related to energy, communication and transport infrastructure; agricultural production; industrial productions in the metallurgical industry, mining industry, chemical and petrochemical industry and service industry; foreign projects to export Kazakhstani goods and services; and food and beverage productions. DBK also provides leasing activities through its subsidiary, Industrial Development Fund JSC.

The bank's 2024–2033 strategy includes supporting industries with high export potential, developing leasing, overcoming inter-regional imbalances in project financing, ensuring food security, developing infrastructure together with international financial institutions and introducing ESG principles. The implementation of ESG principles is supported by DBK's roadmap, which was developed in 2023 and includes 35 initiatives related to the bank's commitment in sustainability areas such as developing green financing mechanisms, reducing its environmental footprint and tightening ESG criteria for its lending activities for end-2026.

The bank's sustainable development is also guided by its sustainable development policy, which defines the principles and directions of the bank's sustainable development, sustainability governance and relationship between sustainable development and key processes of the bank. The policy considers the requirements of the UN Global Compact, the UN Principles for Responsible Investment and other international guidelines.

Around 11% of the bank's loan portfolio was represented by green projects in line with Kazakhstan's taxonomy of green projects, of which 6% of the portfolio being renewable energy projects as of end-2022. The aforementioned strategy includes increasing the share of projects in the loan portfolio in line with the green taxonomy towards 2033, although the quantitative targets are limited and the bank still faces a significant exposure to industries with high carbon footprints such as petrochemical manufacturing, transportation and mining.

The promotion of green projects in renewable energy, energy efficiency and water management areas, which are included in the bank's green and sustainable financing framework, will also contribute to the Strategy Kazakhstan 2050, a national plan to propel the nation into the top 30 most-developed countries by 2050 that focuses on economic, social and political reforms, as well as environmental sustainability through a green economy, reduced carbon emissions and increased renewable energy use. Financed projects will also contribute to the nation's target to achieve carbon neutrality by 2060.

The social-focused lending is in line with the bank's mission to improve national well-being through sustainable development of the non-resource sector of the economy and the creation of infrastructure that ensures economic growth, through its active work on the integration of social considerations and safeguards in its lending activities.

DBK integrates non-financial disclosures in its annual report in accordance with the Global Reporting Initiative standards and guidelines from the Kazakhstan Stock Exchange. It provides information on the environmental assessment of financed projects, its own environmental and social metrics, and corporate governance information.

The bank is actively working on managing ESG risks and enhancing its non-financial disclosure, including publication of climate-related financial disclosure in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures, which it intends to start publishing by 2026.

Source: Sustainable Fitch, DBK green and sustainable financing framework (March 2024), DBK annual report 2022, DBK roadmap for the implementation of ESG principles, DBK sustainable development policy

Use of Proceeds – Eligible Projects	Alignment: Good	
Company Material	**Sustainable Fitch's View**	
Renewable energy sources		
• This UoP covers financing related to the construction, development, acquisition, maintenance and operation of renewable energy including solar power, wind power, biomass energy, geothermal and hydropower. • For geothermal energy and hydropower, the direct life-cycle emissions are to be less than 100gCO2e/kWh, declining to net 0gCO2e/kWh by 2050. • For waste biomass energy, the life-cycle GHG emissions must be at least 70% below the coal baseline, such as emissions from coal-fired power generation or the level of an internationally recognised fossil fuel comparator, and biofuel must be sourced from a sustainable feedstock. • The UoP also covers renewable energy transmission and distribution infrastructure that has dedicated connection to renewable production facilities under the low-carbon power threshold (100gCO2/kWh).	• We expect the UoP to align with the ICMA GBP's and LMA, LSTA and APLMA GLP's renewable energy category. • Kazakhstan has a target to achieve 50% alternative energy generation sources by 2050 as part of Strategy Kazakhstan 2050. The UoP contributes by facilitating clean energy access and increasing the country's renewable energy share. • We consider the solar and wind energy projects and renewable energy transmission and distribution infrastructure projects to substantially contribute to climate change mitigation. We consider these projects aligned with major international taxonomies, such as the EU taxonomy. • Geothermal and hydropower are renewable energy sources and contribute to climate change mitigation. Projects with direct life-cycle emissions of less than 100gCO2e/kWh are considered mostly aligned with the EU taxonomy technical screening criteria for substantial contribution to climate change mitigation. We cannot ensure full alignment due to limited information on the GHG calculation method and third-party verification for geothermal and hydropower. • We also consider financing biomass energy environmentally positive, as it contributes to the reduction of GHG emissions; however, major international taxonomies, such as the EU taxonomy, have more stringent requirements compared to the eligibility criteria defined in the framework. • Financing of solar, wind and geothermal energy and renewable energy transmission and distribution infrastructure appear to be in line with Kazakhstan's green taxonomy, as projects related to these areas are considered automatically aligned with no additional threshold required.	7 AFFORDABLE AND CLEAN ENERGY
Energy efficiency		
• The UoP covers the financing related to investments in energy and resource efficiency including improvement of energy efficiency in various sectors such as refurbishments of buildings to include energy-saving retrofit of heating systems, refrigeration systems and lighting systems. These projects will aim to achieve a minimum of 20% energy savings or 20% GHG emissions avoidance or reduction compared to the baseline. • The UoP also covers energy efficiency in energy transmission and distribution grids with a minimum reduction in electricity losses of 10% compared to the baseline.	• We expect the UoP to align with the ICMA GBP's and LMA, LSTA and APLMA GLP's energy efficiency category. • Financing projects that reduce energy consumption and increase energy efficiency positively contributes to climate change mitigation and Kazakhstan's target to decrease the energy intensity of the country's GDP. • The eligibility criteria include a broad range of energy efficiency projects compared to the criteria defined in major international taxonomies such as EU taxonomy, which are more stringent to classify sustainable activities. • There is insufficient information to determine alignment with international taxonomies, but it is positive that the eligibility criteria were derived from Kazakhstan's green taxonomy, demonstrating clear positive environmental impact.	7 AFFORDABLE AND CLEAN ENERGY 8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Pollution prevention and control		
• This UoP covers the financing related to investments in technology and related services to create a sustainable environment through reduction of environmental pollution including elimination or mitigation of environmental pollutants in water, air and soil using biological, physical and chemical methods, as well as waste prevention, waste reduction, waste recycling and energy and emission-efficient waste to energy.	• We expect the UoP to align with the ICMA GBP's and LMA, LSTA and APLMA GLP's pollution prevention and control category. • We positively view that this UoP can help reduce the amount of waste and air, water and soil pollution, which may negatively affect the environment and human health. • Proper waste management helps prevent pollution and contributes to the low-carbon, circular economy transition. Recycling also reduces the need for extraction or production of various materials and reduces processes to obtain raw material, thus mitigating GHG emissions in production.	11 SUSTAINABLE CITIES AND COMMUNITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

	• Projects related to reducing environmental pollution and waste are considered eligible in taxonomies such as the EU taxonomy and Kazakhstan's green taxonomy for their environmental contribution; however, the eligibility criteria do not provide sufficient information about the characteristics of these projects to allow us to assess their potential environmental impact and risks.	
Clean transportation		
• This UoP covers the financing related to the development, construction, acquisition, operation, maintenance and upgrades of zero-carbon and low-carbon assets. • Investments in zero-carbon transport includes investments in passenger vehicles with zero tailpipe emissions such as electric cars, hydrogen cars and trains, and investments in low-carbon transport includes investments in passenger vehicles with tailpipe emission intensity of maximum 50gCO2/km until 2025 and 0gCO2/km from 2026 onwards. • The UoP also covers investments in transportation infrastructure that support the use of zero-carbon and low-carbon vehicles, mass transportation including expansion of train and metro networks, projects in relation to capacity improvement and station upgrades. • No more than 25% of freight of any zero- or low-carbon freight vehicles or of rolling stock will be dedicated to the transport of fossil fuels. Transportation infrastructure dedicated to the storage of fossil fuels is excluded.	• We expect the UoP to align with the ICMA GBP's and LMA, LSTA and APLMA GLP's clean transportation category. • Financing zero- and low-carbon transportation and related infrastructure supports decarbonisation of the transport sector, provides access to sustainable transport and improves air quality. According to the Intergovernmental Panel on Climate Change report, transport contributes about 23% of total GHG emissions, with the amount expected to rise, making it a key sector to decarbonise. • Decarbonisation through promotion of zero- and low-carbon transportation will also contribute to Kazakhstan's target to reach carbon neutrality by 2060. We consider zero- and low-carbon transportation and related infrastructure projects to be in line with Kazakhstan's green taxonomy based on the framework's eligibility criteria. • The threshold of no more than 25% of zero- or low-carbon freight vehicles or rolling stock being dedicated to the transport of fossil fuels is in line with the CBI's land transport sector eligibility criteria; however, the EU taxonomy sets more stringent requirements such as to explicitly exclude transportation and storage of fossil fuels. The low- and zero-carbon criteria are not aligned, as it does not fully exclude transportation of fossil fuels; however, the supporting infrastructure is aligned, as it excludes storage of fossil fuels. • The UoP also includes investments for mass transportation, where the bank could finance both electric and conventional mass transportation. Promotion of mass transportation could contribute to the reduction of emissions caused by individual road transport, but there is insufficient information to determine the environmental impacts involved.	11 SUSTAINABLE CITIES AND COMMUNITIES
Climate change adaptation		
• This UoP covers financing related to making infrastructure more resilient to the impacts of climate change including implementation of flood protection, flood prevention, storm water management and warning systems. • The UoP also covers financing related to implementation of information support systems such as climate observation, early warning systems and R&D on adaptation systems and infrastructure.	• We expect the UoP to align with the ICMA GBP's and LMA, LSTA and APLMA GLP's climate change adaptation category. • Climate change adaptation projects help biodiversity and ecosystem services by enhancing the resilience of natural habitats to the impacts of a changing climate. • The eligibility criteria could include broad activities related to flood protections and prevention, stormwater management, warning system and information systems. Therefore, they are not considered aligned with major taxonomies such as the EU taxonomy, which requires risk assessments to be done through specific methodology and adaptation solutions. • Activities covered in this UoP are eligible sustainable activities in Kazakhstan's green taxonomy; however, we do not have sufficient information to confirm the alignment.	1 NO POVERTY 13 CLIMATE ACTION
Eco-efficient and/or circular economy adapted products, production technologies and processes		
• This UoP covers financing related to development, production and introduction of environmentally friendly, reusable products, technologies and services including eco-labelling, eco-packaging, certification, etc.	• We expect the UoP to align with the ICMA GBP's and LMA, LSTA and APLMA GLP's circular economy adapted products, production technologies and processes and/or certified eco-efficient product category. • Eco-efficient and circular economy-adapted products, production technologies and processes could minimise waste, reduce resource consumption and lower environmental pollution, leading to a more sustainable use of natural resources and decreased ecological footprint.	12 RESPONSIBLE CONSUMPTION AND PRODUCTION

	• The eligibility criteria could include a broad range of activities related to eco-efficient and circular economy-related activities, and thereby are not considered aligned with major taxonomies such as the EU taxonomy, which defines more stringent requirements. • This UoP appears not to be covered in Kazakhstan's green taxonomy; therefore, the alignment could not be assessed.	
Environmentally sustainable management of living natural resources and land use		
• This UoP covers financing related to the acquisition, maintenance and sustainable management of natural resources such as land, water, air, minerals, forests, wild flora and fauna, including certified forests with Forest Stewardship Council (FSC), Programme for the Endorsement of Forest Certification (PEFC) or equivalent certification and environmentally sustainable forestry in relation to afforestation or reforestation, and preservation or restoration of natural landscapes. • The UoP also covers sustainable agriculture practices, climate smart farming and sustainable animal husbandry.	• We expect the UoP to align with the ICMA GBP's and LMA, LSTA and APLMA GLP's environmentally sustainable management of living natural resources and land use category. • The UoP helps conserving ecosystems, maintaining biodiversity, and ensuring the long-term viability of natural habitats by promoting practices that balance human needs with the planet's capacity to regenerate. • The eligibility criteria for forestry includes activities related to forests certified with FSC, PEFC or equivalent certification, which we view as environmentally positive as it assures that the forest management activities comply with national legislation, respect local use rights and maintain the ecological functions of the forest and its biodiversity. The eligibility criteria also include sustainable agriculture, though a broad range of activities could be included. • Activities related to sustainable forest management are automatically considered aligned with Kazakhstan's green taxonomy; however, we did not find sufficient information to determine the alignment for sustainable agriculture, as the green taxonomy requires a specific threshold to be met. • The UoP is partially aligned with the EU taxonomy since obtaining certifications, such as FSC or PEFC, can demonstrate compliance with some of the taxonomy criteria, but details about the forest management plan and the climate benefit analysis are not covered.	2 ZERO HUNGER 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 15 LIFE ON LAND
Sustainable water and wastewater management		
• This UoP covers financing related to the development, construction, acquisition, installation, operation and upgrades of sustainable water management projects, including investments in technologies to reduce overall water demand in stressed areas, sustainable infrastructure for clean water, wastewater treatment, and other water-related projects such as freshwater infrastructure and wastewater infrastructure.	• We expect the UoP to align with the ICMA GBP's and LMA, LSTA and APLMA GLP's sustainable water and wastewater management category. • We consider sustainable water and wastewater management positively; however, certain water management activities such as water treatment plants require certain energy-efficiency requirements to be met to positively affect the environment, as they have a high energy consumption. • The UoP includes a broad range of activities related to water management and does not include specific requirements to ensure its environmental impact, which limits our ability to assess its alignment with international taxonomies, such as the EU taxonomy and Kazakhstan's green taxonomy.	6 CLEAN WATER AND SANITATION
Green buildings		
• This UoP covers the financing related to the construction and acquisition of energy-efficient buildings, which either obtained a minimum certification for BREEAM Excellent, LEED Gold or similarly recognised standards or the national OMIR standard Platinum or Gold; have a primary energy demand at least 10% lower than the local nearly zero-energy buildings requirements (for building built after 31 December 2021); and have reached at least energy performance certificate class A or are within the top 15% of the national or regional building stock (for buildings built before 31 December 2020). • The UoP also covers investments and expenditures related to the renovation of buildings leading to a reduction of primary energy demand of at least 30%.	• We expect the UoP to align with the ICMA GBP's and LMA, LSTA and APLMA GLP's green buildings category. • The UN Environment Programme – Finance Initiative reported that the real estate sector was responsible for 40% of global GHG emissions in 2022. This highlights the urgent need for climate change mitigation in this sector. Enhancing energy efficiency and circularity of buildings can have a direct positive impact on the environment, as the residential sector in Kazakhstan accounted for the largest share of the country's total final energy consumption in 2020, according to the International Energy Agency. • We consider eligibility criteria for buildings built before and after 31 December 2020, as well as renovations, in line with	7 AFFORDABLE AND CLEAN ENERGY 11 SUSTAINABLE CITIES AND COMMUNITIES

	international standards such as the EU taxonomy, contributing to climate change mitigation. • We also view the eligibility criteria's inclusion of certification under green building schemes such as BREEAM and LEED as environmentally positive, as it ensures buildings meet certain environmental standards in terms of energy performance, water usage, waste reduction and pollution control. • The certification criteria appear in line with Kazakhstan's green taxonomy; they may not necessarily indicate alignment with stringent taxonomies such as the EU taxonomy.	13 CLIMATE ACTION
Access to essential services		
• This UoP covers financing related to projects that provide and promote healthcare, education, vocational training and financial services. • The UoP targets rural communities and locations where services are not yet easily accessible or available.	• We expect the UoP to align with the ICMA SBP and LMA, LSTA and APLMA SLP's access to essential services category. • The UoP addresses the increasing education and healthcare infrastructure demand in Kazakhstan by providing more people with access to affordable and quality healthcare and education who would not have easy access otherwise; this improves beneficiaries' quality of living, literacy and life expectancy. • The UoP supports SDGs 3 (good health and well-being) and 4 (quality education), particularly targets 3.8 (universal health coverage), 4.5 (eliminate gender disparities in education) and 10.2 (promote universal social, economic and political inclusion), by expanding public access to free and subsidised healthcare; providing affordable, quality education that enhances health and well-being awareness; and ensuring inclusive and equitable learning opportunities in communities that would not have such access otherwise. • We positively view that DBK specified the target population for each of the social UoPs, though we consider the definition of the target population to be broad. Additional information on how these are defined and determined would allow us to assess the UoPs' social impact at a deeper level.	3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 10 REDUCED INEQUALITIES
Affordable basic infrastructure		
• The UoP covers financing related to projects that provide and promote infrastructure related to transportation, access to clean drinking water, sewerage, sanitation and energy. • The UoP targets under-served, vulnerable groups and low-income individuals.	• We expect the UoP to align with the ICMA SBP's and LMA, LSTA and APLMA SLP's affordable basic infrastructure category. • This UoP is closely related to DBK's key operational pillars of being a primary source of low-cost and long-term funding for manufacturing and infrastructure projects in Kazakhstan. • Kazakhstan has made significant improvements on its basic infrastructures related to transportation, water supply and sanitation and energy, though it still may face challenges, particularly in rural areas. • The UoP supports SDGs 6 (clean water and sanitation) and 11 (sustainable cities and communities), particularly targets 6.1 (universal and equitable access to safe and affordable drinking water), 6.2 (adequate and equitable sanitation and hygiene) and 11.2 (safe, affordable, accessible and sustainable transport systems), by increasing public access to urban infrastructure, leading to more efficient resource use, better waste management and more inclusive public services. • It is positive that DBK highlighted the target populations this UoP focuses on, but there is a lack of visibility on how these are identified. For example, more clarity on income thresholds or what constitutes a vulnerable population would help to understand if it is targeting those most in need.	6 CLEAN WATER AND SANITATION 11 SUSTAINABLE CITIES AND COMMUNITIES
Employment generation		
• The UoP covers financing related to programmes designed to prevent and alleviate unemployment stemming from socioeconomic crises. • The UoP targets unemployed individuals.	• We expect the UoP to align with the ICMA SBP's and LMA, LSTA and APLMA SLP's employment generation category. • We consider this UoP to contribute to SDG 8 (decent work and economic growth), particularly targets 8.3 (development-oriented policies and encourage growth of	8 DECENT WORK AND ECONOMIC GROWTH

	SMEs) and 8.5 (achieve full and productive employment and decent work for all), as it can improve social stability by providing individuals with income security and the means to support their families, thereby reducing poverty and enhancing overall economic growth. • It can also foster community cohesion and individual well-being by mitigating the adverse social effects associated with joblessness, such as increased crime and mental health issues. • However, the eligibility criteria are very broad and there is a lack of visibility on what exactly can be financed. Providing more visibility would allow us to assess this UoP's social impact at a deeper level.	
Food security and sustainable food systems		
• The UoP covers financing related to projects that provide and promote physical, social and economic access to safe, nutritious, and sufficient food that meets dietary needs and requirements, resilient agricultural practices, reduction of food loss and waste, and improved productivity of small-scale producers. • The UoP targets vulnerable groups, under-served and low-income individuals.	• We expect the UoP to align with the ICMA SBP's and LMA, LSTA and APLMA SLP's food security and sustainable food systems category. • The UoP can improve access to food and develop sustainable food systems, and strengthen national self-sufficiency in food production, reducing reliance on imports and enhancing resilience to global market fluctuations. We consider this UoP to contribute to SDG 2 (zero hunger), particularly targets 2.1 (end hunger and ensure access to safe, nutritious and sufficient food year-round) and 2.2 (end all forms of malnutrition). • It can also promote healthier communities for those with the most need by increasing the availability of nutritious, locally produced food and supporting the livelihoods of Kazakhstani farmers through more sustainable agricultural practices. • Similar to the social UoPs detailed above, more visibility on how the target populations are defined and selected would be useful to assess the extent of the social impact.	2 ZERO HUNGER
Socioeconomic advancement and empowerment		
• The UoP covers financing related to locally led initiatives with positive social, environmental and business impacts. • The UoP targets under-served, under-educated and people with disabilities.	• We expect the UoP to align with the ICMA SBP's and LMA, LSTA and APLMA SLP's socioeconomic advancement category. • We consider this UoP to have social impact such as driving inclusive growth by providing marginalised communities with access to finance, education and employment opportunities, thereby reducing inequality and fostering a more equitable society. • The UoP supports SDG 8, particularly targets 8.3 and 8.10 (strengthen domestic financial institutions), as it empowers individuals and local businesses to contribute to the national economy more significantly, enhancing overall productivity and ensuring a broader distribution of the economic benefits. • However, the eligibility criteria could include a broad range of activities and target populations. Additional visibility on what types of projects would be financed under this UoP, as well as target population, would allow us to assess this UoP's social impact at a deeper level.	8 DECENT WORK AND ECONOMIC GROWTH
Source: DBK green and sustainable financing framework (March 2024)	Source: Sustainable Fitch	

Use of Proceeds – Other Information	Alignment: Good
Company Material	**Sustainable Fitch's View**
• All of the net proceeds from DBK's sustainable financing instruments are intended exclusively for green and social projects' financing and refinancing (partially or fully), in accordance with the eligibility criteria. • The net proceeds of sustainable financing instruments can also be used to purchase green, social and sustainability bonds issued by Kazakhstani companies, known as purchased sustainable bonds (PSBs), to promote the development of the sustainable finance market in the country. • PSBs will be aligned with the ICMA GBP, SBP and SBG as the case may be, and UoP will adhere to the UoP criteria and exclusions set out in the framework. The proportion of net proceeds of any green, social or sustainability issuance used for PSBs will be limited to 15% of the issuance of the bank. • When issuing green bonds for which the bank expects to be certified under the CBI standard, the nominated green projects eligible for financing or refinancing with green bond proceeds are determined in accordance with the CBI industry criteria standard. • The expected net proceeds from the issuance of such green bonds will not exceed the bank's total investment in the nominated green projects; however, nominated green projects cannot be classified as other CBI-certified green bonds unless the bank demonstrates that different parts of the nominated green projects are financed by different certified bonds, or the certified bonds are being refinanced by issuing other certified bonds. • Financing related to fossil fuel energy, nuclear energy, hydro plants larger than 25MW, gambling, tobacco, alcohol and weapons are excluded from the financing by the bank's sustainable financing instruments.	• The framework indicates that sustainable financing instruments would finance or refinance projects that are aligned with the eligibility criteria. • Additional visibility on estimated shared or reporting the share of projects to be financed and refinanced using the bond proceeds could, although it is not required, increase transparency to investors per the recommendations of the ICMA, LMA, LSTA and APLMA. • The bank indicates the possibility of purchasing green, social or sustainability bonds of Kazakhstani companies using the proceeds of the sustainable financing instruments, issued under this framework. The bank also communicated the instruments will be public transactions, but with limited possibility on the secondary trading of the instruments and its intention to hold the instruments to maturity. • Although the ICMA's guidance handbook typically considers purchasing of other green, social and sustainability bonds using the proceeds to not qualify as UoP, we recognise that DBK, as a development bank, included this alternative UoP to support the growth and development of Kazakhstan and the development of the sustainable finance market in the country. • The framework states that PSBs will adhere to the UoP and exclusion criteria; be aligned with the ICMA GBP, SBP or SBG; are subject to the screening and monitoring processes as defined in the framework; and their impacts will be reported with an approach that prevents double counting. • The exclusion list is clearly defined in the framework and covers some environmentally and socially sensitive sectors, such as fossil fuel energy, tobacco and gambling, which provides assurance to external stakeholders that the funds will not be used for financing activities that are considered environmentally or socially harmful.
Source: DBK green and sustainable financing framework (March 2024)	Source: Sustainable Fitch

Evaluation and Selection	Alignment: Excellent
Company Material	**Sustainable Fitch's View**
• Projects are screened for compliance with internal acts on investment projects in the bank, the framework and other internal acts of the bank. Environmental and social risks are also considered at the stage of approving projects. • Evaluation and selection of green projects are also carried out according to the taxonomy of green projects to be financed through green bonds and green loans, approved by Decree of the Government of the Republic of Kazakhstan dated 31 December 2021, No. 996. • If projects fall under the green taxonomy subsectors explicitly excluded from financing through the bank's sustainable financing instruments as set out in the UoP section of the framework, or where threshold criteria in terms of emission intensity or energy-efficiency percentages indicated in the UoP section of the framework are more stringent than the ones established in the green taxonomy for the corresponding subsectors, the criteria of the UoP section of the framework prevail. • Responsible structural divisions provide the credit committee, which involves the deputy chairman of the management board for lending as a chair, managing director of transaction analysis and structuring, deputy chairman of the management board for risk management, head of the credit activities legal support department, and head of the collateral assessment department, with materials on the compliance or non-compliance of the investment project with the categories and criteria of the green or social project. • The credit committee decides whether the project meets the categories and criteria of green or social projects. • Defined selection and evaluation process is also applicable for PSBs.	• The selection and evaluation process and eligibility criteria are clearly defined in the framework and align with the requirements set out in the guidelines of the ICMA, LMA, LSTA and APLMA. • We consider the evaluation and selection to be multi-layered, as it involves relevant structured divisions who propose projects and provide materials on the compliance of investment projects with relevant criteria to the credit committee, who is responsible for the decision-making on projects to be financed by proceeds of sustainable financing instruments, providing assurance on the internal controls and balances. • The credit committee comprises representatives from different job functions to ensure there is sufficient discussion in the bank. This is not a requirement of the ICMA, LMA, LSTA and APLMA, but having further sustainability expertise in the bank would ensure it has the relevant skills to assess the environmental and social impact of projects and that ESG factors are considered in the decision making and asset allocation. • It is positive from an ESG perspective that DBK will ensure all projects are in line with some international standards and comply with relevant legislations, including Kazakhstan's green taxonomy, and that projects' environmental and social risks are assessed; however, there is limited visibility on how the assessed environmental and social risks will be managed.

Evaluation and Selection — Alignment: Excellent

Company Material

- If necessary, the bank may engage external consultants for the selection and evaluation of green and social projects.

Source: DBK green and sustainable financing framework (March 2024)

Sustainable Fitch's View

Source: Sustainable Fitch

Management of Proceeds — Alignment: Good

Company Material

- The department of funding and international cooperation and the accounting and reporting department will be responsible for organising, ensuring and implementing effective management of proceeds from sustainable financing instruments.
- It is also responsible for maintaining accounting through a special off-system sustainable financing instruments sub-account (prepared in an Excel spreadsheet).
- If the aggregate amount of the financed green and social projects and PSBs in the sub-account is less than the total net proceeds of outstanding sustainable financing instruments issued, the bank will manage the unallocated amount in accordance with the bank's investment portfolio management policy until the amount of green and social project and PSBs financing and refinancing is equal to the proceeds from the sustainable financing instruments.
- Green and social projects and PSBs included in the register are subject to monitoring for compliance with the criteria and categories of green and social projects, at least once a year. Projects that do not comply with the criteria in the UoP section of the framework or, if green bonds with CBI certification do not comply with the relevant CBI industry criteria standard, are removed from the register. If possible, each excluded project is replaced by another green or social project and PSBs.
- The bank ensures that an independent external consultant evaluates the management process of proceeds from sustainable financing instruments.

Source: DBK green and sustainable financing framework (March 2024)

Sustainable Fitch's View

- The proceeds will be deposited in DBK's sustainable financing instruments sub-account, which is aligned with the requirements of the ICMA, LMA, LSTA and APLMA; however, in our view, a fully segregated bank account could ensure a definite segregation of proceeds.
- The unallocated proceeds will be managed in accordance with the bank's investment portfolio management policy, which aligns with the ICMA, LMA, LSTA and APLMA requirements to disclose the intended types of temporary placement for unallocated proceeds; however, investing unallocated proceeds in activities that are compliant with the bond goals would align with the best practices.
- We positively view that there is a process in place to monitor the eligibility of the asset pool and ineligible projects are replaced with new eligible projects, providing assurance to external stakeholders that the eligible assets comply with the eligibility criteria.

Source: Sustainable Fitch

Reporting and Transparency — Alignment: Excellent

Company Material

- DBK will publish the annual reports on the UoP, their intended purpose and the impact of green and social projects and PSB activities by 25 December of each year until full allocation of the sustainable financing instruments.
- The reporting will include, but not limited to, information on the distribution of proceeds from sustainable financing instruments including net proceeds received from each sustainable financing instrument, amount of proceeds allocated to each green or social project, and balance of unallocated proceeds at the end of the reporting period.
- The information on the environmental or social impact of each green or social project will include progress and status of the green or social project and actual effect, calculated in quantitative and qualitative terms.
- The bank intends to align the impact reporting as outlined in the ICMA's Handbook – Harmonised Framework for Impact Reporting (June 2023) and Harmonised Framework for Impact Reporting for Social Bonds (June 2023) on a best-effort basis.
- The bank will request on an annual basis, starting one year after issuance and until full allocation, an assurance report on the allocation and impact of sustainable financing instrument proceeds to eligible projects, by an external review provider.
- If a green bond is to be certified according to the CBI Standard, the AIFC Green Finance Centre will provide an external assessment of the

Sustainable Fitch's View

- DBK has fully committed to provide an allocation and impact report on an annual basis until full allocation, which is aligned with the requirements set out by the ICMA, LMA, LSTA and APLMA.
- The allocation of proceeds will be reported per green or social project, which is aligned with the requirement of the ICMA, LMA, LSTA and APLMA for allocation reporting to be on a project-by-project basis. DBK communicated its intention to report allocations per project on a bond-by-bond basis, which will increase the transparency for investors, though it is not explicitly stated in the framework as the bank's approach on allocation reporting may evolve with time.
- The ICMA, LMA, LSTA and APLMA require issuers to include a brief description of the projects financed, which may be included in the bank's allocation report.
- The bank intends to provide impact reporting with reference to the latest versions of the Harmonised Framework for Impact Reporting frameworks as developed by the ICMA, providing investors assurance on the reporting quality and placing it in line with best practice.
- It is positive from an ESG perspective that the quantitative indicators of the impact reporting are specifically measurable and relevant to the UoP categories, which provides transparency to investors.
- We also positively view the bank's commitment to obtain annual external review on the allocation and impact reporting, until full allocation, which is in line with best practice.

Reporting and Transparency	Alignment: Excellent
Company Material	**Sustainable Fitch's View**
compliance of this policy with the specified standard in a verification format. • The bank also intends to disclose the details of PSBs including the issuer name; issuance date; principal amount; UoP categories and criteria; external review; confirmation of alignment with the ICMA GBP, SBP and SBG; and the expected impact for each PSB, to avoid potential double counting complication. • For the avoidance of doubt, expected impact of PSBs will not be aggregated with the impact indicators associated with the bank's allocations to green and social projects to avoid potential double counting complications.	• The framework indicates PSBs' impact information will be transparately communicated in addition to their details, by reporting the impact indicators associated with PSBs separately from the bank's allocations to green and social projects to avoid potential double counting complications.
Source: DBK green and sustainable financing framework (March 2024)	Source: Sustainable Fitch

Relevant UN Sustainable Development Goals

- **1.5:** By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters.

- **2.1:** By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round.
- **2.2:** By 2030, end all forms of malnutrition, including achieving, by 2025, the internationally agreed targets on stunting and wasting in children under 5 years of age, and address the nutritional needs of adolescent girls, pregnant and lactating women and older persons.
- **2.4:** By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality.

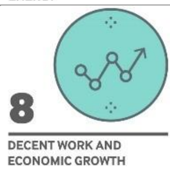
- **3.8:** Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.

- **4.5:** By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations.

- **6.1:** By 2030, achieve universal and equitable access to safe and affordable drinking water for all.
- **6.2:** By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations.
- **6.3:** By 2030, improve water quality by reducing pollution, eliminating dumping and minimising release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally.
- **6.4:** By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.

- **7.2:** By 2030, increase substantially the share of renewable energy in the global energy mix.
- **7.3:** By 2030, double the global rate of improvement in energy efficiency.

- **8.3:** Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalisation and growth of micro-, small- and medium-sized enterprises, including through access to financial services.
- **8.4:** Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead.
- **8.5:** By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.
- **8.10:** Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all.



- **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.

Relevant UN Sustainable Development Goals

- **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.

- **11.2:** By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons.
- **11.3:** By 2030, enhance inclusive and sustainable urbanisation and capacity for participatory, integrated and sustainable human settlement planning and management in all countries.
- **11.6:** By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.

- **12.2:** By 2030, achieve the sustainable management and efficient use of natural resources.
- **12.4:** By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimise their adverse impacts on human health and the environment.
- **12.5:** By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.

- **13.1:** Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.
- **13.2:** Integrate climate change measures into national policies, strategies and planning.

- **15.1:** By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements.
- **15.2:** By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally.

Source: Sustainable Fitch, UN

Appendix A: Principles and Guidelines

Type of Instrument: Sustainability

Four Pillars	
1) Use of Proceeds (UoP)	Yes
2) Project Evaluation & Selection	Yes
3) Management of Proceeds	Yes
4) Reporting	Yes

Independent External Review Provider	
Second-party opinion	Yes
Verification	Yes
Certification	Yes
Scoring/Rating	No
Other	n.a.

1) Use of Proceeds (UoP) – based on expected or actual instrument allocation	
UoP as per Green Bond Principles (GBP)	
Renewable energy	Yes
Energy efficiency	Yes
Pollution prevention and control	Yes
Environmentally sustainable management of living natural resources and land use	Yes
Terrestrial and aquatic biodiversity conservation	No
Clean transportation	Yes
Sustainable water and wastewater management	Yes
Climate change adaptation	Yes
Certified eco-efficient and/or circular economy adapted products, production technologies and processes	Yes
Green buildings	Yes
Unknown at issuance but currently expected to conform with GBP categories, or other eligible areas not yet stated in GBP	No
Other	n.a.

Use of Proceeds as per Social Bond Principles (SBP)	
Affordable basic infrastructure	Yes
Access to essential services	Yes
Affordable housing	No
Employment generation (through SME financing and microfinancing)	Yes
Food security	Yes
Socioeconomic advancement and empowerment	Yes
Unknown at issuance but currently expected to conform with SBP categories, or other eligible areas not yet stated in SBP	No
Other	n.a.

Target Populations	
Living below the poverty line	Yes
Excluded and/or marginalised populations and /or communities	Yes
People with disabilities	Yes
Migrants and/or displaced persons	No
Undereducated	Yes
Underserved, owing to a lack of quality access to essential goods and services	Yes
Unemployed and/or workers affected by climate transition	Yes

Type of Instrument: Sustainability

Women and/or sexual and gender minorities	No
Aging populations and vulnerable youth	No
Other vulnerable groups, including as a result of natural disasters, climate change, and/or climate transition projects that cause or exacerbate socioeconomic inequity	Yes
Other	n.a.
2) Project Evaluation & Selection	
Evaluation & Selection	
Credentials on the issuer's social and green objectives	Yes
Documented process to determine that projects fit within defined categories	Yes
Defined and transparent criteria for projects eligible for sustainability bond proceeds	Yes
Documented process to identify and manage potential ESG risks associated with the project	Yes
Summary criteria for project evaluation and selection publicly available	Yes
Other	n.a.
Evaluation & Selection/Responsibility & Accountability	
Evaluation/selection criteria subject to external advice or verification	No
In-house assessment	Yes
Other	n.a.
3) Management of Proceeds	
Tracking of Proceeds	
Sustainability bond proceeds segregated or tracked by the issuer in an appropriate manner	Yes
Disclosure of intended types of temporary investment instruments for unallocated proceeds	Yes
Other	n.a.
Additional Disclosure	
Allocations to future investments only	No
Allocations to both existing and future investments	Yes
Allocation to individual disbursements	Yes
Allocation to a portfolio of disbursements	Yes
Disclosure of portfolio balance of unallocated proceeds	Yes
Other	n.a.
4) Reporting	
UoP Reporting	
Project-by-project	Yes
On a project portfolio basis	Yes
Linkage to individual bond(s)	Yes
Other	n.a.
UoP Reporting/Information Reported	
Allocated amounts	Yes
Sustainability bond-financed share of total investment	No
Other	n.a.
UoP Reporting/Frequency	

Type of Instrument: Sustainability

Annual	Yes
Semi-annual	No
Other	n.a.
Impact Reporting	
Project-by-project	Yes
On a project portfolio basis	Yes
Linkage to individual bond(s)	No
Other	n.a.
Impact Reporting/Information Reported (exp. ex-post)	
GHG emissions/savings	Yes
Energy savings	No
Decrease in water use	Yes
Number of beneficiaries	Yes
Target populations	Yes
Other ESG indicators	Renewable energy generation; additional capacity of renewable energy plants; increased grid resilience; prevented waste; reduction of air pollutants; increased % in materials, components and products that are reusable or recyclable; water use; wastewater treated.
Impact Reporting/Frequency	
Annual	Yes
Semi-annual	No
Other	n.a.
Means of Disclosure	
Information published in financial report	No
Information published in ad hoc documents	Yes
Information published in sustainability report	No
Reporting reviewed	Yes
Other	n.a.

Source: Sustainable Fitch, ICMA

Appendix B: Definitions

Term	Definition
Debt types	
Green	Proceeds will be used for green projects and/or environmental-related activities as identified in the instrument documents. The instrument may be aligned with ICMA Green Bond Principles or other principles, guidelines or taxonomies.
Social	Proceeds will be used for social projects and/or social-related activities as identified in the instrument documents. The instrument may be aligned with ICMA Social Bond Principles or other principles, guidelines or taxonomies.
Sustainability	Proceeds will be used for a mix of green and social projects and/or environmental and social-related activities as identified in the instrument documents. The instrument may be aligned with ICMA Sustainability Bond Guidelines or other principles, guidelines, taxonomies.
Sustainability-linked	Financial and/or structural features are linked to the achievement of pre-defined sustainability objectives. Such features may be aligned with ICMA Sustainability-linked Bond Principles or other principles, guidelines or taxonomies. The instrument is often referred to as an SLB (sustainability-linked bond) or SLL (sustainability-linked loan).
Conventional	Proceeds are not destined for any green, social or sustainability project or activity, and the financial or structural features are not linked to any sustainability objective.
Other	Any other type of financing instrument or a combination of the above instruments.
Standards	
ICMA	International Capital Market Association. In the Second-Party Opinion we refer to alignment with ICMA's Bond Principles: a series of principles and guidelines for green, social, sustainability and sustainability-linked bonds.
LMA, LSTA and APLMA	Loan Market Association (LMA), Loan Syndications and Trading Association (LSTA) and Asia Pacific Loan Market Association (APLMA). In the Second-Party Opinion we refer to alignment with Sustainable Finance Loan Principles: a series of principles and guidelines for green, social and sustainability-linked loans.
EU Green Bond Standard	A set of voluntary standards created by the EU to "enhance the effectiveness, transparency, accountability, comparability and credibility of the green bond market".

Source: Sustainable Fitch, ICMA, UN, EU Technical Expert Group

Appendix C: Second-Party Opinion Methodology

Second-Party Opinion

Second-Party Opinions (SPO) are a way for issuers to obtain an independent external review on their green, social, sustainability and sustainability-linked instruments.

As per the ICMA Guidelines for External Reviewers, an SPO entails an assessment of the alignment of the issuer's green, social, sustainability or sustainability-linked bond or loan issuance, framework or programme with the relevant principles. For these purposes, "alignment" should refer to all core components of the relevant principles.

Sustainable Fitch analysts vary the analysis based on the type of instruments, to consider whether there are defined uses of proceeds or KPIs and sustainability performance targets. The analysis is done on a standalone basis, separate to the entity.

Analytical Process

The analysis considers all available relevant information (ESG and financial). The reports transparently display the sources of information analysed for each section and provide a line-by-line commentary on the sub-factors analysed. The ESG analysts working on an SPO will also engage directly with the issuer to acquire any additional relevant information not already in the public domain or in instrument-related documentation.

An important part of the analysis is the assessment of the E and S aspects of the use of proceeds. In addition to the alignment with ICMA Principle and Guidelines, the analysis may also refer to major taxonomies (e.g. the EU taxonomy for E aspects, and the UN Sustainable Development Goals for S aspects).

Once the analyst has completed the analysis, with commentary for the related SPO, it is submitted to the approval committee, which reviews it for accuracy and consistency. Based on issuer preference and mandate, an SPO can be monitored (annually or more frequently, if new information becomes available) or on a point-in-time basis.

Scale and Definitions

	ESG Framework
Excellent	Sustainable finance framework and/or debt instrument structure is fully aligned to all relevant core international principles and guidelines. Practices inherent to the structure meet excellent levels of rigour and transparency in all respects and are well in excess of the standards commonly followed by the market.
Good	Sustainable finance framework and/or debt instrument structure is fully aligned to all relevant core international principles and guidelines. Practices inherent to the structure meet good levels of rigour and transparency; in some instances, they go beyond the standards commonly followed by the market.
Aligned	Sustainable finance framework and/or debt instrument structure is aligned to all relevant core international principles and guidelines. Practices inherent to the structure meet the minimum standards in terms of rigour and transparency commonly followed by the market.
Not Aligned	Sustainable finance framework and/or debt instrument structure is not aligned to relevant core international principles and guidelines. Practices inherent to the structure fall short of common market practice.

Source: Sustainable Fitch

SOLICITATION STATUS

The Second Party Opinion was solicited and assigned or maintained by Sustainable Fitch at the request of the entity.