



SECOND PARTY OPINION (SPO)

Sustainability Quality of the Issuer and Green Bond Framework

Optimum Solar
27 April 2023

VERIFICATION PARAMETERS

Type(s) of instruments contemplated	<ul style="list-style-type: none">Green Bonds
Relevant standards	<ul style="list-style-type: none">Green Bond Principles, as administered by the ICMA (as of June 2021 with June 2022 Appendix 1)
Scope of verification	<ul style="list-style-type: none">Optimum Solar Green Bond Framework (as of April 25, 2023)Optimum Solar Eligibility Criteria (as of April 25, 2023)
Lifecycle	<ul style="list-style-type: none">Pre-issuance verification
Validity	<ul style="list-style-type: none">As long as there is no material change to the Framework

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SCOPE OF WORK

Optimum Solar (“the Issuer”) commissioned ISS Corporate Solutions (ICS) to assist with its Green Bonds by assessing three core elements to determine the sustainability quality of the instrument:

1. Optimum Solar’s Green Bond Framework (as of April 25, 2023) – benchmarked against the International Capital Market Association’s (ICMA) Green Bond Principles, as administered by the ICMA (as of June 2021 with June 2022 Appendix 1) (GBP).
2. The Eligibility Criteria– whether the project categories contribute positively to the UN SDGs and how they perform against proprietary issuance-specific key performance indicators (KPIs) (See Annex 1).
3. Linking the transaction to Optimum Solar’s overall ESG profile – drawing on the issuance-specific Use of Proceeds categories.

OPTIMUM SOLAR BUSINESS OVERVIEW

Optimum Solar operates as a Renewable Electricity company. It is classified in the Renewable electricity industry, as per ISS ESG’s sector classification.

Optimum Solar Private Limited is based out of Hungary and offers solutions in solar power systems and related services. The company’s portfolio includes providing services related to small solar power systems, solar power plants, and other complex solar energy projects.

ASSESSMENT SUMMARY

SPO SECTION	SUMMARY	EVALUATION ¹
Part 1: Alignment with GBP	The Issuer has defined a formal concept for its Green Bond regarding use of proceeds, processes for project evaluation and selection, management of proceeds, and reporting. This concept is in line with the Green Bond Principles, as administered by the ICMA (as of June 2021 with June 2022 Appendix 1).	Aligned
Part 2: Sustainability quality of the Eligibility Criteria	<p>The Green Bond will (re-)finance eligible asset categories which include: Renewable Energy, Green Buildings.</p> <p>The Renewable Energy use of proceeds category has a contribution to SDGs 7 'Affordable and clean energy' and 13 'Climate action'.</p> <p>The Green Building use of proceed category improves the company's operational impacts and mitigate potential negative externalities of the Issuer's sector on SDGs 7 'Affordable and clean energy', SDG 11 'Sustainable cities and communities' and SDG 13 'Climate action'.</p> <p>The environmental and social risks associated with those use of proceeds categories are well managed.</p>	Positive
Part 3: Linking the transaction to Optimum Solar's overall ESG profile	The key sustainability objectives and the rationale for issuing Green Bonds are clearly described by the Issuer. The project categories financed are in line with the sustainability objectives of the Issuer.	Consistent with Issuer's sustainability strategy

¹The evaluation is based on Optimum Solar's Green Bond Framework (April 2023 version), on the analyzed Eligibility Criteria as received on April 25, 2023, and on the Indicative Corporate Rating and applicable at the SPO delivery date.

SPO ASSESSMENT

PART I: ALIGNMENT WITH GREEN BOND PRINCIPLES

This section evaluates the alignment of Optimum Solar’s Green Bond Framework (as of April 25, 2023) with the Green Bond Principles.

GREEN BOND PRINCIPLES	ALIGNMENT	OPINION
1. Use of Proceeds	✓	<p>The Use of Proceeds description provided by Optimum Solar’s Green Bond Framework is aligned with the Green Bond Principles.</p> <p>The Issuer’s green categories align with the project categories as proposed by the Green Bond Principles, Criteria are defined in a clear and transparent manner. Disclosure of distribution of proceeds by project category is provided and environmental benefits are described. The Issuer defines exclusion criteria for harmful project categories, which is in line with best market practice.</p> <p>The issuer defines a look-back period of 48 months, in line with best market practice.</p>
2. Process for Project Evaluation and Selection	✓	<p>The Process for Project Evaluation and Selection description provided by Optimum Solar’s Green Bond Framework is aligned with the Green Bond Principles.</p> <p>The project selection process is defined and structured in a congruous manner. ESG risks associated with the project categories are identified and managed through an appropriate process. Moreover, the projects selected show alignment with the sustainability strategy of the Issuer.</p> <p>The Issuer clearly defines responsibilities in the process for project evaluation and selection and is transparent about it, also involves various stakeholders in this process, which are in line with best market practice. Moreover, the Issuer identifies alignment of their Green Bond framework and their green projects with official EU Taxonomy and social safeguards, in line with best market practice.</p>
3. Management of Proceeds	✓	<p>The Management of Proceeds proposed by Optimum Solar’s Green Bond Framework is aligned with the Green Bond Principles.</p>

		<p>The net proceeds collected will be equal to the amount allocated to eligible projects, with no exceptions. The net proceeds are credited to a sub account. The net proceeds are managed per bond (bond-by-bond approach). Moreover, the Issuer discloses the temporary investment instruments for unallocated proceeds.</p> <p>The Issuer has defined an expected allocation period of 36 months. Moreover, the Issuer discloses the nature of temporary investments and the split between existing investments and future investments, in line with best market practice.</p>
<p>4. Reporting</p>	<p>✓</p>	<p>The allocation and impact reporting proposed by Optimum Solar’s Green Bond Framework is aligned with the Green Bond Principles.</p> <p>The Issuer commits to disclose the allocation of proceeds transparently and to report in an appropriate frequency. The reporting will be publicly available on the Issuer’s website. Optimum Solar explains the level of expected reporting and the type of information that will be reported. Moreover, the Issuer commits to report annually, until the proceeds have been fully allocated.</p> <p>The Issuer is transparent on the level of impact reporting and the information reported and further defines the duration, scope, and frequency of the impact reporting, in line with best market practice.</p>

PART II: SUSTAINABILITY QUALITY OF THE ISSUANCE

A. CONTRIBUTION OF THE GREEN BOND TO THE UN SDGs²

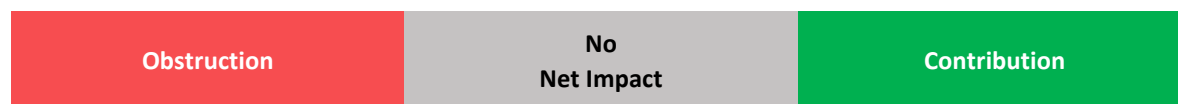
Companies can contribute to the achievement of the SDGs by providing specific services/products which help address global sustainability challenges, and by being responsible corporate actors, working to minimize negative externalities in their operations along the entire value chain. The aim of this section is to assess the SDG impact of the UoP categories financed by the Issuer in two different ways, depending on whether the proceeds are used to (re)finance:

- specific products/services,
- improvements of operational performance.



1. Products and services

The assessment of UoP categories for (re)financing products and services is based on a variety of internal and external sources, such as the ISS ESG SDG Solutions Assessment (SDGA), a proprietary methodology designed to assess the impact of an Issuer's products or services on the UN SDGs, as well as other ESG benchmarks (the EU Taxonomy Climate Delegated Acts, the ICMA Green and/or Social Bond Principles and other regional taxonomies, standards and sustainability criteria).

The assessment of UoP categories for (re)financing specific products and services is displayed on 3-point scale (see Annex 1 for methodology):



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

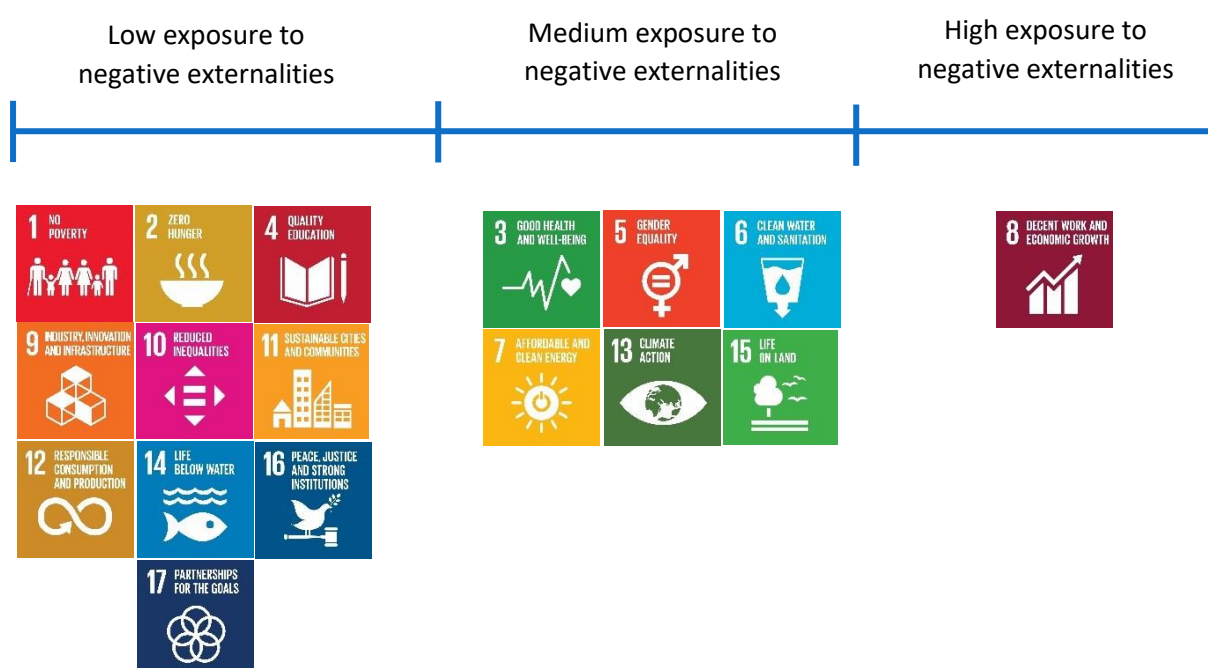
USE OF PROCEEDS (PRODUCTS/SERVICES)	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p>Renewable Energy</p> <p><i>New or existing investments in or expenditures on the acquisition, development, construction and/or installation of Solar PVs (including rooftop solar projects).</i></p> <p><i>Including transmission, distribution, and electrical storage infrastructure (solar PVs) related to renewable energy production.</i></p>	<p>Contribution</p>	 

² The impact of the UoP categories on UN Social Development Goals is assessed with proprietary methodology and may therefore differ from the Issuer's description in the framework.





2. Improvements of operational performance (processes)

The below assessment aims at qualifying the direction of change (or “operational impact improvement”) resulting from the operational performance projects (re)financed by the UoP categories, as well as related UN SDGs impacted. The assessment displays how the UoP categories are mitigating the exposure to the negative externalities relevant to the business model and the sector of the Issuer.

According to ISS ESG SDG Impact Rating methodology, potential impacts on the SDGs related to negative operational externalities³ in the Renewable Electricity Industry (to which Optimum Solar belongs) are the following:



The table below aims at displaying the direction of change resulting from the operational performance improvement projects. The outcome displayed does not correspond to an absolute or net assessment of the operational performance.

USE OF PROCEEDS (PROCESSES)	OPERATIONAL IMPACT IMPROVEMENT ⁴	SUSTAINABLE DEVELOPMENT GOALS
<p>Green Buildings</p> <p><i>Acquisition/construction of commercial buildings for own operational purpose that meets the following, recognized standards:</i></p> <ul style="list-style-type: none"> • BREEAM (Excellent or above) • LEED (Gold or above) 		  

³ Please, note that the impact of the Issuer’s products and services resulting from operations and processes is displayed in section 3 of the SPO.

⁴ Limited information is available on the scale of the improvement as no threshold is provided. Only the direction of change is displayed.

Green Buildings

Acquisition/construction of commercial buildings for own operational purpose that meets the following, recognized standards:



- *At least 10% better than the minimum Hungarian energy performance certificate (EPC) for nearly-zero energy buildings*



Green Buildings

Refurbishment of buildings that meet the following, recognized standards:



- *Reduction of primary energy demand (PED) of at least 30%*



B. MANAGEMENT OF ENVIRONMENTAL & SOCIAL RISKS ASSOCIATED WITH THE ELIGIBILITY CRITERIA

All Categories

The table below evaluates the Eligibility Criteria against issuance specific KPIs. All of the assets will be located in Hungary.

ASSESSMENT AGAINST KPIs

Labor, health, and safety

✓ Optimum Solar is a medium-sized entity, hence ISO 45001 certificate is not applicable to obtain. Yet, Optimum Solar operates in alignment with the national laws in place systematically ensuring that assets financed under this framework provide for high labor health and safety standards for its own employees, volunteers, and the supply chain. More specifically, the company complies relevant laws and regulations including but not limited to with Hungarian Act XCIII/1993 on Occupational Safety and Health, Act 3/2002. (II. 8) SZCSM-EüM joint Regulation on the Minimum Level of Health and Safety Requirements at Workplaces, Act 191/2009. (IX.15.) Government Decree on Construction work, Act 4/2002. (II. 20) Joint Decree of the Minister for Health and Social Affairs on the Minimum Health and Safety Requirements to be Implemented at Construction Sites and During Construction Processes, and Act 65/1999. (XII. 22.) Decree of the Minister for Health on the Minimum Safety and Health Requirements for the Use of Personal Protective Equipment by Workers at the Workplace.

The company further has a Procurement Policy in place for its supply chain to ensure that the occupational health and safety aspects of its products and services are covered and undergo regular Occupational Safety risk assessments to identify, measure and respond to potential risks associated with labor, health, and safety of own employees.

Conservation and biodiversity management

✓ Optimum Solar has policies and measures in place that ensure the assets financed under this framework undergo an environmental impact assessment at the planning stage. The company complies with Regulation (EC) No 191/2009 on construction activities related to environmental impacts and has an Environmental Policy in place to ensure that impact assessments for the projects that are financed by Optimum Solar are already implemented at the planning stage.

Renewable Energy (Solar PVs)

The table below evaluates the Eligibility Criteria against issuance-specific KPIs. All of the assets will be located in Hungary.

ASSESSMENT AGAINST KPIs

Environmental aspects of construction (or production) and operation

✓ Optimum Solar has policies and measures in place to systematically ensure the assets financed under this framework are able to be recycled at the end of their lives. Optimum Solar's environmental policy ensures that the expected environmental effects of the products are analyzed during the designing process and the related eco-design techniques and technologies are applied to reduce the negative environmental impacts (i.e., using high recyclability featured components for solar panels such as silicon, glass, metal, and copper). Considering the company has been operating since 2011, the solar panels have not yet reached the end of their lifecycle of 30 years. Therefore, the company has not yet started applying takebacks and dismantling. Yet Optimum Solar commits to apply takebacks and dismantling and using the dismantled parts of the solar panels again at the end of its life to increase the circularity of the operation.

✓ Optimum Solar has an Environmental Policy in place to ensure that the assets financed under this framework meet high environmental standards and requirements during the construction phase. The company has ISO 14001:2015 certified environmental management system to ensure environmental aspects of construction and operations are respected. Furthermore, the company complies with the limit values specified in the joint decree 27/2008 (XII. 3.) of the Ministry of Transport, Building and Urban Affairs of Hungary in terms of noise mitigation.

Community dialogue

✓ Optimum Solar has processes and measures in place to systematically ensure that assets financed under this framework feature community dialogue as an integral part of the planning process. The company complies with the local regulations in Hungary, which require engagement with community stakeholders and local governments during the project planning. Additionally, Optimum Solar has an internal policy on engaging with local communities and organizations where grievance mechanisms and communication channels are established based on different community stakeholders. The company further commits to continuing to develop mutual relationships with the local communities during the project implementation and to address any complaints and suggestions coming from community advisory panels and the whistleblower system. Moreover, the Optimum Solar Sustainability Plan highlights the company's actions towards community engagement as part of business, such as engaging with local communities at sustainability forums and visiting education centers to promote environmental protection.

On-site safety

- ✓ Optimum Solar has policies and measures in place systematically ensuring that the assets financed under this framework have high operational safety standards in place. The company's Workers' Safety Risk Management Policy covers monitoring and inspections. Furthermore, the company has an emergency and fire protection site plan in place.

Site selection

- ✓ Optimum Solar has policies and measures in place systematically ensuring that assets financed under this framework are not located in key biodiversity areas (Ramsar sites, IUCN protected areas I-V). The company's environmental policy complies with Article 35 of Act LIII of 1996 on Nature Protection that prohibits the protected natural areas. Furthermore, the preliminary impact assessment conducted notes that the assets and projects financed are not located in key biodiversity areas.

Green Buildings

The table below evaluates the Eligibility Criteria against issuance-specific KPIs. All of the assets will be located in Hungary.

ASSESSMENT AGAINST KPIs

Site location

- ✓ Optimum Solar ensures that assets financed under this framework are located within a maximum of 1 km of one or more modalities of public transport. Additionally, the company confirms that the asset site will not expand in the future and remain at the same distance from public transportation.

Construction standards

- ✓ Optimum Solar has environmentally responsible procurement practices and practices in place systematically ensuring that assets financed under this framework provide for sustainable procurement regarding building/construction materials. Moreover, the company states that while selecting and evaluating suppliers, it takes the environmental impact of the entire life cycle of the raw materials, products, and equipment into account and additionally, checks durability and applies reuse, repair, and recycle them.

User safety

- ✓ Optimum Solar has policies and measures in place systematically ensuring that assets financed under this framework provide measures to ensure operational safety in buildings (emergency exits, fire extinguishers).

Water use minimization in buildings

- ✓ Optimum Solar has measures in place systematically ensuring that assets financed under this framework provide for measures to reduce water consumption in the buildings. The company reduces unnecessary water consumption by installing drinking water machines for its employees, applying water infiltration, and using rainwater to reduce water scarcity.

PART III: LINKING THE TRANSACTION TO OPTIMUM SOLAR'S ESG PROFILE

A. CONSISTENCY OF GREEN BOND WITH OPTIMUM SOLAR'S SUSTAINABILITY STRATEGY

Key sustainability objectives and priorities defined by the Issuer

Optimum Solar recognizes the importance of sustainability and aims to transition from an energy sector towards green energy. Optimum Solar's goal is environmental protection, promotion of solar systems and electromobility. The issuer defined its Sustainability Plan in 2021, which focuses on the three pillars of sustainability:

- a. Environmental:
 - Reduce its CO₂ emission by transitioning towards green economy.
 - Reducing its environmental footprint by reducing waste, being environmental conscious and refurbishing the sites.
 - Protect and preserve biodiversity when designing solar plants.
- b. Social:
 - Supporting local communities with education and donations to local organizations.
 - Achieving a fair working environment by providing equal opportunities to the employees.
 - Having health and safety measures in place for employee protection.
- c. Governance:
 - Implementing the risk assessment policy for adequately assessing and reducing ESG risks.
 - Ensuring anti-corruption policy for ethical business.

Optimum Solar established short term measures and goals to achieve its sustainability targets, which are defined as follows:

- Rescue car use: The employees commute to work by bicycle or public transport, carpooling is encouraged.
- Reduce conventional fuel consumption: The issuer supports environmentally friendly technology vehicles, and hybrid or electric vehicles are preferred.
- Reduce paper consumption: The issuer aims to reduce paper and commits to use printed documents only when extremely necessary, and only two-sided printing is considered. The usage of hand towels is eliminated, and paper waste is recycled.
- Energy management: The issuer produces its own green energy and has heating and cooling systems to reduce unnecessary thermal regulation of unused units. It operates in reduced mode on weekends. The issuer aims to incorporate energy-saving light bulbs, automatic motion sensor lighting systems, and modern building materials, doors, and windows.
- Eco-friendly sourcing: The issuer ensures that its suppliers have environmental management systems with environmentally sound products and devices. The issuer commits to purchasing only packaging-free or largely packed products.
- Environmentally advantageous coins: The issuer aims to purchase products that are durable, repairable refillable, reusable and environmentally friendly raw materials and should have an environmentally friendly product mark of the given product.

- Water management: Procedures like water desiccation, installation of drinking water vending machines for workers.
- Waste management: The issuer aims to reduce waste and increase the proportion of waste handed over for recovery. Organic waste is collected separately, and the issuer aims to use it for composting as it can be used to supply the green areas directly.

Optimum Solar has two policies in place to mitigate ESG risks, which assess the environmental and social risks. It also includes other environmental aspects like compliance with relevant laws and regulations, water and waste management, noise protection, and nature reservation. In 2020, the company issued corporate bonds worth 6 billion forint under the Central Bank of Hungary's National Growth Program for financing green investments, the net proceeds were fully allocated to green projects. However, there is no information on if the issuer has ever issued a GSSB before. The issuer is a member of the Hungarian Photovoltaic and Solar Collector Association and the Hungarian Photovoltaic Industry Association.

To guide the issuer's transition to green energy, Optimum Solar has a Green Bond Committee headed by the Chief Executive Officer (CEO) and with permanent members including the Head of Financing, the CSR representative, and members from the executive level. The committee is responsible for providing transparency and accuracy regarding green proceeds issuing and performing procedures related to green bond allocation.

Optimum Solar is a medium size enterprise in the Renewable industry with a limited number of employees. Therefore, the issuer does not yet have any verified science-based targets, established action plans with quantified ESG targets, or ESG reporting guidelines as of today. However, it is noted that Optimum Solar has been nominated for an ESG pilot project by an influential market participant in Hungary, which will be public by May 31st, 2023. The issuer then commits to developing an action plan with quantified targets and regular ESG reporting in reference to Global Research Initiatives (GRI) guidelines.

Rationale for issuance

By setting a Green Bond Framework, Optimum Solar aims to transition from an energy sector to a green energy sector, focusing on environmental protection and electromobility in line with the Green Bond Principles published by the International Capital Market Association.

The issuer aims to achieve its targets by providing homestead electrification, a solar system installed on a private house, or solar power plants supplying the energy needs of companies, municipalities, medical institutions, catering units, industrial parks, electric vehicle charging, and modern public lighting.

Opinion: *The key sustainability objectives and the rationale for issuing Green Bonds are clearly described by the Issuer. The project categories financed are in line with the sustainability objectives of the Issuer.*

B. OPTIMUM SOLAR 'S BUSINESS EXPOSURE TO ESG RISKS

This section aims to provide an overall level of information on the ESG risks to which the Issuer is exposed through its business activities, providing additional context to the issuance assessed in the present report.

ESG risks associated with the Issuer's industry

The Issuer is classified in the Renewable Electricity industry, as per ISS ESG's sector classification. Key challenges faced by companies in terms of sustainability management in this industry are displayed in the table below. Please note, that this is not a company specific assessment but areas that are of particular relevance for companies within that industry.

ESG KEY ISSUES IN THE INDUSTRY
Labor Standards and working conditions
Promotion of a sustainable energy system
Responsible land use and biodiversity management
Protection of human rights and community outreach

ESG strengths and points of attention related to the Issuer's disclosures



Leveraging ISS ESG's Research, the following strengths, and points of attention⁵ have been identified:

STRENGTHS	POINTS OF ATTENTION
The company has disclosed information on its business model which is entirely into solar energy generation-related services. The majority of the revenue in 2021 has come from the installation of solar panels and the development of utility-scale solar power plants.	The company has not publicly reported on the implementation of a health and safety management system for its employees and contractors, accident rate and fatalities of contractors, supplier standards regarding labor rights, working conditions, and procedures to ensure compliance with supplier standards.
	The company has not publicly disclosed any information on the topic of community outreach regarding public consultation, or grievance mechanisms.
	The company has not publicly reported on the topic of environmental impact assessments of its solar power projects.

⁵ Please note that Optimum Solar is not part of the ISS ESG Corporate Rating Universe. Thus, the information is based on a disclosure review conducted by the analyst in charge of the Renewable Electricity sector, based on publicly available information exclusively. No direct communication between the Issuer and the analyst has taken place during the process. The below is not based on an ISS ESG Corporate Rating but considers ISS ESG Research's methodology.

Please note that the consistency between the issuance subject to this report and the Issuer’s sustainability strategy is further detailed in Part III.A of the report.

Environmental impact of the product portfolio

PRODUCT/SERVICES PORTFOLIO	ASSOCIATED PERCENTAGE OF REVENUE ⁶	DIRECTION OF IMPACT	UN SDGS
Construction of and/or related services for solar power plants	100%	CONTRIBUTION	 

Breaches of international norms and ESG controversies

At Issuer level

At the date of publication and leveraging ISS ESG Research, no controversy in which the Issuer would be involved has been identified.

At industry level

Based on a review of controversies over a 2-year period, the top three issues that have been reported against companies within the Renewable Electricity industry are as follows: Accounting/disclosure standards, failure to respect the right to safe and healthy working conditions, and failure to prevent depletion of biodiversity.

Please note, that this is not a company-specific assessment but areas that can be of particular relevance for companies within that industry.

⁶ Percentage provided in the table is an estimate of the turnover of the business segment and it is not cumulative.

DISCLAIMER

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ANNEX 1: Methodology

Green KPIs

The Green Bond KPIs serve as a structure for evaluating the sustainability quality – i.e., the social and environmental added value – of the use of proceeds of Optimum Solar’s Green Bond.

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

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

Environmental and social risks assessment methodology

The Environmental and social risks assessment evaluates whether the assets included in the asset pool match the eligible project category and criteria listed in the Green Bond KPIs.

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

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

Assessment of the contribution and association to the SDG

The 17 Sustainable Development Goals (SDGs) were endorsed in September 2015 by the United Nations and provide a benchmark for key opportunities and challenges toward a more sustainable future. Using a proprietary method, the extent to which Optimum Solar’s Green Bonds contributes to related SDGs has been identified.

ANNEX 2: Quality management processes

SCOPE

Optimum Solar commissioned ICS to compile a Green Bond SPO. The Second Party Opinion process includes verifying whether the Green Bond Framework aligns with the Green Bond Principles, as administered by the ICMA and to assess the sustainability credentials of its Green Bond, as well as the Issuer's sustainability strategy.

CRITERIA

Relevant Standards for this Second Party Opinion

- ICMA Green Bond Principles (as of June 2021 with June 2022 Appendix 1)
- ISS ESG Key Performance Indicators relevant for Use of Proceeds categories selected by the Issuer

ISSUER'S RESPONSIBILITY

Optimum Solar's responsibility was to provide information and documentation on:

- Green Bond Framework
- Eligibility Criteria
- Documentation of ESG risks management at the framework level

ISS ESG'S VERIFICATION PROCESS

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

This independent Second Party Opinion of the Green Bond to be issued by Optimum Solar has been conducted based on a proprietary methodology and in line with the ICMA Green Bond Principles.

The engagement with Optimum Solar took place from March to April 2023.

ISS' BUSINESS PRACTICES

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

About this SPO

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

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

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

For more information on SPO services, please contact: SPOsales@isscorporatesolutions.com

For more information on this specific Green Bond SPO, please contact: SPOOperations@iss-esg.com

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