

Second-Party Opinion

Ivanhoé Cambridge Green Bond Framework



Evaluation Summary

Sustainalytics is of the opinion that the Ivanhoé Cambridge Green Bond Framework is credible and impactful and aligns with the four core components of the Green Bond Principles 2018. This assessment is based on the following:



USE OF PROCEEDS The eligible categories for the use of proceeds – Green Buildings, Renewable Energy, Energy Efficiency, Sustainable Water and Wastewater Management, Clean Transportation, and Climate Change Adaptation, are aligned with those recognized by the Green Bond Principles. Sustainalytics considers that the eligible projects will lead to positive environmental impacts and advance the UN Sustainable Development Goals 6, 7, 11, and 13.



PROJECT EVALUATION / SELECTION Ivanhoé Cambridge has established a Green Bond Working Group, which will meet to evaluate and select projects in line with eligible project categories prior to fund allocation. This is in line with market practice.



MANAGEMENT OF PROCEEDS Ivanhoé Cambridge will track proceeds in eligible projects in its Green Bond Register. Pending allocation, proceeds will be held in cash or liquid securities in accordance with the Company's liquidity management policies. This is in line with market practice.



REPORTING Ivanhoé Cambridge intends to publish an allocation report of proceeds on an annual basis until full allocation. In addition, Ivanhoé Cambridge is committed to impact reporting, including some of the following: annual energy savings, renewable energy generated, greenhouse gas emissions avoided and/or natural capital value created. Sustainalytics views these allocation and impact reporting commitments as aligned with market practice.

Evaluation date	February 14, 2020 ¹
Issuer Location	Montreal, Canada

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¹ This Second Party Opinion (SPO) is a revised version from the one published in December 2, 2019, to make minor corrections in Appendix 1: Green Building Certification Programs. No other changes to the SPO have been made and Sustainalytics' assessment of Ivanhoé Cambridge's Green Bond Framework have not changed in any way.

Introduction

Ivanhoé Cambridge Inc. (together with its affiliates, “Ivanhoé Cambridge”, the “Issuer”, or the “Company”) is a real estate subsidiary of the Caisse de dépôt et placement du Québec (CDQP). The Company owns, manages, and develops buildings in the office, multi residential, industrial, logistics and retail sectors. Ivanhoé Cambridge is based in Montreal, Canada.

Ivanhoé Cambridge has developed the Ivanhoé Cambridge Green Bond Framework (the “Framework”) under which it intends to issue one or more green bonds and use the proceeds to finance and/or refinance, in whole or in part, existing and/or future projects that have the potential to reduce the carbon footprint and energy consumption of the Company’s activities.

The Framework defines eligibility criteria in six areas:

1. Green Buildings
2. Renewable Energy
3. Energy Efficiency
4. Sustainable Water and Wastewater Management
5. Clean Transportation
6. Climate Change Adaptation

Ivanhoé Cambridge engaged Sustainalytics to review the Company’s Framework, dated December 2019, and provide a second-party opinion on the Framework’s environmental credentials and its alignment with the Green Bond Principles 2018 (GBP 2018).² This Framework will be published in a separate document.

As part of this engagement, Sustainalytics held conversations with various members of Ivanhoé Cambridge’s management team to understand the sustainability impact of their business processes and planned use of proceeds, as well as management of proceeds and reporting aspects of the Framework. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics’ opinion of the Ivanhoé Cambridge Green Bond Framework and should be read in conjunction with that Framework.

² The Green Bond Principles are administered by the International Capital Market Association and are available at: <https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/>.

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the Ivanhoé Cambridge Green Bond Framework

Summary

Sustainalytics is of the opinion that the Ivanhoé Cambridge Green Bond Framework is credible and impactful, and aligns with the four core components of the GBP 2018. Sustainalytics highlights the following elements of Ivanhoé Cambridge's Green Bond Framework:

- **Use of Proceeds:**
 - The six eligible green project categories are recognized as impactful by the GBP 2018. Sustainalytics is of the opinion that investments in projects under these six categories will deliver positive environmental outcomes.
 - For the "Green Buildings" category, the Company uses credible third-party certification systems for its green building eligibility criteria, as set out in Appendix A of its Framework. Sustainalytics has conducted an evaluation of the certifications and considers such certification standards as having a positive impact (see Appendix 1 for additional details on the certification schemes).
 - For the "Renewable Energy" category, Sustainalytics notes positively the inclusion by the Company of a direct emissions threshold for geothermal technologies.
 - For the "Energy Efficiency" category, Sustainalytics notes positively the inclusion by the Company of a threshold for projects to achieve at least a 20% energy reduction as well as an exclusion on investments to install energy efficient heating by combustion sources, which will avoid a "lock in" of fossil fuel consumption.
 - For the "Clean Transportation" category, Sustainalytics notes positively the inclusion of infrastructure to accommodate electric vehicles.
 - Regarding projects which invest in infrastructure or improvements to "create or improve connectivity to mass public transportation," such as underground tunnels connecting buildings to existing transit stations, Sustainalytics notes a limitation in that such projects may not deliver the intended environmental benefits and may require significant allocation of proceeds. Sustainalytics encourages the Company to measure the impact the proposed infrastructure investments have on public transit usage so that environmental benefits, in the form of reduced transportation emissions, can be quantified.
 - For the "Sustainable Water and Wastewater Management" category and "Climate Change Adaptation" category, Sustainalytics notes these positively.
- **Project Evaluation and Selection:**
 - The Company has created a Green Bond Working Group which will meet to review and select projects eligible to receive proceeds from future issuances. The Green Bond Working Group is initially comprised of representatives from the Company's Finance and Capital Market Group, Sustainability Group and Legal Affairs department and may include other representatives of Ivanhoé Cambridge.
 - The Company may allocate proceeds to projects with disbursements made in the past 30 months and intends to allocate all proceeds within 18 months following the issue of any green bonds.
 - Sustainalytics considers this to be in line with market practice.
- **Management of Proceeds:**
 - The Company will deposit net proceeds from any green bonds into its general account and will track eligible projects in its Green Bond Register. Unallocated proceeds will be held in cash or liquid securities in accordance with the Company's liquidity management policies.
 - Sustainalytics consider this to be in line with market practice.
- **Reporting:**
 - The Company commits to publishing a Green Bond Allocation Report on its website, on an annual basis, until full allocation. The allocation reporting will project names and locations, a description of the use of proceeds, reference to relevant eligibility criteria and the amount allocated to each project.

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- The Company's report will also include qualitative and quantitative impact metrics, including some of the following: annual energy savings, renewable energy generated, greenhouse gas (GHG) emissions avoided and/or natural capital value created.
- Sustainalytics considers these reporting commitments to be in line with market practice.

Alignment with Green Bond Principles 2018

Sustainalytics has determined that the Ivanhoé Cambridge's Green Bond Framework aligns to the four core components of the GBP 2018. For detailed information please refer to Appendix 1: Green Bond/Green Bond Programme External Review Form.

Section 2: Sustainability Performance of the Issuer

Contribution of framework to issuer's sustainability strategy

Ivanhoé Cambridge has committed to take action on climate change and improve its sustainability performance in all aspects of its operations. To reduce its environmental footprint, the Company is pursuing various strategic priorities as outlined in its Corporate Social Responsibility (CSR) 2020 Vision³, including:

- (i) Optimize energy and natural resource consumption
- (ii) Increase investments in low carbon properties by 50% by 2020
- (iii) Reduce GHG emissions by 25% by 2025

Ivanhoé Cambridge also has in place the following policies and programs to advance their environmental strategy:

- The Energy Performance Policy and Program has as an objective to reduce energy consumption, GHG emissions and operating costs by implementing energy efficiency strategies and increasing the share of renewable energy consumption. Measures include installing high efficiency lighting, purchasing Energy Star appliances for new electronic equipment and to consider the use of on-site renewable energy technologies and/or off-site renewable energy procurement (such as wind, solar, biomass and geothermal).
- The Water Performance Policy and Program's goal is to reduce water consumption and operating costs. The Water Performance Program encourages property managers to consider best practice measuring including installing water meters and sub-meters, implementing water conservation strategies, and collecting rainwater for irrigation.
- The Waste Reduction Policy and Program has been established to reduce material consumption, waste and operating costs through waste reduction strategies. Best management practices include the prevention of product and packaging waste through the Company's Sustainable Procurement Guidelines, and promoting the use of compostable dishware in food courts and improved sorting stations at food courts.
- The Atmosphere Policy and Program are meant to reduce the release of ozone-depleting substances and GHGs through responsible refrigerant management strategies which include tracking and reporting refrigerant leaks.

The above-mentioned policies and programs are maintained by the Sustainability Team who is responsible for reviewing and updating these as required.

In addition, Ivanhoé Cambridge has developed internal Sustainability Scorecards to assess the performance of each of its properties to improve the environmental performance of its buildings. The scorecard is based on (i) certifications, (ii) energy and carbon, (iii) water, (iv) waste, and (v) climate risks. This assessment is then used to determine areas for improvement.

Based on the above, Sustainalytics considers Ivanhoé Cambridge to be well positioned to issue green bonds given its extensive policies, programs and commitments. Furthermore, the issuance of green bonds aligns with the company's sustainability strategy and will contribute to the realization of its environmental and energy targets.

Well positioned to address common environmental and social risks associated with the projects

While Sustainalytics recognizes that the use of proceeds from Ivanhoé Cambridge will be directed towards eligible green projects that are recognized by the GBP 2018 to have positive environmental impacts, Sustainalytics is aware that such projects could also lead to negative environmental and social outcomes. Some key environmental and social risks associated with the eligible green projects include resource usage

³ Ivanhoe Cambridge, "Corporate Social Responsibility", at: <https://www.ivanhoecambridge.com/en/corporate-social-responsibility/home>

and waste generation in both development projects and existing portfolio, and community and stakeholder relations.

Some of the procedures to address these include:

- The Company's Integrated Risk Management team conducts assessments of inherent ESG risks and ensures consistency with the practices of its parent company CDPQ, who includes ESG criteria in its investment analysis and decision making.⁴ As part of this process, there is also the involvement of the Internal Audit team, who provides an independent evaluation of the Company's risk management, control and governance processes.
- The Company performs environmental due diligence for all acquisitions, developments and operations across all regions. This process is carried out in accordance to the Company's environmental management system which is based on ISO 14001 (Environmental Management System), and comprises various control mechanisms and environmental programs to manage environmental risks. The results are tracked and submitted to the Company's Audit Committee on a yearly basis.
- The Company's policies and programs covering energy, water, waste and atmosphere (summarized earlier in this section) aim to minimize the negative environmental impacts of the Company's operations.

Due to the above-mentioned policies and processes, Sustainalytics believes that Ivanhoé Cambridge has sufficient measures to identify, manage and mitigate environmental and social risks commonly associated with the use of proceeds.

Section 3: Impact of Use of Proceeds

All six use of proceeds categories are recognized as impactful by the GBP 2018. Sustainalytics has focused below on one where the impact is specifically relevant in local context.

Importance of environmentally sustainable property development and management in North America

In 2017, 17% of Canada's GHG emissions came from residential, commercial and institutional buildings in Canada, the third largest emitting sector, trailing only oil and gas, and transportation;⁵ In 2018, residential and commercial buildings in the United States accounted for almost 40% of CO₂ emissions and 40% of the total US energy consumption.⁶ The American Council for an Energy Efficient Economy, who examines the building energy efficiency policies and performance of 25 of the world's top energy consuming countries, ranked Canada and the US tied on 10th place in 2018.⁷ Considering the lifespans of buildings, the Intergovernmental Panel on Climate Change (IPCC) has noted that without ambitious policies to improve efficiency in the built environment we risk locking-in carbon intensive options for several decades.⁸ In this context, investment in green buildings and energy efficiency can provide substantial environmental benefits.

The buildings sector is an important area of opportunity with potential GHG emissions reductions of over 20 Mt CO₂e in Canada.⁹ Canada's commitments to the built environment under the Pan-Canadian Framework on Clean Growth and Climate Change (Pan-Canadian Framework)¹⁰ include making new buildings more energy efficient, retrofitting existing buildings, and fuel switching, improving energy efficiency for appliances and equipment, supporting mandatory energy labelling and disclosure, and supporting building codes and energy efficient housing in Indigenous communities. It is estimated that one third of the emission reductions identified in the Pan-Canadian Framework, can be achieved through energy efficiency measures in the buildings, industrial and transportation sectors.⁹

⁴ CDPQ, "Policy on Responsible Investment", at:

https://www.cdpq.com/sites/default/files/medias/pdf/en/politique_investissement_responsable_en.pdf#page5.

⁵ Government of Canada, "Greenhouse gas emissions", at: <https://www.canada.ca/en/environment-climate-change/services/environmental-indicators/greenhouse-gas-emissions.html>.

⁶ EIA, "How much energy is consumed in U.S. residential and commercial buildings?", at: <https://www.eia.gov/tools/faqs/faq.php?id=86&t=1>.

⁷ ACEEE, "The 2018 International Energy Efficiency Scorecard" at: <https://aceee.org/sites/default/files/publications/researchreports/i1801.pdf>.

⁸ IPCC, "Mitigation of Climate Change", at: https://www.ipcc.ch/site/assets/uploads/2018/02/ipcc_wg3_ar5_chapter9.pdf.

⁹ Canada emitted 85 megatonnes of CO₂ equivalent (Mt CO₂e) in 2017. NRCAN, "Canada's Building Strategy Update", at:

<https://www.nrcan.gc.ca/sites/www.nrcan.gc.ca/files/emmc/pdf/2018/en/18-00369-emmc-buildings-strategy-report-e.pdf>.

¹⁰ Government of Canada, "Pan-Canadian Framework on Clean Growth and Climate Change", at:

<https://www.canada.ca/en/services/environment/weather/climatechange/pan-canadian-framework/climate-change-plan.html>

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In the U.S., the United States Climate Alliance¹¹ aims to reduce GHG emissions by at least 26-28% below 2005 levels by 2025 and includes “building transformation” as one of its key strategies. To realize this goal, several states have implemented policies to achieve carbon reductions from the built environment, including California and New York. California has a target to reduce GHG emissions from the state’s residential and commercial building stock by at least 40% below 1990 levels by 2030,¹² by requiring that all new buildings be low-emission and requiring the retrofitting of older homes and business facilities. New York state is aiming to meet one third of its GHG reduction emission target of a 40% reduction by 2030, from 1990 levels, by implementing energy efficiency strategies.¹³ It has set a goal to improve energy efficiency by 23% compared to 2012 levels. Measures include strengthening building energy codes, requiring annual building energy benchmarking, and disclosing energy efficiency in home sales.¹⁴

In addition to national, state/provincial and municipal regulations, buildings around the world are also reducing energy and GHG emissions through voluntary green building certification programs. Such certification programs, including each of the ones listed in the Company’s Framework, are helping to achieve positive environmental impacts. The Company’s inclusion of only the top two levels of certification, and in some cases only the top level of certification, is representative of best practice in the green bond market.

Sustainalytics is of the opinion that the eligible projects enumerated by the Green Bond Framework will support greenhouse gas reduction in North America and are in line with the Pan-Canadian Framework on Clean Growth and Climate Change and the United States Climate Alliance Objectives.

Alignment with/contribution to SDGs

The Sustainable Development Goals (SDGs) were set in September 2015 and form an agenda for achieving sustainable development by the year 2030. This green bond advances the following SDG goals and targets:

Use of Proceeds Category	SDG	SDG target
Sustainable Water and Wastewater Management	6. Clean Water and Sanitation	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.
Renewable Energy	7. Affordable and Clean Energy	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix.
Energy Efficiency	7. Affordable and Clean Energy	7.3 By 2030, double the global rate of improvement in energy efficiency.
Clean Transportation	11. Sustainable Cities and Communities	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.
Green Buildings		11.3 By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries

¹¹ The United States Climate Alliance is a bipartisan coalition of governors committed to reducing greenhouse gas emission consistent with the goals of the Paris Agreement. At: <https://www.usclimatealliance.org/>.

¹² California Legislation. “Assembly Bill No. 3232: Chapter 373”, at: https://leginfo.ca.gov/faces/billTextClient.xhtml?bill_id=201720180AB3232.

¹³ New York State, “Governor Cuomo Announces New Energy Efficiency Target to Cut Greenhouse Gas Emissions and Combat Climate Change”, at: <https://www.governor.ny.gov/news/governor-cuomo-announces-new-energy-efficiency-target-cut-greenhouse-gas-emissions-and-combat>.

¹⁴ New York State Senate, “Senate Bill S6599”, at: <https://www.nysenate.gov/legislation/bills/2019/s6599>.

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Climate Change Adaptation	13. Climate Action	13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries
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Conclusion

Ivanhoé Cambridge has developed the Ivanhoé Cambridge Green Bond Framework to issue green bonds, with the proceeds being directed to finance or refinance projects in the following categories: (i) Green buildings, (ii) Renewable energy, (iii) Energy efficiency, (iv) Sustainable water and wastewater management, (v) Clean transportation, and (iv) Climate change adaptation. Sustainalytics is of the opinion that the projects described by the framework will support the Company's sustainability strategy to reduce the carbon intensity of its portfolio, and notes that the use of proceeds categories are recognized by the Green Bond Principles 2018.

Sustainalytics notes that Ivanhoé Cambridge's processes for project selection, management of proceeds, and reporting to be aligned with market practice. Based on the above, Sustainalytics considers Ivanhoé Cambridge to be well positioned to issue green bonds and that its Ivanhoé Cambridge Green Bond Framework is transparent, robust, and in alignment with the four core components of the Green Bond Principles 2018.

Appendices

Appendix 1: Green Building Certification Programs

	LEED	BREEAM	BOMA BEST
Background	Leadership in Energy and Environmental Design (LEED) is a US Certification System for residential and commercial buildings used worldwide. LEED was developed by the non-profit U.S. Green Building Council (USGBC) and covers the design, construction, maintenance and operation of buildings.	BREEAM (Building Research Establishment Environmental Assessment Method) was first published by the Building Research Establishment (BRE) in 1990. Based in the UK. Used for new, refurbished and extension of existing buildings.	BOMA BEST, administered by the Building Owners and Managers Association (BOMA) of Canada, is a certification program for existing buildings. The assessment considers performance and operation of buildings in a wide range of performance and operations categories.
Certification levels	Certified Silver Gold Platinum	Pass Good Very Good Excellent Outstanding	Certified Bronze Silver Gold Platinum
Areas of Assessment: Environmental Performance of the Building	<ul style="list-style-type: none"> • Energy and atmosphere • Sustainable Sites • Location and Transportation • Materials and resources • Water efficiency • Indoor environmental quality • Innovation in Design • Regional Priority 	<ul style="list-style-type: none"> • Energy • Land Use and Ecology • Pollution • Transport • Materials • Water • Waste • Health and Wellbeing • Innovation 	<ul style="list-style-type: none"> • Energy • Water • Air • Comfort • Health and Wellbeing • Custodial • Purchasing • Waste • Site • Stakeholder Engagement
Requirements	Prerequisites (independent of level of certification) + Credits with associated points These points are then added together to obtain the LEED level of certification There are several different rating systems within LEED. Each rating system is designed to apply to a specific sector (e.g. New Construction, Major Renovation, Core and Shell Development, Schools-/Retail-/Healthcare New Construction and Major Renovations, Existing Buildings: Operation and Maintenance).	Prerequisites depending on the levels of certification + Credits with associated points This number of points is then weighted by item ¹⁵ and gives a BREEAM level of certification, which is based on the overall score obtained (expressed as a percentage). Majority of BREEAM issues are flexible, meaning that the client can choose which to comply with to build their BREEAM performance score. BREEAM has two stages/ audit reports: a 'BREEAM Design Stage' and a 'Post Construction Stage', with different assessment criteria.	To be eligible for BOMA BEST a series of questions must be answered about the building. Each question describes an environmental measure that impacts building management or performance, some being more important than others. Points are attributed to each question, except for BEST Practices which are minimum requirements. The number of points available per question is calculated as a factor of the impact and importance of the measure/initiative. The outcome is a points system that awards more points for taking action where it matters, actions that lead to better understanding of building systems and improved operational performance.
Performance display			
Accreditation	LEED AP BD+C LEED AP O+M	BREEAM International Assessor BREEAM AP BREEAM In Use Assessor	
Qualitative considerations	Widely recognised internationally, and strong assurance of overall quality.	Used in more than 70 countries: Good adaptation to the local normative context. Predominant environmental focus. BREEAM certification is less strict (less minimum thresholds) than HQE and LEED certifications.	Most commonly used certification for existing buildings in Canada, and considered less administratively burdensome for existing buildings.

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	HQE	Green Star (GBCA)	CHINA THREE STAR
Background	The Haute Qualité Environnementale or HQE (High Quality Environmental standard) is a standard for green building in France, based on the principles of sustainable development first set out at the 1992 Earth Summit. The standard was launched in 2005 and is controlled by HQE and certificate is issued by Cerway/ Certivea/ Cerqual.	Established in 2003, the Green Building Council of Australia's Green Star system is the nation's authority on sustainable buildings, communities and cities. The rating system assesses buildings in one of four categories: Communities, Design & As Built, Interiors, and Performance.	The Chinese 3-Star Green Building Standard is a Certification System used in China for residential and public buildings (including commercial, hotel and government-owned) that was introduced in 2006 by MOHURD (Ministry of Housing and Urban-Rural Development).
Certification levels	Pass Good Very good Excellent Exceptional	1 Star (Minimum Practice) 2 Star (Average Practice) 3 Star (Good Practice) 4 Star (Best Practice) 5 Star (Australian Excellence) 6 Star (World Leadership)	1-Star 2-Star 3-Star
Areas of Assessment: Environmental Performance of the Building	<ul style="list-style-type: none"> Energy Environment (Site, Components, Worksite, Water, Waste, Maintenance) Comfort (Hydrothermal, Acoustic, Visual, Olfactory) Health (Spaces quality, Air Quality, Water Quality) Principles of Equivalence 	<p>Areas assessed for Design & As Built, Interiors, and Performance:</p> <ul style="list-style-type: none"> Management Indoor Environment Quality Energy Transport Water Materials Land Use and Ecology Emissions Innovation 	<ul style="list-style-type: none"> Land savings and outdoor environment; Energy savings and utilisation; Water savings and utilisation; Material savings and utilisation; Indoor environment; Operations and management.
Requirements	Prerequisites (independent of level of certification) + Points-based performance level: Performing and High Performing The Prerequisite level is obtained when all the minimum requirements for a target are met, while the Performing and High Performing levels are obtained based on a percentage of points given per target, allowing for flexibility. Based on the total number of stars obtained per area, an overall HQE level is then given. Environmental certificates are assigned at all stages of the building life cycle, and on-site audits are required.	Point system, "category score" awarded based on performance (% of points achieved) within a given category. For some categories there is a minimum threshold (ie GHG/sqm/yr) and points are awarded for exceeding the minimum. Categories are weighted based on building location (to reflect that in some areas of Australia, certain metrics may be more relevant). Total score is then given out of 100. For the areas of Communities, Design & As Built, and Interiors, no certification is awarded for buildings scoring below 45 points/3 stars.	
Performance display			
Accreditation	HQE Construction Certification Referent HQE Operations Certification Advisor	Certification by an independent panel commissioned by the GBCA to review ratings.	
Qualitative considerations	HQE certification has the most number of targets concerning individuals. The "Comfort" and "Health" related themes are the most developed in this scheme. The HQE scheme recognises European and international standards (in particular the ISO and ASHRAE standards).	Commonly used in Australia, New Zealand, and South Africa. Set up similar to BREEAM and LEED. Some suggest that Green Star is less stringent than BREEAM, and that a 6-star rating is roughly equivalent to "very good", however the Green Star system has been updated since most assessments have been published, so may now be more stringent. Tailored to countries with varied climates.	

Appendix 2: Green Bond / Green Bond Programme - External Review Form

Section 1. Basic Information

Issuer name:	Ivanhoé Cambridge Inc.
Green Bond ISIN or Issuer Green Bond Framework Name, if applicable: <i>[specify as appropriate]</i>	Ivanhoé Cambridge Green Bond Framework
Review provider's name:	Sustainalytics
Completion date of this form:	February 14, 2020
Publication date of review publication: <i>[where appropriate, specify if it is an update and add reference to earlier relevant review]</i>	

Section 2. Review overview

SCOPE OF REVIEW

The following may be used or adapted, where appropriate, to summarise the scope of the review.

The review assessed the following elements and confirmed their alignment with the GBPs:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Use of Proceeds | <input checked="" type="checkbox"/> Process for Project Evaluation and Selection |
| <input checked="" type="checkbox"/> Management of Proceeds | <input checked="" type="checkbox"/> Reporting |

ROLE(S) OF REVIEW PROVIDER

- | | |
|---|--|
| <input checked="" type="checkbox"/> Consultancy (incl. 2 nd opinion) | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification | <input type="checkbox"/> Rating |
| <input type="checkbox"/> Other <i>(please specify)</i> : | |

Note: In case of multiple reviews / different providers, please provide separate forms for each review.

EXECUTIVE SUMMARY OF REVIEW and/or LINK TO FULL REVIEW *(if applicable)*

Please refer to Evaluation Summary above.

Section 3. Detailed review

Reviewers are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.

1. USE OF PROCEEDS

Overall comment on section (if applicable):

The eligible categories for the use of proceeds – Green Buildings, Renewable Energy, Energy Efficiency, Sustainable Water and Wastewater Management, Clean Transportation, and Climate Change Adaptation, are aligned with those recognized by the Green Bond Principles. Sustainalytics considers that the eligible projects will lead to positive environmental impacts and advance the UN Sustainable Development Goals 6, 7, 11, and 13.

Use of proceeds categories as per GBP:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Renewable energy | <input checked="" type="checkbox"/> Energy efficiency |
| <input type="checkbox"/> Pollution prevention and control | <input type="checkbox"/> Environmentally sustainable management of living natural resources and land use |
| <input type="checkbox"/> Terrestrial and aquatic biodiversity conservation | <input checked="" type="checkbox"/> Clean transportation |
| <input checked="" type="checkbox"/> Sustainable water and wastewater management | <input checked="" type="checkbox"/> Climate change adaptation |
| <input type="checkbox"/> Eco-efficient and/or circular economy adapted products, production technologies and processes | <input checked="" type="checkbox"/> Green buildings |
| <input type="checkbox"/> Unknown at issuance but currently expected to conform with GBP categories, or other eligible areas not yet stated in GBPs | <input type="checkbox"/> Other (please specify): |

If applicable please specify the environmental taxonomy, if other than GBPs:

2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Overall comment on section (if applicable):

Ivanhoé Cambridge has established a Green Bond Working Group, which will meet to evaluate and select projects in line with eligible project categories prior to fund allocation. This is in line with market practice.

Evaluation and selection

- | | |
|--|--|
| <input checked="" type="checkbox"/> Credentials on the issuer's environmental sustainability objectives | <input checked="" type="checkbox"/> Documented process to determine that projects fit within defined categories |
| <input checked="" type="checkbox"/> Defined and transparent criteria for projects eligible for Green Bond proceeds | <input type="checkbox"/> Documented process to identify and manage potential ESG risks associated with the project |
| <input type="checkbox"/> Summary criteria for project evaluation and selection publicly available | <input type="checkbox"/> Other (please specify): |

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Information on Responsibilities and Accountability

- | | |
|--|--|
| <input checked="" type="checkbox"/> Evaluation / Selection criteria subject to external advice or verification | <input type="checkbox"/> In-house assessment |
| <input type="checkbox"/> Other (please specify): | |

3. MANAGEMENT OF PROCEEDS

Overall comment on section (if applicable):

Ivanhoé Cambridge will track proceeds in eligible projects in its Green Bond Register. Pending allocation, proceeds will be held in cash or liquid securities in accordance with the Company's liquidity management policies. This is line with market practice.

Tracking of proceeds:

- Green Bond proceeds segregated or tracked by the issuer in an appropriate manner
- Disclosure of intended types of temporary investment instruments for unallocated proceeds
- Other (please specify):

Additional disclosure:

- | | |
|--|---|
| <input type="checkbox"/> Allocations to future investments only | <input checked="" type="checkbox"/> Allocations to both existing and future investments |
| <input checked="" type="checkbox"/> Allocation to individual disbursements | <input type="checkbox"/> Allocation to a portfolio of disbursements |
| <input type="checkbox"/> Disclosure of portfolio balance of unallocated proceeds | <input type="checkbox"/> Other (please specify): |

4. REPORTING

Overall comment on section (if applicable):

Ivanhoé Cambridge intends to publish an allocation report of proceeds on an annual basis until full allocation. In addition, Ivanhoé Cambridge is committed to impact reporting, including some of the following: annual energy savings, renewable energy generated, greenhouse gas emissions avoided and/or natural capital value created. Sustainalytics views these allocation and impact reporting commitments as aligned with market practice.

Use of proceeds reporting:

- | | |
|--|---|
| <input checked="" type="checkbox"/> Project-by-project | <input type="checkbox"/> On a project portfolio basis |
| <input type="checkbox"/> Linkage to individual bond(s) | <input type="checkbox"/> Other (please specify): |

Information reported:

- | | |
|---|--|
| <input checked="" type="checkbox"/> Allocated amounts | <input type="checkbox"/> Green Bond financed share of total investment |
| <input type="checkbox"/> Other (please specify): | |

Frequency:

- | | |
|--|--------------------------------------|
| <input checked="" type="checkbox"/> Annual | <input type="checkbox"/> Semi-annual |
| <input type="checkbox"/> Other (please specify): | |

Impact reporting:

- | | |
|--|---|
| <input checked="" type="checkbox"/> Project-by-project | <input type="checkbox"/> On a project portfolio basis |
| <input type="checkbox"/> Linkage to individual bond(s) | <input type="checkbox"/> Other (please specify): |

Frequency:

- | | |
|--|--------------------------------------|
| <input checked="" type="checkbox"/> Annual | <input type="checkbox"/> Semi-annual |
| <input type="checkbox"/> Other (please specify): | |

Information reported (expected or ex-post):

- | | |
|---|---|
| <input checked="" type="checkbox"/> GHG Emissions / Savings | <input checked="" type="checkbox"/> Energy Savings |
| <input type="checkbox"/> Decrease in water use | <input type="checkbox"/> Other ESG indicators (please specify): Natural capital value (e.g.: trees planted, water saved, etc.). |

Means of Disclosure

- | | |
|---|--|
| <input type="checkbox"/> Information published in financial report | <input type="checkbox"/> Information published in sustainability report |
| <input type="checkbox"/> Information published in ad hoc documents | <input checked="" type="checkbox"/> Other (please specify): On Company's website |
| <input type="checkbox"/> Reporting reviewed (if yes, please specify which parts of the reporting are subject to external review): | |

Where appropriate, please specify name and date of publication in the useful links section.

USEFUL LINKS (e.g. to review provider methodology or credentials, to issuer's documentation, etc.)

https://www.ivanhoecambridge.com/fr-ca

SPECIFY OTHER EXTERNAL REVIEWS AVAILABLE, IF APPROPRIATE

Type(s) of Review provided:

- | | |
|--|--|
| <input type="checkbox"/> Consultancy (incl. 2 nd opinion) | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification / Audit | <input type="checkbox"/> Rating |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

Review provider(s):**Date of publication:****ABOUT ROLE(S) OF INDEPENDENT REVIEW PROVIDERS AS DEFINED BY THE GBP**

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

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