

Ivanhoe Cambridge

Type of Engagement: Annual Review

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Introduction

In 2023, Ivanhoe Cambridge issued a sustainability bond (the “2023 Sustainability Bond”) to finance or refinance projects that are expected to lead to positive environmental outcomes. In 2024, Ivanhoe Cambridge engaged Sustainalytics to review the projects financed with proceeds from the 2023 Sustainability Bond (the “Nominated Projects”) and provide an assessment as to whether the projects meet the use of proceeds criteria and the reporting commitments outlined in the Ivanhoe Cambridge Sustainable Financing Framework (the “Framework”).¹ Sustainalytics provided a Second-Party Opinion on the Framework in May 2023.²

Evaluation Criteria

Sustainalytics evaluated the Nominated Projects based on whether they:

1. Meet the use of proceeds and eligibility criteria defined in the Framework; and
2. Reported on at least one key performance indicator (KPI) for each use of proceeds category defined in the Framework.

Table 1: Use of Proceeds Categories, Eligibility Criteria and Associated KPIs

Use of Proceeds Category	Eligibility Criteria	Key Performance Indicators
Green Buildings	Investments related to the purchase, construction, tenant or general improvements, operation and maintenance of either: <ol style="list-style-type: none"> i. New real estate properties; or ii. Existing real estate properties which in either case have received or are expected to receive one of the applicable certifications set forth in Appendix 1 hereto. The term "purchase" includes both purchase from a third-party or a vend-in from an affiliate of Ivanhoe Cambridge	<ol style="list-style-type: none"> i. Annual energy saved ii. Annual greenhouse gas emissions reduced or avoided
Affordable Housing	Investments in the construction, development, operation, renovation and/or maintenance of properties for accredited or registered affordable housing based on local classification systems, or that contribute access to low-income population.	<ol style="list-style-type: none"> i. Number of individuals/families benefiting from subsidized housing

¹ Ivanhoe Cambridge, “Sustainable Financing Framework”, (2023), at: <https://www.ivanhoecambridge.com/content/uploads/2023/05/Sustainable-Financing-Framework-May-2023.pdf>

² Sustainalytics, “Second-Party Opinion, Ivanhoe Cambridge”, (2023), at: <https://www.ivanhoecambridge.com/content/uploads/2023/05/Second-Party-Opinion-2023-Sustainable-Financing-Framework-FINAL.pdf>

Issuer’s Responsibility

Ivanhoe Cambridge is responsible for providing accurate information and documentation relating to the details of the funded projects, including descriptions of projects, amounts allocated and project impact.

Independence and Quality Control

Sustainalytics, a leading provider of ESG research and ratings, conducted the verification of the use of proceeds from the 2023 Sustainability Bond. The work undertaken as part of this engagement included collection of documentation from Ivanhoe Cambridge and review of said documentation to assess conformance with the Framework.

Sustainalytics relied on the information and the facts presented by Ivanhoe Cambridge. Sustainalytics is not responsible nor shall it be held liable for any inaccuracies in the opinions, findings or conclusions herein due to incorrect or incomplete data provided by Ivanhoe Cambridge.

Sustainalytics made all efforts to ensure the highest quality and rigor during its assessment process and enlisted its Sustainability Bonds Review Committee to provide oversight of the review.

Conclusion

Based on the limited assurance procedures conducted,³ nothing has come to Sustainalytics’ attention that causes us to believe that, in all material respects, the reviewed projects do not conform with the use of proceeds criteria and reporting commitments in the Framework. Ivanhoe Cambridge has disclosed to Sustainalytics that the proceeds from the 2023 Sustainability Bond were fully allocated as of June 2023.

Detailed Findings

Table 2: Detailed Findings

Framework Requirements	Procedure Performed	Factual Findings	Error or Exceptions Identified
Use of Proceeds Criteria	Verification of the Nominated Projects to determine alignment with the use of proceeds criteria outlined in the Framework.	All projects reviewed complied with the use of proceeds criteria.	None
Reporting Criteria	Verification of the Nominated Projects to determine if impact was reported in line with the KPIs outlined in the Framework.	All projects reviewed reported on at least one KPI per use of proceeds category.	None

³ Sustainalytics’ limited assurance process includes reviewing documentation relating to details of projects, as provided by the issuing entity, which is responsible for providing accurate information. These may include descriptions of projects, estimated and realized costs, and reported impact. Sustainalytics has not conducted on-site visits to projects.

Appendices

Appendix 1: Green Building Certifications

Table 3: Green Building Certifications

Location	Applicable Certification
North America	BOMA BEST: Gold or Platinum
California	CalGreen: All Certifications
Global	LEED: Silver, Gold or Platinum
Global	Edge Certified
Global	Living Building Challenge Certified
Europe	BREEAM: Excellent or Outstanding
Europe	HQE: Excellent or Exceptional
Europe	DGNB: Gold or Above
Australia	Green Star: 5 or 6 Star Rating
Australia	NABERS: 5 or 6 Rating
China	China Three Star: 3 Star Level
Japan	Casbee: A and S

Appendix 2: Allocation and Reported Impact

In May 2023, Ivanhoe Cambridge issued the 2023 Sustainability Bond and raised CAD 300 million, of which CAD 298.4 million were used towards financing the Nominated Projects, and the remaining CAD 1.06 million were incurred as transactional expenses.

Table 4: Allocation and Reported Impact from the 2023 Sustainability Bond

Use of Proceeds Category	Projects	Location	Reported Impact	Net Proceeds Allocated (CAD million)	Percentage of Net Proceeds Allocated
Green Buildings	CIBC Square – 81 Bay Street (Commercial Office)	Toronto, Ontario Canada	Green building certification: LEED Platinum ⁴ , WELL, and WiredScore Platinum Certified	199.30	66.67%
Affordable Housing	Greystar – Avana Properties (Multi-Residential)	USA	2,180 affordable housing units built	99.64	33.33%
Total Proceeds Allocated				298.94	100%

⁴ LEED: <https://www.usgbc.org/leed>

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