

SECOND PARTY OPINION (SPO)

Sustainability Quality of the Issuer and Green Finance Framework

Home Invest Belgium

14 January 2022

VERIFICATION PARAMETERS

Type(s) of instruments contemplated	<ul style="list-style-type: none">• Green Finance Instruments
Relevant standards	<ul style="list-style-type: none">• International Capital Market Association (ICMA) Green Bond Principles (GBP), updated as of June 2021• Loan Market Association (LMA) Green Loan Principles (GLP) updated as of February 2021
Scope of verification	<ul style="list-style-type: none">• Home Invest Belgium's Green Finance Framework (as of 13. January 2022)• Home Invest Belgium's Selection Criteria (as of 13. January 2022)
Lifecycle	<ul style="list-style-type: none">• Pre-issuance verification
Validity	<ul style="list-style-type: none">• The SPO will be valid as long as the Framework remains unchanged

CONTENTS

SCOPE OF WORK	3
HOME INVEST BELGIUM'S BUSINESS OVERVIEW	3
ISS ESG ASSESSMENT SUMMARY.....	4
ISS ESG SPO ASSESSMENT.....	5
PART I: GREEN FINANCE INSTRUMENTS LINK TO HOME INVEST BELGIUM'S SUSTAINABILITY STRATEGY.....	5
A. ASSESSMENT OF HOME INVEST BELGIUM'S ESG PERFORMANCE	5
B. CONSISTENCY OF GREEN FINANCE INSTRUMENTS WITH HOME INVEST BELGIUM'S SUSTAINABILITY STRATEGY.....	6
PART II: ALIGNMENT WITH INTERNATIONAL CAPITAL MARKET ASSOCIATION'S GREEN BOND PRINCIPLES AND LOAN ASSOCIATION MARKET'S GREEN LOAN PRINCIPLES.....	9
PART III: SUSTAINABILITY QUALITY OF THE ISSUANCE	14
A. CONTRIBUTION OF THE GREEN FINANCE INSTRUMENTS TO THE UN SDGs	14
B. MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS ASSOCIATED WITH THE SELECTION CRITERIA.....	15
Green buildings and renewable energy.....	15
ANNEX 1: Methodology	18
ANNEX 2: Quality management processes	19
About ISS ESG SPO	20

SCOPE OF WORK

Home Invest Belgium (“the Issuer” or “HIB”) commissioned ISS ESG to assist with its Green Finance Instruments by assessing three core elements to determine the sustainability quality of the instrument:

1. Green Finance Instruments link to Home Invest Belgium’s sustainability strategy – drawing on Home Invest Belgium’s overall sustainability profile and issuance-specific Use of Proceeds categories.
2. Home Invest Belgium’s Green Finance Framework (January 2022 version) – benchmarked against the ICMA’s Green Bond Principles (June 2021) and LMA’s Green Loan Principles (February 2021).
3. The Selection Criteria – whether the projects contribute positively to the UN SDGs and perform against ISS ESG’s issue-specific key performance indicators (KPIs) (See Annex 1).

HOME INVEST BELGIUM’S BUSINESS OVERVIEW

Home Invest Belgium is a developer, owner and operator of residential rental properties in the Belgian and Dutch private housing market. Besides that, HIB is listed on Euronext Brussels since 1999.

Beyond a place to live, Home Invest Belgium aims to provide its tenants with a place to build their lives in buildings embedded in vibrant communities. Home Invest Belgium owns over 2,400 rental units. More than 50% of the portfolio is younger than 10 years.

ISS ESG ASSESSMENT SUMMARY

SPO SECTION	SUMMARY	EVALUATION ¹
<p>Part 1:</p> <p>Green Finance Instruments link to issuer's sustainability strategy</p>	<p>Home Invest Belgium specializes in the acquisition, development, leasing and management of residential real estate in Belgium and the Netherlands. Currently, its growing portfolio comprises 2,400 units (210,796 m²) available for lease. The issuer's entire turnover consists of rents generated by leasing properties to third parties (individuals, public authorities, retailers, companies, embassies and foreign delegations, retirement home operators and holiday center operators).</p> <p>The issuer is not exposed to any severe controversy.</p> <p>The Use of Proceeds financed through these Green Finance Instruments are consistent with the issuer's sustainability strategy and material ESG topics for the issuer's industry. The rationale for issuing Green Finance Instruments is clearly described by the issuer.</p>	<p>Consistent with issuer's sustainability strategy</p>
<p>Part 2:</p> <p>Alignment with GBP and GLP</p>	<p>The issuer has defined a formal concept for its Green Finance Instruments regarding use of proceeds, processes for project evaluation and selection, management of proceeds and reporting. This concept is in line with the ICMA's Green Bond Principles (June 2021) and Green Loan Principles (February 2021).</p>	<p>Aligned</p>
<p>Part 3:</p> <p>Sustainability quality of the selection criteria</p>	<p>The overall sustainability quality of the selection criteria in terms of sustainability benefits, risk avoidance and minimization is good based upon the ISS ESG assessment. The Green Finance Instruments will (re-)finance eligible asset categories which include: green buildings and renewable energy (Solar photovoltaic power, Energy storage, Geothermal power and District heating and cooling).</p> <p>Those use of proceeds categories have a significant contribution to SDGs 7 "Affordable and Clean Energy" and 13 "Climate Action" and limited contribution to SDG11 "Sustainable Cities and Communities". The environmental and social risks associated with those use of proceeds categories have been well managed.</p>	<p>Positive</p>

¹ ISS ESG's evaluation is based on the Home Invest Belgium's Green Finance Framework (13 Jan 2022 version), on the eligibility criteria as received on 22.12.2021, and on the ISS ESG Indicative Corporate Rating applicable at the SPO delivery date (generated on 17.12.2021).

ISS ESG SPO ASSESSMENT

PART I: GREEN FINANCE INSTRUMENTS LINK TO HOME INVEST BELGIUM'S SUSTAINABILITY STRATEGY

A. ASSESSMENT OF HOME INVEST BELGIUM'S ESG PERFORMANCE

Methodological note: Please note that Home Invest Belgium is not part of the ISS ESG Corporate Rating Universe. Thus, the below sustainability profile is an assessment conducted by the analyst in charge of the Mortgage & Public Sector Finance industry 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.

Industry classification

Real Estate

Key Issues of the industry

1. Green building considerations
2. Climate protection, energy efficiency and renewables
3. Environmental and social aspects in site selection
4. Health and well-being of occupants
5. Occupational health and safety

Indicative ESG risk and performance assessment

Home Invest Belgium specializes in the acquisition, development, leasing and management of residential real estate in Belgium and the Netherlands. Currently, its growing portfolio comprises 2,400 units (210,796 m²) available for lease. The issuer's entire turnover consists of rents generated by leasing properties to third parties (individuals, public authorities, retailers, companies, embassies and foreign delegations, retirement home operators and holiday center operators).

Based on this business model, ESG risks mainly relate to energy and resource efficiency of buildings, climate protection as well as tenant and employee health and safety.

The issuer recognizes that energy performance of buildings plays a vital role in building design and that further aspects such as the location of buildings near public transport, rational use of land and the development of green spaces need to be addressed. Yet, overall, risks related to energy and resource efficiency appear to be not approached strategically (e.g., in building design guidelines). Likewise, environmental and social aspects of site selection (e.g., biodiversity) are not considered in-depth. Further, there are no indications of a climate strategy including greenhouse gas emission reduction targets in line with the emission reductions required to limit the global temperature increase to well below 2°C compared to pre-industrial levels.

Home Invest Belgium strives to anticipate demographic developments and social trends, both in general and specifically for the residential property market. Employee and tenant health and safety is referenced in the context of the COVID-19 pandemic, yet strategic approaches with regard to

occupational health and safety (e.g., management systems) and to tenant health, safety and well-being are not evident. Overall, as the issuer's property portfolio only comprises properties in Belgium and the Netherlands where comparably high social and environmental standards prevail, risk exposure is limited.

Indicative product portfolio assessment

Social impact of the product portfolio

As Home Invest Belgium's property portfolio mostly comprises residential properties, the share of revenues from non-luxury residential properties (rental income) was estimated to be around 80%, providing substantial positive impacts on the achievement of the social objective to provide basic services.

Environmental impact of the product portfolio

As there is no evidence that any of the issuer's properties is certified to a green building standard, the entirety of the issuer's assets do not have significant positive environmental impacts.

Controversy risk assessment

Company screening

The analyst in charge of producing this report conducted a high-level controversy assessment based on publicly available information exclusively. There is no indication of HIB being involved in any of the below-mentioned controversies.

Industry risks

Based on a review of controversies over a 2-year period, the greatest risk reported against companies operating in the Real Estate industry relate to failures to respect the right to just and favourable conditions of work, failure to pay a fair share of taxes and failure to conduct human rights due diligence. This is closely followed by failures to respect consumer health and safety, failure to assess environmental impacts, failure to prevent money laundering and failure to anti-competitive behaviour.

B. CONSISTENCY OF GREEN FINANCE INSTRUMENTS WITH HOME INVEST BELGIUM'S SUSTAINABILITY STRATEGY

Key sustainability objectives and priorities defined by the issuer

Home Invest Belgium has used a number of UN Sustainable Development Goals (SDGs) to determine its sustainability objectives and priorities. Home Invest Belgium states that these SDGs were selected on the one hand because of the relative impact of the construction sector in general (as identified by the World Green Building Council), and on the other hand because of the specific activities of Home Invest Belgium in particular (development of residential buildings in an urban environment).

The retained SDGs are combined in 6 main thematic themes:

1. Sustainable Cities
2. Climate and Energy
3. Responsible Consumption and Innovation
4. Biodiversity and Water
5. Health and Well-being
6. Equality

Specifically for Climate and Energy, the EU climate goal is to cut greenhouse gas emissions by at least 55% by 2030 and to become climate neutral by 2050. Carbon dioxide (CO₂) is the primary greenhouse gas emitted through human activities. Home Invest Belgium is active in the real estate sector, which accounts for roughly one-third of the EU's CO₂ emissions.

Home Invest Belgium states that it is a sustainable and responsible real estate company. HIB is committed to support climate protection and to reduce CO₂ emissions. Home Invest Belgium states that it will continue to invest in the quality and energy efficiency of its buildings over the coming years. By renovating existing buildings and constructing new low carbon and carbon-neutral buildings, Home Invest Belgium aims to contribute to achieving the EU climate goals.

Rationale for issuance

Home Invest Belgium has developed its Green Finance Framework aiming to attract specific funding for green assets and real estate projects which contribute to its sustainability strategy. Under this Framework, Home Invest Belgium can issue a variety of Green Finance Instruments such as Green Bonds, Green (Treasury) Notes, Green Private Placements, Green (syndicated) Loans.

Contribution of Use of Proceeds categories to sustainability objectives and priorities

ISS ESG mapped the Use of Proceeds categories financed under its Green Finance Instruments with the sustainability objectives defined by the issuer and with the key ESG industry challenges as defined in the ISS ESG Corporate Rating methodology for the Real Estate sector. Key ESG industry challenges are key issues that are highly relevant for a respective industry to tackle when it comes to sustainability, e.g. climate change and energy efficiency in the buildings sector. From this mapping, ISS ESG derived a level of contribution to the strategy of each Use of Proceeds categories.

USE OF PROCEEDS CATEGORY	SUSTAINABILITY OBJECTIVES FOR THE ISSUER	KEY ESG INDUSTRY CHALLENGES	CONTRIBUTION
Green Buildings	✓	✓	Contribution to a material objective
Renewable Energy	✓	✓	Contribution to a material objective

Opinion: *ISS ESG finds that the Use of Proceeds financed through this instrument is consistent with the issuer's sustainability strategy and material ESG topics for the issuer's industry. The rationale for issuing Green Finance Instruments is clearly described by the issuer.*

PART II: ALIGNMENT WITH INTERNATIONAL CAPITAL MARKET ASSOCIATION’S GREEN BOND PRINCIPLES AND LOAN ASSOCIATION MARKET’S GREEN LOAN PRINCIPLES

1. Use of Proceeds

FROM ISSUER’S FRAMEWORK

Home Invest Belgium intends to allocate an amount equivalent to the proceeds of Green Finance Instruments under this Framework exclusively to finance and/or refinance in whole or in part, projects and assets which contribute to its sustainability strategy (“Eligible Green Projects”) outlined in the table below.

ELIGIBLE GREEN PROJECTS CATEGORIES	ELIGIBILITY CRITERIA
<p>Green Buildings</p>	<p>Newly constructed and existing buildings which meet recognized external standards for best practices in energy efficiency. The buildings comply with, or are under development to comply with any of the following criteria:</p> <ul style="list-style-type: none"> - Belgium <ul style="list-style-type: none"> a. - EPC label “A” or better b. - Primary energy consumption of 100 kWh/m²/year or lower -The Netherlands <ul style="list-style-type: none"> a. - EPC label “A++” or better for buildings built as from 2016, or - EPC Label “A” for renovations of existing buildings - Renovated buildings that achieved a reduction in energy demand of at least 30%.
<p>Renewable Energy</p>	<p>Investments related to:</p> <ul style="list-style-type: none"> • Solar photovoltaic power • Geothermal power • Energy storage of renewable energy such as solar power or geothermal power

Home Invest Belgium states that it will not knowingly allocate proceeds from any issuance of a Green Finance Instrument to the following:

- Weapon manufacturers;
- Tobacco companies;
- Palm oil producers;
- Companies that relate to the exploration, production or transportation of fossil fuels (e.g., coal, oil and gas);
- Speculative food commodity derivatives; or
- Any other activity that Home Invest Belgium determines is ineligible for allocation of proceeds at the time of allocation

Opinion: ISS ESG considers the Use of Proceeds description provided by Home Invest Belgium's Green Finance Framework as aligned with the ICMA's Green Bond Principles and Green Loan Principles. The Eligible Green Projects Categories defined by Home Invest Belgium are transparent, clear and aligned with categories defined by the principles. Besides that, HIB adopts a good practice of explicitly stating the exclusion of harmful project categories.

2. Process for Project Evaluation and Selection

FROM ISSUER'S FRAMEWORK

Process for Project evaluation and selection

Home Invest Belgium will follow a transparent process for selection and evaluation of Eligible Green Projects.

The internal acquisition team assesses projects based on a number of criteria including environmental and social criteria. After a positive assessment, projects are proposed to the Investment Committee of Home Invest Belgium for first approval and subsequently to the Board of Directors for final approval. All new built residential projects in Belgium and the Netherlands proposed for approval must meet the eligibility criteria for new Green Buildings.

Projects financed and/or refinanced through the Green Finance Instruments issued under Home Invest Belgium's Green Finance Framework are evaluated and selected based on compliance with the Eligibility Criteria as set under paragraph - Use of Proceeds.

All potential Eligible Green Projects first comply with local laws and regulations, including any applicable regulatory environmental and social requirements, as well as Home Invest Belgium's standards managing ethical and governance risks.

The potential Eligible Green Projects will be designated by the Sustainable Finance Committee (the "Committee").

The Committee's role will be to:

Review, select and validate the pool of Eligible Green Projects, based on the Green Finance Framework.

Validate annual reporting for investors.

Review the Framework to reflect any changes with regards to the Company's sustainability strategies and initiatives, and any change in their third-party verifier of social and environmental criteria for green buildings.

The Committee is composed of the CFO, the Head of Portfolio Management and the Head of Acquisition & Development.

Opinion: ISS ESG considers the Process for Project Evaluation and Selection description provided by Home Invest Belgium's Green Finance Framework as aligned with the ICMA's Green Bond Principles and Green Loan Principles. The process is structured and documented, engages with internal and external expertise, and well defined the responsibilities and accountability in a transparent and clear that is aligned with market good practices.

3. Management of Proceeds

FROM ISSUER'S FRAMEWORK

Home Invest Belgium will manage the net proceeds of issued Green Finance Instruments on a portfolio basis. As long as the Green Finance Instruments under this Framework are outstanding, Home Invest Belgium aims to allocate an amount equivalent to the net proceeds of these instruments towards its Eligible Green Projects, as defined in the paragraph - Use of Proceeds.

If a project is divested, discontinued or does no longer meet the definition of Eligible Green Projects as included in the paragraph - Use of Proceeds, it will be removed from the portfolio of Eligible Green Projects and replaced by another Eligible Green Project. Home Invest Belgium aims to ensure that the total value of issued Green Finance Instruments does not exceed the value of its portfolio of Eligible Green Projects.

Pending the full allocation of the net proceeds of issued Green Finance Instruments to the portfolio of Eligible Green Projects Home Invest Belgium will manage the unallocated proceeds in cash or cash equivalents in line with its regular treasury criteria. Home Invest Belgium intends to allocate the full amount of proceeds within the next 24 months following the issuance of Green Financing Instruments.

The allocation of the net proceeds of issued Green Finance Instruments to Eligible Green Projects will be subject to at least an annual review and approved by the Committee until full allowance of the net proceeds of issued Green Finance Instruments.

Opinion: ISS ESG finds that Management of Proceeds proposed by Home Invest Belgium's Green Finance Framework is aligned with the ICMA's Green Bond Principles and Green Loan Principles. Home Invest Belgium has acknowledged that it intends to allocate an amount equivalent to the net proceeds of its green financing instruments towards its Eligible Green Projects. Home Invest Belgium also specified that any unallocated proceeds will be temporary and managed in accordance with its regular treasury criteria. Home Invest Belgium's Green Finance Framework is also aligned with best practice as it defines the management of divestment or postponement and the period to allocate the full amount of proceeds.

4. Reporting

FROM ISSUER'S FRAMEWORK

The allocation report, which will be integrated in the ESG reporting included in the annual report, will include details on:

- the list of projects financed (can be aggregated by type of projects), description of projects and amounts allocated
- the share of financing vs refinancing
- the balance of unallocated cash and/or cash equivalent, as the case may be

Impact reporting

Home Invest Belgium will annually report on its sustainability initiatives through its ESG reporting included in the annual report, available on the investor section of the company's website. The impact reporting will include quantitative indicators, environmental impact metrics directly associated with the Eligible Green Projects, such as

- Number of eligible green buildings and total size in m²;
- Distribution of eligible green buildings in terms of EPC label;
- Energy savings (in kWh/m²) and the related CO₂ emission avoidance;
- Installed renewable energy capacity (in MW)
- Installed energy storage capacity (in MW)
- Greenhouse gas emission avoidance (in tCO₂ eq.)

Opinion: ISS ESG finds that the reporting proposed by Home Invest Belgium's Green Finance Framework as aligned with the ICMA's Green Bond Principles and Green Loan Principles. The level, information reported, frequency, scope and duration of the issuer's allocation reporting is clearly defined. In addition, best practice includes level, information reported and frequency of the issuer's impact reporting that are clearly defined in the Framework.

5. External review

FROM ISSUER'S FRAMEWORK

Second Party Opinion

A Second Party Opinion (SPO) will be issued by an independent external verifier in order to provide an external verification on Home Invest Belgium's Green Finance Framework.

The Second Party Opinion is available here on Home Invest Belgium's website:

<https://corporate.homeinvest.be/publications/other-publications/green-finance-framework>.

Independent verification

Home Invest Belgium will request on an annual basis, starting one year after issuance of its inaugural Green Finance Instrument and for as long as any Green Finance Instruments under this framework are outstanding, a limited assurance report of the allocation of the proceeds to its Eligible Green Projects, provided by an independent external auditor.

The limited assurance report will be available on Home Invest Belgium's website or integrated in the annual report.

PART III: SUSTAINABILITY QUALITY OF THE ISSUANCE

A. CONTRIBUTION OF THE GREEN FINANCE INSTRUMENTS TO THE UN SDGs

Based on the assessment of the sustainability quality of the Green Finance Instruments selection criteria and using a proprietary methodology, ISS ESG assessed the contribution of the *Home Invest Belgium's* Green Finance Instruments to the Sustainable Development Goals defined by the United Nations (UN SDGs).

This assessment is displayed on 5-point scale (see Annex 1 for methodology):

Significant Obstruction	Limited Obstruction	No Net Impact	Limited Contribution	Significant Contribution
------------------------------------	--------------------------------	--------------------------	---------------------------------	-------------------------------------

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

USE OF PROCEEDS	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
Green Buildings (EPC label A or above)	Limited contribution²	
Renewable Energy (Solar photovoltaic power)	Significant Contribution	 
Renewable Energy (Energy storage of renewable energy such as solar power or geothermal power)	Significant Contribution	 
Renewable Energy (Geothermal Power)	Significant Contribution	 

² This assessment differs from the ISS ESG SDG Solutions Assessment (SDGA) proprietary methodology designed to assess the impact of an issuer's product and service portfolio on the SDGs.

B. MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS ASSOCIATED WITH THE SELECTION CRITERIA

Green buildings and renewable energy

As a Use of Proceeds categories, green buildings and renewable energy have a significant contribution to SDG 7 “Affordable and Clean Energy” and SDG 13 “Climate Action” and a limited contribution to SDG 11 “Sustainable cities and communities”. The table below presents the findings of an ISS ESG assessment of the selection criteria against ISS ESG KPIs.

ASSESSMENT AGAINST ISS ESG KPI

Prerequisite for Green Buildings

- ✓ The eligibility criteria that all buildings financed under this framework underwent an appropriate and detailed selection process that ensures good standards regarding energy efficiency (all new buildings are developed with heating energy demand below 50 kWh/m²a or with EPC "A" certificate or above; all refurbishments are developed to achieve a reduction in energy demand of at least 30%).

Site selection

- ✓ The issuer has a set of measures on responsible site selection in place (e.g., conducted environmental impact assessment at the early stage of projects and prohibiting construction in protected areas) in respecting the local laws and regulations.
- ✓ Focusing on developments in close proximity to urban centres of cities is one of the business development strategies for Home Invest Belgium³; therefore, most projects are located within 1 km from one or more modalities of public transport.

Construction standards

- ✓ The issuer has a policy for sustainable procurement regarding building materials and wood used is exclusively Forest Stewardship Council (FSC)-certified wood. Besides that dubious building materials list is in place, and waste sorting is encouraged on site.
- ✓ All financed (and future) assets are located in Belgium and Netherlands, where high labour and health and safety standards are in place (e.g. ILO core conventions).

Community dialogues

- ✓ The issuer complies with current regulations that require a public survey for any development project. During construction, an information and communication system is set up with the project's neighbours.

³ <https://corporate.homeinvest.be/media/fznl1v1w/home-invest-belgium-annual-financial-report-2015.pdf>

Water use minimisation in buildings

- ✓ The issuer has a policy that ensures all its projects include individual water meters and low consumption flush systems, and some projects include leakage detection. The issuer also ensures that all of its projects integrate a rainwater harvesting system (for common spaces, gardens and eventual flush systems) and wastewater separation (greywater vs black water).

Safety of building users

- ✓ The issuer has a policy that ensures that all of the buildings comply with current fire standards, including legal emergency exits, and all of its buildings are protected by general fire detection.

Supply chain standards

- ✓ The issuer has a policy of ensuring that its contracts comply with current social regulations, ensuring proper treatment of workers and that work sites are supervised by a Health and Safety Coordinator, ensuring that work is carried out in the best conditions.

Environmental aspects of solar panels and batteries for energy storage used

- ✓ All financed (and future) assets comply with the European Waste Electrical and Electronic Equipment Directive (WEEE Directive).
- All financed (and future) assets comply with the requirements of the European Directive on the restriction of the use of certain hazardous substances in electrical and electronic equipment (RoHS Directive). Limited information of end-of-line measures to the solar panels and batteries are provided.

Sustainability labels

- The issuer has developed an internal buildings designed standard with referencing to BREEAM and WELL standards for building's sustainability performance control. The issuer has no planning to certify by BREEAM and WELL for all their buildings.

DISCLAIMER

1. Validity of the SPO: The SPO will be valid as long as the Framework remains unchanged.
2. ISS ESG uses a scientifically based rating concept to analyse and evaluate the environmental and social performance of companies and countries. In doing so, we adhere to the highest quality standards which are customary in responsibility research worldwide. In addition, we create a Second Party Opinion (SPO) on bonds based on data from the issuer.
3. We would, however, point out that we do not warrant that the information presented in this SPO is complete, accurate or up to date. Any liability on the part of ISS ESG in connection with the use of these SPO, the information provided in them and the use thereof shall be excluded. In particular, we point out that the verification of the compliance with the selection criteria is based solely on random samples and documents submitted by the issuer.
4. All statements of opinion and value judgements given by us do not in any way constitute purchase or investment recommendations. In particular, the SPO is no assessment of the economic profitability and credit worthiness of a bond but refers exclusively to the social and environmental criteria mentioned above.
5. We would point out that this SPO, certain images, text and graphics contained therein, and the layout and company logo of ISS ESG and ISS-ESG are the property of ISS and are protected under copyright and trademark law. Any use of such ISS property shall require the express prior written consent of ISS. Use shall be deemed to refer in particular to the copying or duplication of the SPO wholly or in part, the distribution of the SPO, either free of charge or against payment, or the exploitation of this SPO in any other conceivable manner.

The issuer that is the subject of this report may have purchased self-assessment tools and publications from ISS Corporate Solutions, Inc. ("ICS"), a wholly-owned subsidiary of ISS, or ICS may have provided advisory or analytical services to the issuer. No employee of ICS played a role in the preparation of this report. If you are an ISS institutional client, you may inquire about any issuer's use of products and services from ICS by emailing disclosure@issgovernance.com.

This report has not been submitted to, nor received approval from, the United States Securities and Exchange Commission or any other regulatory body. While ISS exercised due care in compiling this report, it makes no warranty, express or implied, regarding the accuracy, completeness or usefulness of this information and assumes no liability with respect to the consequences of relying on this information for investment or other purposes. In particular, the research and scores provided are not intended to constitute an offer, solicitation or advice to buy or sell securities nor are they intended to solicit votes or proxies.

Deutsche Börse AG ("DB") owns an approximate 80% stake in ISS HoldCo Inc., the holding company which wholly owns ISS. The remainder of ISS HoldCo Inc. is held by a combination of Genstar Capital ("Genstar") and ISS management. ISS has formally adopted policies on non-interference and potential conflicts of interest related to DB, Genstar, and the board of directors of ISS HoldCo Inc. These policies are intended to establish appropriate standards and procedures to protect the integrity and independence of the research, recommendations, ratings and other analytical offerings produced by ISS and to safeguard the reputations of ISS and its owners. Further information regarding these policies are available at <https://www.issgovernance.com/compliance/due-diligence-materials>.

© 2022 | Institutional Shareholder Services and/or its affiliates

ANNEX 1: Methodology

ISS ESG Green Finance Instruments KPIs

The ISS ESG Green Finance Instruments KPIs serve as a structure for evaluating the sustainability quality – i.e. the social and environmental added value – of the use of proceeds of Home Invest Belgium’s Green Finance Instruments.

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

ISS ESG evaluates whether the assets included in the asset pool match the eligible project category and criteria listed in the Green Finance Instruments 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 to ISS ESG or that the information provided did not fulfil the requirements of the ISS ESG Green Finance Instruments KPIs.

The evaluation was carried out using information and documents provided to ISS ESG on a confidential basis by Home Invest Belgium (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, ISS ESG identifies the extent to which Home Invest Belgium’s Green Finance Instruments contributes to related SDGs.

ANNEX 2: Quality management processes

SCOPE

Home Invest Belgium commissioned ISS ESG to compile a Green Finance Instruments SPO. The Second Party Opinion process includes verifying whether the Green Finance Framework aligns with the ICMA's Green Bond Principles (June 2021) and Green Loan Principles (February 2021) and to assess the sustainability credentials of its Green Finance Instruments, as well as the issuer's sustainability strategy.

CRITERIA

Relevant Standards for this Second Party Opinion

- ICMA's Green Bond Principles (June 2021) and Green Loan Principles (February 2021)
- ISS ESG Key Performance Indicators relevant for Use of Proceeds categories selected by the Home Invest Belgium

ISSUER'S RESPONSIBILITY

Home Invest Belgium's responsibility was to provide information and documentation on:

- Framework
- Eligibility criteria
- Documentation of ESG risks management at the asset 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 issuer 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.

ISS ESG has conducted this independent Second Party Opinion of the Green Finance Instruments to be issued by Home Invest Belgium based on ISS ESG methodology and in line with the ICMA's Green Bond Principles (June 2021) and Green Loan Principles (February 2021).

The engagement with Home Invest Belgium took place from December 2021 to January 2022.

ISS ESG'S 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 behaviour 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 ISS ESG 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.

As part of our Sustainable (Green & Social) Bond Services, we provide support for companies and institutions issuing sustainable bonds, advise them on the selection of categories of projects to be financed and help them to define ambitious criteria.

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 information about SPO services, please contact: SPOsales@isscorporatesolutions.com

For Information about this Social Bonds SPO, contact: SPOOperations@iss-esg.com

Project team

Project lead

Adams Wong
Associate Vice President
SPO Operations

Project support

Cecily Liu
Associate
ESG Consultant

Project supervision

Viola Lutz
Executive Director
Head of ISS ESG Climate Services