**Green, Social and Sustainability Bonds**

**External Review Form**

***This form complements the Bond Information Template that should have been filled in by the issuer. It provides additional information on the role of the External Reviewer when assessing the issuer’s sustainability framework.*** ***This form may be used or adapted, where appropriate, to summarise the scope of the review.***

**Section 1. Basic Information**

**Issuer name:**

**Bond ISIN[[1]](#footnote-2)***:*

**Independent External Review provider’s name:**

**Completion date of this form:**

**Date of the review:** *[where appropriate, specify if it is an update and add reference to earlier relevant review*]:

**Section 2. Overview**

**SCOPE OF REVIEW**

The review:

assessed the 4 core components of the Principles (**complete review**) and confirmed the alignment with the GBP/SBP/SBG (*delete where appropriate*).

assessed only some of them (**partial review**) and confirmed the alignment with the GBP/SBP/SBG (*delete where appropriate*); please indicate which ones:

|  |  |  |  |
| --- | --- | --- | --- |
|  | Use of Proceeds |  | Process for Project Evaluation and Selection |
|  | Management of Proceeds |  | Reporting |

assessed the alignment with other regulations or standards (CBI, EU GBS, ASEAN Green Bond Standard, ISO 14030, etc.); please indicate which ones:

**ROLE(S) OF INDEPENDENT REVIEW PROVIDER**

|  |  |  |  |
| --- | --- | --- | --- |
|  | Second Party Opinion |  | Certification |
|  | Verification |  | Scoring/Rating |
|  | Other *(please specify)*: |  |  |

**Does the review include a sustainability quality score[[2]](#footnote-3)?**

|  |  |  |  |
| --- | --- | --- | --- |
|  | Of the issuer |  | Of the project |
|  | Of the framework |  | Other (please specify): |
|  | No scoring |  |  |

**ASSESSMENT OF THE PROJECT(S)**

**Does the review include:**

The environmental and/or social features of the type of project(s) intended for the Use of Proceeds?

The environmental and/or social benefits and impact targeted by the eligible Green and/or Social Project(s) financed by the Green, Social or Sustainability Bond?

The potentially material environmental and/or social risks associated with the project(s) (where relevant)?

**ISSUER’S OVERARCHING OBJECTIVES**

**Does the review include:**

An assessment of the issuer’s overarching sustainability objectives and strategy, and the policies and/or processes towards their delivery?

An identification and assessment of environmental, social and governance related risks of adverse impact through the Issuer’s [actions] and explanations on how they are managed and mitigated by the issuer?

A reference to the issuer’s relevant regulations, standards, or frameworks for sustainability-related disclosure and reporting?

**CLIMATE TRANSITION STRATEGY[[3]](#footnote-4)**

**Does the review assess:**

The issuer’s climate transition strategy & governance?

The alignment of both the long-term and short/medium-term targets with the relevant regional, sector, or international climate scenario?

The credibility of the issuer’s climate transition strategy to reach its targets?

The level/type of independent governance and oversight of the issuer’s climate transition strategy (e.g. by independent members of the board, dedicated board sub-committees with relevant expertise, or via the submission of an issuer’s climate transition strategy to shareholders’ approval).

If appropriate, the materiality of the planned transition trajectory in the context of the issuers overall business (including the relevant historical datapoints)?

The alignment of the issuer’s proposed strategy and targets with appropriate science-based targets and transition pathways [[4]](#footnote-5) that are deemed necessary to limit climate change to targeted levels?

The comprehensiveness of the issuer’s disclosure to help investors assess its performance holistically[[5]](#footnote-6)?

**Overall comment on this section:**

**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**

**Does the review assess:**

the environmental/social benefits of the project(s)?

whether those benefits are quantifiable and meaningful?

for social projects, whether the target population is properly identified?

**Does the review assess if the issuer provides clear information on:**

the estimated proceeds allocation per project category (in case of multiple projects)?

the estimated share of financing vs. re-financing (and the related lookback period)?

**Overall comment on this section:**

**2. PROCESS FOR PROJECT EVALUATION AND SELECTION**

**Does the review assess:**

whether the eligibility of the project(s) is aligned with official or market-based taxonomies or recognised international standards? Please specify which ones.*[[6]](#footnote-7)*

whether the eligible projects are aligned with the overall sustainability strategy of the issuer and/or if the eligible projects are aligned with material ESG-related objectives in the issuer’s industry?

the process and governance to set the eligibility criteria including, if applicable, exclusion criteria?

the processes by which the issuer identifies and manages perceived social and environmental risks associated with the relevant project(s)?

any process in place to identify mitigants to known material risks of negative social and/or environmental impacts from the relevant project(s)?

**Overall comment on this section:**

**3. MANAGEMENT OF PROCEEDS**

**Does the review assess:**

the issuer’s policy for segregating or tracking the proceeds in an appropriate manner?

the intended types of temporary investment instruments for unallocated proceeds?

Whether an external auditor will verify the internal tracking of the proceeds and the allocation of the funds?

**Overall comment on this section:**

**4. REPORTING**

**Does the review assess:**

the expected type of allocation and impact reporting (bond-by-bond or on a portfolio basis)?

the frequency and the means of disclosure?

the disclosure of the methodology of the expected or achieved impact of the financed project(s)?

**Overall comment on this section:**

**Section 4. Additional Information**

**Useful links** *(e.g. to the external review provider’s methodology or credentials, to the full review, to issuer’s documentation, etc.)*

**Analysis of the contribution of the project(s) to the UN Sustainable Development Goals:**

**Additional assessment in relation to the issuer/bond framework/eligible project(s):**

1. *The ISIN code is mandatory for publishing the form in the Sustainable Bond Issuers Database.* [↑](#footnote-ref-2)
2. *The external review may indicate the provider’s opinion of the overall sustainability quality of a bond or bond framework and assess whether it has a meaningful impact on advancing contribution to long-term sustainable development.* [↑](#footnote-ref-3)
3. *Where issuers wish to finance projects towards implementing a net zero emissions strategy aligned with the goals of the Paris Agreement, guidance on issuer level disclosures and climate transition strategies may be sought from the* [*Climate Transition Finance Handbook*](https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/climate-transition-finance-handbook)*.*  [↑](#footnote-ref-4)
4. *GHG emissions reduction targets that are in line with the scale of reductions required to keep the average global temperature increase to ideally 1.5°C, or at the very least to well below 2°C above pre-industrial temperatures. Science Based Targets Initiative (SBTi) is a branded verification body for science-based targets and SBTi verification is one way for issuers to validate the alignment of their emission reduction trajectories with science-based reference trajectories. In addition, ICMA has published a* [*Methodologies Registry*](https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/climate-transition-finance-handbook/) *which includes a list of tools to specifically help issuers, investors, or financial intermediaries validate their emission reduction trajectories..* [↑](#footnote-ref-5)
5. *Including information such as the respective contribution (e.g. %) of the different measures to the overall reduction, the total expenses associated with the plan, or the issuer’s climate policy engagement.* [↑](#footnote-ref-6)
6. The EU Taxonomy, CBI Taxonomy, UK Taxonomy, China catalogue, etc. [↑](#footnote-ref-7)