

Vía Célere Desarrollos Inmobiliarios S.A.U.

Type of Engagement: Annual Review

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Introduction

In March 2021, Vía Célere Desarrollos Inmobiliarios S.A.U. (“Vía Célere”) issued green bonds (the “2021 Green Bonds”) based on the Vía Célere Green Bond Framework (the “Framework”) aimed at financing and/or refinancing, in whole or in part, existing and future residential building assets that are expected to contribute to the shift to a low-carbon economy in Spain. Sustainalytics provided a Second Party Opinion on the Framework.¹ In March 2022, Vía Célere engaged Sustainalytics to review the projects funded through the issued 2021 Green Bonds and provide an assessment as to whether the projects met the Use of Proceeds criteria and the Reporting commitments outlined in the Framework.

Evaluation Criteria

Sustainalytics evaluated the projects and assets funded by the 2021 Green Bonds based on whether the projects:

1. Met the Use of Proceeds and Eligibility Criteria outlined in the Framework; and
2. Reported on at least one of the Key Performance Indicators (KPIs) for each Use of Proceeds criteria outlined in the Framework.

Table 1 lists the Use of Proceeds, Eligibility Criteria, and associated KPIs.

Table 1: Use of Proceeds, Eligibility Criteria, and associated KPIs

Use of Proceeds	Eligibility Criteria	Key performance indicators (KPIs)
Green Buildings	Expenditures relating to construction of residential properties falling within the top 15 % of the most energy efficient comparable buildings in a local context (Energy Performance Certificate (EPC) A, B & C). ²	<ul style="list-style-type: none"> • Energy consumption reduction (kWh) • Carbon emission reduction (tons of CO₂e) • Water consumption reduction (m³) • Amount of waste diverted from landfills (tons)

Issuing Entity’s Responsibility

Vía Célere is responsible for providing accurate information and documentation relating to the details of the projects that have been funded, including description of projects, amounts allocated and project impact.

¹ Vía Célere Green Bond Framework Second-Party Opinion, available at: <https://www.sustainalytics.com/corporate-solutions/sustainable-finance-and-lending/published-projects/project/v-a-c-lere/v-a-c-lere-green-bond-framework-second-party-opinion/vi-a-ce-lere-green-bond-framework-second-party-opinion-pdf>

² As of December 2019, 5.57% of the existing buildings obtained an EPC labels A, B, or C based on emissions intensity performance. Ministerio de la Transición Ecológica, “Estado de la Certificación Energética de los Edificios”, (2019), at: https://energia.gob.es/desarrollo/EficienciaEnergetica/CertificacionEnergetica/Documentos%20informativos/Informe_seguimiento_Certificacion_Energetica_Edificios_8-Diciembre_2019.pdf

Independence and Quality Control

Sustainalytics, a leading provider of ESG and corporate governance research and ratings to investors, conducted the verification of Vía Célere's Green Bond Use of Proceeds. The work undertaken as part of this engagement included collection of documentation from Vía Célere employees and review of documentation to confirm the conformance with the Framework.

Sustainalytics has relied on the information and the facts presented by Vía Célere with respect to the Nominated Projects. Sustainalytics is not responsible nor shall it be held liable if any of the opinions, findings, or conclusions it has set forth herein are not correct due to incorrect or incomplete data provided by Vía Célere.

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 over the assessment 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 bond projects, funded through proceeds of the Green Bonds, are not in conformance with the Use of Proceeds and Reporting criteria outlined in the Framework. Vía Célere has disclosed to Sustainalytics that the proceeds of the green bonds were fully allocated as of December 31, 2021.

Detailed Findings

Table 2: Detailed Findings

Eligibility Criteria	Procedure Performed	Factual Findings	Error or Exceptions Identified
Use of Proceeds Criteria	Verification of the projects financed and refinanced by the green bonds in 2021 to determine if projects aligned with the Use of Proceeds Criteria outlined in the Framework and above in Table 1.	All projects reviewed complied with the Use of Proceeds criteria.	None
Reporting Criteria	Verification of the projects financed and refinanced by the green bonds in 2021 to determine if impact of projects was reported in line with the KPIs outlined in the Framework and above in Table 1. For a list of KPIs reported please refer to Appendix 1.	All eligible projects reviewed reported on at least one KPI per Use of Proceeds criteria.	None

³ Sustainalytics limited assurance process includes reviewing the documentation relating to the details of the projects that have been funded, including description of projects, estimated and realized costs of projects, and project impact, which were provided by the Issuer. The Issuer is responsible for providing accurate information. Sustainalytics has not conducted on-site visits to projects.

Appendix

Appendix 1: Allocation and Impact Reporting by Eligibility Criteria

Projects ⁴	EPC label		Amount allocated (EUR – Mn) ^{5,6}		Estimated annual reduction in annual energy consumption (kWh/yr)		Estimated annual reduction in annual carbon emissions (kgCO ₂ e/yr)	
	2021	2020	2021	2020	2021	2020	2021	2020
Delivered Projects	A: 37.08% B: 53.93% C: 8.99%	A: 39.06% B: 48.44% C: 12.50%			39,436,915	30,236,057	10,536,014	8,210,033
Under Construction	A: 26.67% B: 64.44% C: 8.89%	A: 27.27% B: 61.36% C: 11.36%	A: 71 B: 153 C: 24	A: 119 B: 155 C: 18	10,322,612	14,365,985	2,662,516	3,756,924
In Design Phase⁹	A: 30.00% B: 60.00% C: 10.00%	A: 20.00% B: 35.71% C: 7.14% Other ¹⁰ : 37.15%	Other: 7 ⁷	Other: 16 ⁸	7,895,484	9,925,316	2,124,313	2,613,852
	Total	~100%	255	308	57,655,011	54,527,358	15,322,843	14,580,809
Allocated proceeds (EUR – Mn)								300¹¹
Net proceeds raised from the issuance (EUR – Mn)								300
Unallocated proceeds (EUR - Mn)								0
Percentage of net proceeds allocated								100%

⁴ Vía Célere has confirmed that there is no double-accounting in allocation and impact reporting for projects (re)financed through this issuance.

⁵ Vía Célere has confirmed that (re)financing of all projects in Appendix 1 has taken place within a 36-month period preceding the date of the issuance, and/or within a 24-month period following the date of issuance.

⁶ The bond size of the green bond issued in 2021 was EUR 300 million. Available at: <https://www.viacelere.com/en/news/corporates/via-celere-issues-first-green-bond-residential-developer-euro-market>.

⁷ "Other" refers to capex relating to projects in design phase that, due to their status, have not yet been labeled with a certification. Vía Célere has confirmed that all projects are being designed to achieve EPC labels A,B, or C.

⁸ "Other" refers to capex relating to projects in design phase that, due to their status, have not yet been labeled with a certification. Vía Célere has confirmed that all projects are being designed to achieve EPC labels A,B, or C.

⁹ Vía Célere has confirmed that all projects in the in-design phase are being designed to achieve EPC labels A, B, or C. "Other" in FY20 referred to capex relating to projects in design phase that, due to their status, were not still labeled with a certification. For FY21, the metric only considers projects already labelled.

¹⁰ "Other" refers to capex relating to projects in design phase that, due to their status, have not still been labeled with a certification.

¹¹ Pro-rata computation on proceeds to EUR 300 Mn given that a total of EUR 563 Mn was allocated by Vía Célere to assets (re)financed.

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