

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 a green bond (the “2021 Green Bond”) under the Vía Célere Green Bond Framework¹ (the “Framework”) aimed at financing 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. Sustainalytics provided a second-party opinion on the Framework in March 2021.² In March 2023, Vía Célere engaged Sustainalytics to review the assets financed between January and December 2022 and provide an assessment as to whether the projects met the use of proceeds criteria and the reporting commitments outlined in the Framework. This is Sustainalytics’ second annual review of Vía Célere’s 2021 Green Bond, following a previous review in 2022.³

Evaluation Criteria

Sustainalytics evaluated the assets funded between January and December 2022 based on whether the assets:

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). ⁴	<ul style="list-style-type: none"> • Energy consumption reduction (kWh) • Carbon emission reduction (tonnes of CO₂e) • Water consumption reduction (m³) • Amount of waste diverted from landfills (tonnes)

Issuing Entity’s Responsibility

Vía Célere is responsible for providing accurate information and documentation relating to the details of the financed assets, including description of projects, amounts allocated and projects’ impact.

¹ Vía Célere, “Green Bond Framework”, (2021), at: <https://www.viacelere.com/system/files/2022-05/Via%20Celere%20Green%20Bond%20Framework.pdf>

² Sustainalytics, “Second-Party Opinion, Vía Célere Green Bond Framework”, (2021), at: <https://www.viacelere.com/system/files/2022-05/Vi%CC%81a%20Ce%CC%81ere%20Green%20Bond%20Framework%20Second-Party%20Opinion%20%282%29.pdf>

³ Sustainalytics, “Vía Célere Desarrollos Inmobiliarios S.A.U. Annual Review”, (2022), at: https://www.viacelere.com/system/files/2022-05/V%CC%81a%20Ce%CC%81ere%20SL_Annual_Review_2022_0.pdf

⁴ As of December 2021, 5.72% of the existing buildings in Spain obtained an EPC label A, B or C based on emissions intensity performance. Government of Spain, Ministerio de la Transición Ecológica, “Estado de la Certificación Energética de los Edificios”, (2021), at: https://energia.gob.es/desarrollo/EficienciaEnergetica/CertificacionEnergetica/Documentos/Documentos%20informativos/2022_Informe-seguimiento.pdf

Independence and Quality Control

A leading provider of ESG research and ratings, Sustainalytics conducted the verification of the use of proceeds from Vía Célere's 2021 Green Bond. The work undertaken as part of this engagement included the collection of documentation from Vía Célere and the review of said documentation to assess conformance with the Vía Célere Green Bond Framework.

Sustainalytics has relied on the information and the facts presented by Vía Célere. 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 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 of the review.

Conclusion

Based on the limited assurance procedures conducted,⁵ nothing has come to Sustainalytics' attention that causes us to believe that, in all material respects, the reviewed assets do not conform with the use of proceeds and reporting criteria outlined in the Vía Célere Green Bond Framework. Vía Célere has disclosed to Sustainalytics that the proceeds of the 2021 Green Bond were fully allocated as of December 31, 2022.

Detailed Findings

Table 2: Detailed Findings

Eligibility Criteria	Procedure Performed	Factual Findings	Error or Exceptions Identified
Use of Proceeds Criteria	Verification of the assets financed and refinanced between January and December 2022 to determine if they aligned with the use of proceeds criteria outlined in the Framework.	All assets reviewed complied with the use of proceeds criteria.	None
Reporting Criteria	Verification of the assets financed and refinanced between January and December 2022 to determine if impact of assets was reported in line with the KPIs outlined in the Framework. For a list of KPIs reported, please refer to Appendix 2.	All eligible assets reviewed reported on at least one KPI per use of proceeds category.	None

⁵ Sustainalytics limited assurance process includes reviewing the documentation relating to the details of the funded projects, including description of projects, estimated and realized costs of projects, and project impact, as provided by the Issuer which is responsible for providing accurate information. Sustainalytics has not conducted on-site visits to projects.

Appendices

Appendix 1: Allocation and project breakdowns⁶

Table 3: Allocation breakdown

EPC label of asset	Amount (EUR million) ⁷			
	2022	2021	2020	Total
A	72	71	119	262
B	151	153	155	459
C	18	24	18	60
Other ⁸	23	7	16	36
Total	264	255	308	827
Bond proceeds raised				300⁹
Unallocated proceeds				0

Table 4: Project breakdown

Project status	EPC Rating	Share of projects/residential developments by EPC rating per development stage (in %)		
		2022	2021	2020
Delivered	A	36.6	37.1	39.1
	B	52.5	53.9	48.4
	C	10.9	9	12.5
Under construction	A	30.3	26.7	27.3
	B	68.4	64.4	61.4
	C	1.3	8.9	11.4
In design phase¹⁰	A	30	30	20
	B	55	60	35.7
	C	5	10	7.1
	To be determined	10	0	37.2

⁶ Vía Célere has confirmed that there is no double-accounting in allocation and impact reporting for projects financed or refinanced through this issuance.

⁷ Vía Célere has confirmed that financing and refinance of all eligible assets has taken place within 36 months before the date of the issuance or 24 months after the date of issuance.

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, "Vía Célere issues first green bond by a residential developer in the Euro market", (2021), at:

<https://www.viacelere.com/en/news/corporates/via-celere-issues-first-green-bond-residential-developer-euro-market>

¹⁰ Vía Célere has confirmed that all projects in the in-design phase are being designed to achieve EPC labels A, B, or C.

Appendix 2: Impact reporting ¹¹

Table 5: Impact reporting

Projects	Estimated reduction in annual energy consumption (in kWh per year)			Estimated reduction in annual carbon emissions (in kgCO ₂ e per year)		
	2022	2021	2020	2022	2021	2020
	Delivered	42,713,928	39,436,915	30,236,057	11,429,865	10,536,014
Under construction	27,593,037	10,322,612	14,365,985	6,595,876	2,662,516	3,756,924
In design phase ¹²	9,398,919	7,895,484	9,925,316	2,558,531	2,124,313	2,613,852
Total	79,705,885	57,655,011	54,527,358	20,584,273	15,322,843	14,580,809

¹¹ Sustainalytics notes that the total of Vía Celere's investments exceed the EUR 300 million raised by the 2021 Green Bond and that the impact data provided is not pro-rated to reflect the relative impact of the funds raised by the bond alone.

¹² Vía Célere has confirmed that all projects in the in-design phase are being designed to achieve EPC labels A, B or C.

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