

LeasePlan

Type of Engagement: Annual Review

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Engagement Team:

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Introduction

Since 2019, LeasePlan Corporation N.V. (LeasePlan) has issued four green bonds aimed at financing the acquisition of an electric vehicle fleet. In 2022, LeasePlan engaged Sustainalytics to review the projects funded through the four green bonds issued between 1st January, 2019 to 31st December, 2021 and to provide an assessment as to whether the projects met the Use of Proceeds criteria and the Reporting commitments outlined in the LeasePlan Green Finance Framework.¹

Evaluation Criteria

Sustainalytics evaluated the projects and assets funded with proceeds from the 2021 Green Bonds based on whether the projects and programmes:

1. Met the Use of Proceeds and Eligibility Criteria outlined in the Green Finance Framework; and
2. Reported on at least one of the Key Performance Indicators (KPIs) for each Use of Proceeds criteria outlined in the Green Finance 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)
Clean Transportation	Battery electric vehicles (BEV's)	<ul style="list-style-type: none"> • Weighted average fleet carbon intensity, based on vehicle manufacturer's data concerning engine carbon emissions per kilometer travelled. • Estimate of CO2 emissions avoided as a result of increasing the proportion of eligible vehicles in the LeasePlan vehicle fleet.

Issuing Entity's Responsibility

LeasePlan 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.

Independence and Quality Control

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

Sustainalytics has relied on the information and the facts presented by LeasePlan 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 LeasePlan.

¹ In March 2020 LeasePlan updated its Green Bond Framework originally published on February 2019.

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,² 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 four green bonds, are not in conformance with the Use of Proceeds and Reporting Criteria outlined in the LeasePlan Green Finance Framework. LeasePlan has disclosed to Sustainalytics that the 94% of proceeds of the green bonds have been allocated as of 31st December, 2021.³

Detailed Findings

Table 3: Detailed Findings

Eligibility Criteria	Procedure Performed	Factual Findings	Error or Exceptions Identified
Use of Proceeds Criteria	Verification of the projects funded by the four green bonds issued from 1 st January, 2019 to 31 st December, 2021 to determine if projects aligned with the Use of Proceeds Criteria outlined in the Green Finance Framework and above in Table 1.	All projects reviewed complied with the Use of Proceeds criteria.	None
Reporting Criteria	Verification of the projects funded by the four green bonds issued from 1 st January, 2019 to 31 st December, 2021 to determine if impact of projects was reported in line with the KPIs outlined in the Green Finance Framework and above in Table 2. For a list of KPIs reported please refer to Appendix 2.	All projects reviewed reported on at least one KPI per Use of Proceeds criteria.	None

² 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.

³ LeasePlan has confirmed that 100% of the green bond proceeds will have been allocated by March 2022.

Appendices

Appendix 1: Allocation Reporting as of December 2021

Eligible Category	Total allocated (mn EUR)	Amount green bonds issued (mn EUR)	Date issued	Percentage allocated
Clean Transportation	2,807	500	7/3/2019	100%
		500	9/4/2020	100%
		1,000	23/2/2021	100%
		1,000	7/9/2021	80.7%
Total	2,807	3,000	NA	93.56%

Appendix 2: Impact Reporting as of December 2021

Eligible Category	Weighted average fleet carbon intensity (gCO ₂ /km)	Estimated CO ₂ emissions avoided vs baseline (tonnes of CO ₂ eq.) (country trade-adjusted emission factor)	Estimated CO ₂ emissions avoided vs baseline (tonnes of CO ₂ eq.) (EU trade-adjusted emission factor)
Clean Transportation	98.26	99,387	104,224

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