

# Expert Opinion on the Sustainable Housing Finance Framework of Clarion Housing Group

imug has been commissioned to provide an independent Expert Opinion on the Sustainable Housing Finance Framework of Clarion Housing Group.

This present Expert Opinion is based on our review of the Issuer and its Sustainable Housing Finance Framework (dated November 2019) in accordance with the voluntary SBP, GBP and GLP guidelines (June 2018).

imug is of the opinion that Clarion Housing Group's Sustainable Housing Finance Framework is in line with the four core components of the Social Bond Principles (SBP) and complies in part with the Green Bond Principles (GBP) and Green Loan Principles (GLP).

## FRAMEWORK



- ✓ Use of proceeds (SBP: compliant; GBP: partly compliant)
- ✓ Process for project evaluation and selection (SBP and GBP compliant)
- ✓ Management of proceeds (SBP and GBP compliant)
- ✓ Reporting (SBP and GBP compliant)

## ISSUER



- ✓ Sustainability management
- ✓ Controversy check
- ✓ Certified Sustainable Housing Label

## OPINION



Clarion Housing Group is an issuer with a positive overall sustainability performance. Its Sustainable Housing Finance Framework, intended to support the issuer's financing activities, was thoroughly analysed and assessed to be appropriate for supporting the general issuance of sustainable debt instruments (bonds and loans). The framework is fully aligned to the SBP, while compliance with market standards such as GBP and GLP is available under specific requirements which the issuer intends to meet. The projects defined in the framework are expected to contribute to five Sustainable Development Goals (UN SDGs), namely Goals 1, 7, 10, 11 and 13.

imug | rating  
Hannover, December 6<sup>th</sup> 2019

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## 1. SCOPE

imug has been commissioned to provide an independent Expert Opinion on the Sustainable Housing Finance Framework of Clarion Housing Group (henceforth: “Clarion” or “Issuer”). The assessment of the Sustainable Housing Finance Framework was conducted taking into consideration the International Capital Market Association’s Social Bond Principles (SBP), Green Bond Principles (GBP), and Green Loan Principles (GLP). imug was not commissioned to provide an independent assurance report or carry out any other auditing tasks.

*Description of  
the issuer:  
The Clarion  
Housing Group*

Clarion is one of the largest UK housing associations with a current portfolio of 125,000 UK homes and 360,000 residents. The company's mission is to provide quality and affordable housing to those who are inadequately served by the market. As a social enterprise, the Clarion Housing Group has several commercial and non-profit subsidiaries, all of which work towards the company's mission. The Clarion Housing Group has the following key subsidiaries:

- ▶ Clarion Housing Association
- ▶ Latimer
- ▶ Grange Property Management
- ▶ Clarion Response
- ▶ Clarion Futures

Latimer develops real estate for private sale and is engaged in land deals in both immediate and long-term residential development, particularly in the growth regions of London, South East England, the West Midlands and Greater Manchester. Grange Property Management, another subsidiary of Clarion Housing Group, currently manages more than 6,000 properties and over 2,000 developments. The company's expertise ranges from property management to the management of large mixed-tenure developments and consulting. Clarion uses 100% of its profits from all commercial activities to finance the Clarion Housing Group's social investment programme. Clarion Response covers the repair and maintenance

services within the Clarion Housing Group. The subsidiary is responsible for the maintenance and improvement of homes, and operates through a local service. Through its Clarion Futures charity, the housing company is focusing on social issues such as employment, education, digital skills, debt and financial exclusion. In this way, Clarion makes estates more attractive and secures the long-term value of its housing stock, however creating sustainable neighborhoods is their main concern, Clarion also has 800 private rental homes in its portfolio which are aimed at working households and families who cannot afford to buy.

This independent Expert Opinion follows Clarion Housing Group's receipt of a “Certified Sustainable Housing Label” awarded by Ritterwald Consulting and certified by imug rating in October 2019. The “Certified Sustainable Housing Label” is the first tool used to measure the positive impact of affordable housing companies. Clarion's “Sustainable Housing Framework” is a prerequisite for receiving the label. It also serves as the basis for this Expert Opinion, which seeks to assess the company's suitability in terms of placing financial instruments on the wider sustainable capital markets in accordance with the respective international standards such as the Green Bond Principles and Social Bond Principles.

imug conducted the assessment from November 25<sup>th</sup> to December 4<sup>th</sup> of 2019. **Clarion's** management provided all the relevant documents, and imug was also in direct contact with the relevant Treasury employees. The information we received has allowed us to provide a reasonable opinion on the framework's compliance with the above-mentioned guidelines.



## 2. FRAMEWORK

### 2.1. Use of proceeds

imug considers the social categories identified and the objectives with regard to the project categories to be clear and in line with the Social Bond Principles (SBP). The projects provide a clear social benefit, which is quantified by the issuer. Proceeds are used to finance projects classified as affordable housing. The target population has been clearly identified.

The proceeds of any bond or loan issued under this framework are used to finance or refinance projects with added social value.

Although the green categories identified and the objectives with regard to the project categories are clear, the "construction projects" category is the only one fully in line with the GPB. Construction projects (new buildings) provide a clear ecological benefit, which is quantified by the issuer. The proceeds are used to finance projects that demonstrate high standards with respect to GHG emissions.

### COMPANY FINANCING

#### *Description of the eligible assets*

Proceeds are used to finance or refinance assets (eligible housing stock) which fall into the SBP category: **Affordable Housing**

#### ■ Target population

People on low incomes and/or in receipt of state benefits,

#### ■ Benefits

Increased share of affordable homes for low-income populations

The issuer has implemented a well-structured approach for selecting appropriate housing stock.

In order to determine the eligibility of the housing stock and identify the category of the Group's portfolio, Clarion separates its units into three groups:

- ▶ **Residential core portfolio:** The core affordable portfolio is defined as the residential housing stock, which is held for the long term and includes homes reserved for people on low incomes and/or in receipt of state benefits.
- ▶ **Residential non-core portfolio:** The non-core portfolio is defined as the residential housing stock, which is developed for the purpose of sale on the open market. This portfolio is not considered eligible for proceeds raised under the Sustainable Housing Framework.
- ▶ **Commercial portfolio:** The commercial portfolio is defined as all non-residential units (retail properties, office properties and other property investments). This portfolio is not considered eligible for proceeds raised under the Sustainable Housing Framework.

Only the residential core portfolio is eligible for a social bond or loan. As a result, net proceeds are only used to finance or refinance assets, which fall into the category of affordable housing.

*Note: "Social homes under management" make up 94.5% of "(Total) Homes under management". The definition of affordable housing according to the Greater London Authority<sup>1</sup> is: "Affordable Rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable)."*

Clarion has a structured and transparent process in place to ensure that the proceeds are used exclusively for the purposes defined above.

imug is of the opinion that the assets financed by Clarion have a positive socio-economic outcome for the defined target populations. Clarion assesses and quantifies the expected social benefits. Consequently, company financing (eligible core portfolio) is aligned with the Social Bond Principles (SBP).

No statement can be made as to whether the housing stock complies with the GBP and GLP.

## PROJECT FINANCING

### *Description of the eligible projects*

Proceeds are used to finance or refinance projects, which fall into the SBP category: **Affordable Housing**

#### ■ Target population

People on low incomes and/or in receipt of state benefits,

#### ■ Benefits

Increased share of affordable homes for low-income populations

This applies to all project types (construction, modernisation and acquisition projects).

Construction projects (new build homes) also fall into the GBP and GLP category:

### **Green Buildings**

#### ■ Benefits

Reduction of CO2 emissions

Modernisation and acquisition projects do not comply with the GBP and GLP.

<sup>1</sup> Greater London Authority; available at: <https://www.london.gov.uk/what-we-do/planning/london-plan/current-london-plan/london-plan-chapter-3/policy-310-definition>

Eligible assets or projects are likely to contribute to five United Nations' Sustainable Development Goals, namely **Goal 1 No Poverty**, **Goal 7 Affordable and Clean Energy**, **Goal 10 Reduced Inequalities**, **Goal 11 Sustainable Cities and Communities**, and **Goal 13 Climate Action**.

#### Description of the SDG contribution

##### UN SDG 1: End poverty in all its forms everywhere



UN SDG 1 aims to eradicate poverty. By 2030, the goals are to:

- ▶ ensure access to basic services.
- ▶ reduce the number of men, women and children living in poverty.

Clarion Housing Association contributes to UN SDG 1 by using the proceeds from the Social Bond/Green Bond/Green Loan to refinance housing.

##### UN SDG 7: Ensure access to affordable, reliable, sustainable and modern energy for all



UN SDG 7 aims to facilitate access to and uptake of renewable energies. By 2030, the goals are to:

- ▶ increase the share of renewable energies in the global energy mix and promote investment in energy infrastructure and clean energy technology.
- ▶ double the global rate of increase in energy efficiency

Clarion Housing Association contributes to UN SDG 7 by using the proceeds from the Social Bond/Green Bond/Green Loan to refinance housing.

##### UN SDG 10: Reduce inequality within and among countries



UN SDG 10 aims to deliver sustained income growth to the poorest 40% of the global population. By 2030, the goals are to:

- ▶ ensure equal opportunity and reduce inequalities of outcome.
- ▶ achieve and sustain income growth of the bottom 40 per cent of the population.

Clarion Housing Association contributes to UN SDG 10 by using the proceeds from the Social Bond/Green Bond/Green Loan to refinance housing.

##### UN SDG 11: Make cities and human settlements inclusive, safe, resilient and sustainable



UN SDG 11 aims to reduce the proportion of the global urban population living in slums. By 2030, the goals are to:

- ▶ provide access to safe, affordable, accessible and sustainable transport systems.
- ▶ ensure access to adequate, safe and affordable housing.

Clarion Housing Association contributes to UN SDG 11 by using the proceeds from the Social Bond/Green Bond/Green Loan to refinance housing.

##### UN SDG 13: Take urgent action to combat climate change and its impacts



UN SDG 13 aims to tackle climate change. By 2030, the goals are to:

- ▶ include climate protection measures in national policies, strategies and planning.
- ▶ raise awareness and improve human and institutional capacities in the areas of climate change mitigation, adaptation, and early warning.

Clarion Housing Association contributes to UN SDG 13 by using the proceeds from the Social Bond/Green Bond/Green Loan to refinance housing.



## 2.2. Process for project evaluation and selection

imug is of opinion that the evaluation and selection process of the eligible assets (company financing) and eligible projects (project financing) is aligned to the Social Bond Principles (SBP), Green Bond Principles (GBP) and Green Loan Principles (GLP).

The process is structured and spread over several levels of responsibility. The identification of relevant selection criteria with regard to social criteria is clear. The issuer has identified relevant selection criteria in order to select projects or assets with social benefits. As far as the relevant green selection criteria are concerned, only construction projects are evaluated with ambitious green criteria.

### EVALUATION AND SELECTION

#### *Description of the evaluation process*

In order to assure a structured process for project selection and evaluation, Clarion has created a Sustainable Finance Team comprising the following representatives:

- ▶ Head of Sustainability
- ▶ Senior Sustainability Manager (Development)
- ▶ Head of Corporate Social Responsibility
- ▶ Director of Clarion Futures
- ▶ Deputy Treasurer

The issuer has a documented and structured process in place to determine how projects fit within the categories identified. The process is structured and spread over several levels of responsibility.

### ELIGIBILITY CRITERIA: COMPANY FINANCING

#### *Description of the asset selection*

The issuer has identified the following social eligibility criteria for the selection and evaluation of assets:

- ▶ Assets must be located in the United Kingdom
- ▶ Assets / acquired units must comply with the definition of affordable housing (no more than 80% of the average local market rent)

**ELIGIBILITY CRITERIA: PROJECT FINANCING**

*Description of the project selection*

The issuer has defined the following social and environmental eligibility criteria for the selection and evaluation of projects:

PROJECT TYPE	SOCIAL CRITERIA	ENVIRONMENTAL CRITERIA
Construction projects	<ul style="list-style-type: none"> <li>▶ Located in UK</li> <li>▶ Rent no more than 80% of the average local market rent</li> </ul>	<ul style="list-style-type: none"> <li>▶ EPC rated B or above</li> </ul>
Modernisation projects	<ul style="list-style-type: none"> <li>▶ Located in UK</li> <li>▶ Rent no more than 80% of the average local market rent</li> </ul>	
Acquisition projects	<ul style="list-style-type: none"> <li>▶ Located in UK</li> <li>▶ Rent no more than 80% of the average local market rent</li> </ul>	

At minimum, Clarion aims to achieve a D-level EPC (Energy Performance Certificate)<sup>2</sup> for existing homes (modernisation projects) by 2025. However, a D level corresponds to the average UK EPC score, which is not ambitious enough to comply with the GBP/GLP.

**ESG RISK MANAGEMENT**

imug believes that Clarion has adequate policies and processes in place to manage the significant ESG risks associated with the projects. Clarion has implemented a risk management system to identify and manage potentially significant ESG criteria. In imug's view, the system is good.

*Description of the policies and processes to manage ESG risks*

In addition to the positive impact, the projects also entail certain ESG risks. The material risks include end user health, safety and security, health and safety risks associated with the construction and modernisation of buildings, and the risks associated with biodiversity, waste management, and corruption. Clarion Housing Group's risk management system is considered to be good.

Clarion Housing Association has implemented several measures to address its ESG risks. Through its in-house repair and maintenance services, Clarion actively contributes to reducing end-user health risks, for example, by eliminating moisture and mould. The company addresses safety and security risks through routine compliance testing and the improvement of its fire plans and fire protection measures.

The company has implemented relevant policies and processes for the prevention of fraud and bribery. In order to manage health and safety risks among contractors, their compliance with specific KPIs is mandatory. Biodiversity aspects are not yet being systematically taken into account. imug would like to emphasize here that Clarion plans to incorporate the use of the "Building With Nature" standards as a guideline for determining new landscaping and waste management indicators for contractors.

<sup>2</sup> UK Government; available at: <https://www.gov.uk/buy-sell-your-home/energy-performance-certificates>



### 2.3. Management of proceeds

imug is of the opinion that the management of proceeds is aligned with the SBP and GBP.

Clarion will track the use of proceeds for eligible assets/projects.

#### TRACKING THE PROCEEDS

##### *Description of the allocation process*

- Sub-account,
- Sub-portfolio,
- Otherwise tracked

Clarion uses a “virtual” sustainable account / cash account in its internal accounting that is reconciled with its accounting system. Net proceeds from sustainable financing instruments are processed separately from all other bonds and funding through this virtual sustainable account, and can thus be tracked and reported at any time in a robust manner.

Disclosure of periodic reconciliation of the sustainable account with project expenditures  
Clarion Housing Group commits to disclosing the allocated proceeds in its annual report.

- Disclosure of intended types of temporary placement for unallocated proceeds
- External verification



## 2.4. Reporting

imug is of the opinion that the reporting process is aligned with the SBP and GBP.

Clarion commits to reporting annually in its annual Report on the relevant social and environmental indicators listed below. Clarion has implemented an appropriate internal monitoring system, which enables a structured reporting process.

### Description of the reporting commitments

With the scope of its framework, the issuer commits to reporting:

- the total amount of proceeds allocated,
- the total amount of investments and expenditures in the predetermined project portfolios or projects, and
- the balance of allocated and unallocated proceeds.

The issuer will report annually on its website about the impact of projects starting one year after the publication of the Sustainable Housing Framework.

- Issuer commits to reporting on a timely basis in the event of material developments.

In its reporting, the issuer will indicate whether the matter concerns company or project (re)financing and report the corresponding indicators.

## SOCIAL REPORTING INDICATORS

### Description of the reporting indicators

The issuer will report on impacts in line with the ICMA with respect to the following indicators:

PROJECT TYPE	OUTPUT INDICATORS	IMPACT INDICATORS
Affordable Housing	<ul style="list-style-type: none"> <li>▶ Share of new lettings allocated to low-income groups or lettings relevant to local social market need</li> <li>▶ Average rent per affordable dwelling for existing housing stock</li> </ul>	▶ n.a.

## ENVIRONMENTAL REPORTING INDICATORS

The issuer will report on impacts in line with the ICMA with respect to the following indicators:

PROJECT TYPE	OUTPUT INDICATORS	IMPACT INDICATORS
Green Buildings	<ul style="list-style-type: none"> <li>▶ Energy production of renewable energy systems installed (kWhP)</li> <li>▶ Energy performance ratings of existing housing stocks and new build properties</li> </ul>	<ul style="list-style-type: none"> <li>▶ CO2 emissions avoided (Scope 1 and Scope 2)</li> <li>▶ CO2 emissions avoided in the existing housing stock (tCO2e)</li> </ul>



## 3. ISSUER

### 3.1. Sustainability Management

#### SUSTAINABILITY STRATEGY

Clarion Housing is the largest housing association in the country, owning and managing 125,000 homes across more than 170 local authorities. 360,000 people call a Clarion home their home. Clarion Housing is part of Clarion Housing Group, which includes a charitable foundation, Clarion Futures, and is also one of the country's leading house builders.

Clarion Housing Group was formed in 2016 following the merger of Affinity Sutton and Circle Housing Group. The issuer wants to increase its housing stock up to 50,000 new homes over a decade and by 2040 Clarion wants to be the leading housing group for high-quality, sustainable, well-managed affordable homes. For this reason, the issuance of a **Social Bond** or the raising of a **Social Loan** is in line with the company's corporate purpose and contributes to achieving its commitments.

Clarion has also formalized a sustainability strategy, and has set the following objectives to be achieved by 2024:

- ▶ the development of sustainable and affordable homes across all tenures,
- ▶ the promotion of biodiversity, green living and working, and
- ▶ the fostering of the health and wellbeing of its communities.

The company has also developed the following sustainability performance targets:

- ▶ Reducing the carbon footprint: Reducing direct CO<sub>2</sub> emissions by 2 percent per year, improving energy performance ratings (EPC) of existing homes to a minimum EPC D by 2025 and a minimum EPC B for all new build homes,
- ▶ Maintaining a high social contribution - an annual contribution of at least £350 million (€ 410.3 million),
- ▶ Delivering £100 million (€ 117.2 million) of 'social value' annually,
- ▶ Assisting the unemployed into work and training – helping 4,000 people into work p.a. (through work placements, training, pre-employment support, employer engagement, apprenticeships, training and mentoring for self-employment, etc.) including the placement of at least 250 people p.a. into apprenticeship opportunities,
- ▶ Helping people on low incomes maximise income, build financial capability and resilience, reduce and avoid debt - helping 3,000 residents p.a. with digital, budgeting and money advice,
- ▶ Supporting young people, strengthening and improving local communities and the ability of local people to improve their communities - enhancing 15,000 young peoples' lives through sports and creative arts initiatives, intergenerational projects and activities to strengthen communities, including positive progressions through accredited training outcomes, volunteering placements and jobs.

## SUSTAINABILITY FIGURES

"Social homes under management" make up 94.5% of the "(Total) Homes under management". Social homes under management include social (62.1%) and affordable (9.8%) rent, supported housing for older people, shared ownership, intermediate rent, keyworkers, social leaseholders and staff accommodation.

During 2018/19 Clarion completed 1,243 new homes, 94% of which were for affordable tenures. They also started 2,663 new homes, 85% of which were for affordable tenures. In this context affordable means up to 80% of the average market rent.

The company is also involved in its communities. Clarion founded Clarion Futures, the charitable foundation of Clarion Housing Group. Through its foundation, the company will be investing 150 million pounds in its communities over the next decade, focusing on key social issues including work, training, digital skills, debt and financial exclusion.

Moreover, Clarion is assuming ecological responsibility by formulating strategic aims and implementing concrete measures to minimize the environmental impact of its operations. In 2018/19 Clarion invested a total of £8 million in 2,240 heating and insulation measures in its residents' homes, which helped residents to save in excess of £280,000 on their combined energy bills and reduce carbon dioxide emissions from their homes by 1,165 tonnes in the period 2018/2019. (These energy saving estimates are based on Energy Saving Trust figures).

Clarion has portfolios of renewable energy systems managed by its contractor Ecolution. These include solar hot water, solar PV and air-source heat pumps.

Finally, Clarion is participating in the first year of the UK Green Building Council's (UKGBC) two-year project on sustainable construction. One of the key activities was the April 2019 launch of the UKGBC report on the Circular Economy that provides guidance for construction clients, who in turn set out to apply circular economy (CE) principles at the project briefing stage. Clarion is testing CE principles on the Merton regeneration project, which featured as a case study in the UKGBC report.



### 3.2. Controversy check

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There is no evidence of any involvement on the part of Clarion in any systematic or serious ESG controversies.

As of November 25<sup>th</sup>, 2019, there are a few minor controversies on record relating to the following ESG aspects: customer service (problems related to poor building quality in Orchard Village). The overall number and severity of documented ESG controversies involving the company is assessed to be insignificant.

### 3.3. Sustainable Housing Label

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This independent Expert Opinion follows Clarion Housing Group's receipt of a "Certified Sustainable Housing Label" awarded by RITTERWALD Consulting B.V. ( see Appendix). The "Certified Sustainable Housing Label" is the first tool used to measure the positive impact of affordable housing companies. imug | rating has been commissioned as an independent party to examine and certify the legitimacy of the Certified Sustainable Housing Label awards ( see Appendix). The evaluation uses more than 30 individual criteria in the two categories Green and Social to ensure a thorough assessment of the sustainability profile and strategy of a housing company.



The social criteria reflect the tenants' living conditions and the residential structure of a housing company, e.g. affordable housing with a rent level below the local market average and social activities for the tenants. In addition, environmental criteria should be integrated into the lifecycle of a building. This is done, for example, by installing renewable or alternative energy sources and increasing tenants' awareness of energy consumption and reduction measures.

Clarion's "Sustainable Housing Finance Framework" is a prerequisite for receiving the label. It also serves as the basis for this Expert Opinion, which seeks to assess the company's suitability in terms of placing financial instruments on the wider sustainable capital markets in accordance with the respective international standards such as the Green Bond Principles and Social Bond Principles.



## 4. OPINION

Clarion Housing Group is an Issuer with a general social purpose and an overall positive sustainability performance. No significant controversies were recorded. The company has recently been awarded the “Certified Sustainable Housing Label”, demonstrating the impact of its activities as an affordable housing company.

Clarion’s Sustainable Housing Finance Framework, intended to support the Issuer’s financing activities, was thoroughly analysed and assessed to be appropriate to support the Issuance of sustainable debt instruments (bonds and loans) in general.

Under this framework, Clarion Housing Group can finance and/or refinance eligible assets (company financing) and eligible projects (project financing) that are fully in line with the SBP.

Clarion Housing Group can finance and/or refinance eligible projects (project financing) in line with the GBP and GLP for parts of its projects, namely new construction projects.

Clarion commits to clearly highlight the corresponding proportion of these projects, which aligns with the GBP and GLP in its respective reporting.

The following structure provides an overview of the above:

### COMPANY FINANCING

- ▶ Eligible housing stock (company financing) fully complies with the SBP.

### PROJECT FINANCING

- ▶ Project financing fully complies with the SBP.
- ▶ Only construction projects with high energy efficiency certificates (EPC B or above) fully comply with GBP.

PROJECT FINANCING	SBP	GBP/GLB
Construction projects	✓	✓
Modernisation projects	✓	
Acquisition projects	✓	

The issuer must provide detailed reports so that it is clear whether the financing concerns a company or a project, and which project categories are being financed. Furthermore, imug would like to point out that the financing or refinancing of modernisation projects also has a positive environmental impact even though it is not in line with the GBP or GLP. Clarion wants to achieve an energy performance rating (EPC) of at least D for modernisation projects, which corresponds approximately to the average EPC-Level in Great Britain. The issuer will report the environmental benefits.

If there is any doubt with respect to compliance with a given standard, imug suggests commissioning a separate Expert Opinion for specific sustainable financial instruments.

5. APPENDIX

5.1. Certified Sustainable Housing Label



## 5.2. imug rating Certificate



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# CERTIFICATE

## CLARION HOUSING GROUP



imug | rating confirms that CLARION HOUSING GROUP has met in full the requirements for attaining the *Certified Sustainable Housing Label 2019*, and that the certification process was carried out in accordance with proper procedure.

imug | rating has been commissioned as an independent party to examine and certify the legitimacy of the *Certified Sustainable Housing Label* certification awarded by RITTERWALD Consulting B.V.

- imug | rating has conducted a review of the available documents, the documentation used and the company responses. This review has also included random sampling.
- imug | rating has checked that the certification process and the assessment comply with the underlying methodology.

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**RESULTS OF THE REVIEW**

- ✓ The documentation is complete and conclusive.
- ✓ The test process used by RITTERWALD Consulting B.V. is in full transparent, well-defined and coherent.
- ✓ The assessment by RITTERWALD Consulting B.V. is in full compliant with the Sustainable Housing Label methodology.
- ✓ The findings are in full verifiable.



**Axel Wilhem**  
Head of imug | rating  
Hanover, October 28<sup>th</sup>, 2019

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**ASSESSMENT SCALES**

✓ Requirements met in full  
(✓) Requirements met for the most part

(x) Requirements sufficiently met  
x Requirements not met

## Disclaimer

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## imug | rating

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imug | rating is one of the leading sustainability rating agencies in Germany and a specialist in customised Environmental, Social and Governance (ESG) research. imug | rating has been active in the market for sustainable finance and socially responsible investment (SRI) for over 20 years – our references include major asset managers, church banks and alternative banks as well as institutional investors and NGOs. We pride ourselves on our high quality and excellent client service.

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