



SECOND PARTY¹ OPINION ON SUSTAINABILITY OF NOMURA RESEARCH INSTITUTE'S "GREEN BOND"

Issued in September 2016

SCOPE

Vigeo Eiris was commissioned to provide an independent opinion on the sustainable credentials of the "Green Bond" to be issued by Nomura Research Institute (NRI), associated with the Acquisition of Trust Beneficiary Rights and occupancy works for part of **Yokohama Nomura Building** Sectional Ownership and Trust Asset, according to the Vigeo Eiris Environmental, Social and Governance (ESG) assessment methodology. The opinion is based on the review of the three components of a sustainable Green Bond, in line with the Green Bond Principles:

- Issuer: Analysis of NRI's ESG commitments, its exposure to stakeholder-related ESG controversies and capacity to mitigate these risks.
- Project: Review of the project's environmental benefits and evaluation of the ESG integration in the project management, during construction phase, and in the project commitments, during operation phase.
- Reporting: Assessment of reporting capacity and commitments for project fund allocation, sustainability benefits and ESG project management.

Vigeo Eiris' sources of information are gathered from the issuer, press content providers and stakeholders. Vigeo Eiris has reviewed these documents and conducted interviews with people from across NRI and its involved partners.

VIGEO EIRIS OPINION

Vigeo Eiris confirms that the bond to be issued by NRI is a "Green Bond", aligned with the Green Bond Principles and Vigeo Eiris' level of assurance on the sustainability of the bond is **reasonable**²:

- The NRI's overall commitments are **robust** regarding ESG issues (see Part I.).
- The net proceeds of the issuance will be used to finance part of the 'Yokohama Nomura Building' project, considered as a Green Building, which contributes to climate change mitigation. In addition, the integration of ESG issues is **robust** in project management for the construction, as well as in the project commitments for the operation (see Part II.).
- The reporting commitments cover the fund allocation, environmental outcomes, and some additional ESG indicators, showing an overall consistent level of transparency and a capacity to report on the Green Bond (see Part III.).

¹ **Second Party Opinion – Green Bond Principles:** This opinion is to be considered as the "Second Party Opinion" described in the Voluntary Process Guidelines for Issuing Green Bonds, issued by Green Bond Principles, 2016.

<http://www.icmagroup.org/assets/documents/Regulatory/Green-Bonds/GBP-2016-Final-16-June-2016.pdf> "Consultant review"

² **Vigeo Eiris' scales** are defined on page 10.

Part I. ISSUER

Level of the NRI's ESG commitments:

As of July 2016, NRI presents an overall robust commitment regarding ESG issues, regarding its disclosed Group Corporate Social Responsibility commitments and associated ESG policies, and is committed to build an organizational structure at Group level in line with international standards. NRI's approach to addressing the three ESG pillars is heterogeneous. On the one hand, a robust and consistent approach covers Environmental and Social domains, including human rights, human resources and community involvement which are properly considered by policies. On the other hand, NRI's performance in Corporate Governance domain is limited according to international standards, but is above the average compared with local context. Room for improvement remains on the convergence with international standards, especially regarding independence of the board and information disclosed to stakeholders.

Stakeholder-related ESG controversies³:

As of end of March, 2016, NRI faces one single allegation related to responsible customer relations, with minor level of severity. NRI does not communicate on this case, as it is still on-going legal proceeding.

Part II. PROJECT

Use of proceeds

The net proceeds of the bond will be used to finance the Acquisition of Trust Beneficiary Rights and occupancy works for part of **Yokohama Nomura Building** Sectional Ownership and Trust Asset – the “Eligible Project” – in construction in Yokohama business area, and which will be occupied by NRI from April 2017. With various environmental certifications targeted for the building (CASBEE, LEED, DBJ Green Building certification, SEGES...), the project is considered as a Green Building, promoting environmental performance. In addition, the associated environmental objectives are visible, measurable and relevant, with a quantitative target to which NRI committed to at project level: a reduction of 9% of GHG emission per employee is expected by FY 2017.

The “Eligible Project” is **positive** from a sustainability perspective, due to environmental benefits on climate change mitigation, which have been described and will be assessed annually (Part III.).

ESG integration in the project

The ESG criteria appear to be homogeneously implemented at project level by NRI and its involved partners based on the evaluation of all sustainability domains under review. Vigeo Eiris July considers that the overall integration of ESG issues is **robust** for both **construction** phase, regarding the implementation in the project management, and **operation** phase regarding the commitments at project level, even if subcontractors and overall operation management are still under consideration.

Part III. REPORTING

NRI is committed to report annually and until the maturity of the bond, within its CSR Report, available on NRI website (www.nri.com), on:

- The fund allocation: use of green bond proceeds up to the total amount raised by NRI through the bond and project evolution
- Environmental outcomes of the project, through a set of defined reporting indicators.

Selected reporting indicators are exhaustive and relevant regarding use of proceeds and estimates of expected results, showing a consistent capacity to transparently report on fund allocation and project outcomes.

In addition, NRI will partially report on the responsible management of the project, based on additional indicators on ESG factors, depending on the information availability and relevance of the ESG matters.

Vigeo Eiris' level of assurance on NRI's commitment and capacity to report on the project is **reasonable**.

³ A **controversy** is defined on page 4. The opinion delivered on stakeholder-related ESG controversies is not a conclusion on the creditworthiness of NRI or its financial obligations.

EXTERNAL REVIEW

NRI's Green Bond issuance is supported by external review provided by:

- The hereby Second party opinion on sustainable credentials of the bond, before the issuance and covering all the bond dimensions, i.e. issuer commitments, project (use of proceeds and ESG integration) and reporting.
- A Third party verification by an external auditor, on the annual verification of the tracking bond proceeds and of the reporting metrics, during the fund allocation process, until the final use of the bond.
- A Third party verification by an external auditor, on the annual verification of the environmental impact (CO2 emissions, etc.)

More detailed results are provided in the next pages for each component.

This opinion is valid as of the date of issuance limited to NRI's Green Bond

Paris, August 1st 2016



Muriel Caton

Director



Laurie Chesné

CSR Consultant

Disclaimer

Transparency on the relation between Vigeo Eiris and the issuer: Vigeo Eiris has never executed any consultancy activity for NRI nor its involved partners until so far and no established relationship (financial or others) exists between Vigeo Eiris and NRI. This opinion aims to explain for investors why the Green Bond is considered as sustainable and responsible, based on the information which has been made available to Vigeo Eiris and which has been analyzed by Vigeo Eiris. Providing this opinion does not mean that Vigeo Eiris certifies the materiality, the excellence or the irreversibility of the projects financed by the Green Bond. NRI and its shareholders are fully responsible for attesting the compliance with its commitments defined in their policies, for their implementation and their monitoring. The opinion delivered by Vigeo Eiris neither focuses on financial performance of the Green Bond, nor on the effective allocation of funds' use of proceeds. Vigeo Eiris is not liable for the induced consequences when third parties use this opinion either to make investments decisions or to make any kind of business transaction.

DETAILED RESULTS

Part I. ISSUER

Level of the NRI's ESG commitments:

As at July 2016, NRI's overall commitments on ESG issues are robust.

Domain	Comments	Opinion assessment level
Environmental	NRI has adopted a Group environmental policy and biological diversity management plan, embedded on its website, which addresses the main environmental impacts and with quantitative targets for 2022 on CO ₂ emissions. A dedicated committee, the Environmental Activities Committee, is in charge of implementing this policy. All the NRI Group datacentres are ISO 14001 certified.	Advanced
	NRI has identified Energy use as its main environmental impact and adopted commitments to reduce energy consumption and CO ₂ emissions, on energy saving, use of renewable energy and optimization. The Company discloses quantitative data on energy, water and paper consumptions and on environmental impacts, especially on greenhouse gases emissions (NRI received the award as CDLI (Climate Disclosure Leadership Index) by the CDP in its Japan Climate Change Report 2015). NRI also commits to promote products and services aiming at reducing energy consumption related to ICT for their clients.	Robust
	However, NRI does not disclose specific commitment to reducing the environmental impacts of the transport (no goal on employee business trip).	Limited
		Weak
Social	NRI shows a robust and formalized policy to respect the Human Rights as defined by the International Bill of Human Rights and the ILO Declaration of Fundamental Principles and Rights at Work.	Advanced
	Human Resources development is considered a priority by NRI. The Company launched the NRI Health Declaration 2022, which addresses health, stress at work and work/life balance. The company-wide Smart-Work Campaign is aimed to improve the work/life balance, focusing on employees awareness raising on working hours. However, NRI does not disclose any commitment to manage reorganizations responsibly and promote labour relations.	Robust
	The support to local community development is an other issue identified as material by NRI. The Company is mainly focused on supporting the national business development and on contributing to general interest causes such as helping earthquake victims and IT education.	Limited
		Weak
Governance	Regarding corporate governance, NRI shows an overall limited level of performance according to international standards, but is above the average in the national environment compared with Japanese companies.	Advanced
	The Company has defined in its Corporate Governance Guidelines (disclosed) the features of its system, with detailed board and audit committee composition and functioning, in line with Japanese Corporate Governance standards. Board members have complementary and relevant skills and backgrounds. The company has opted for a Board with the Audit/Supervisory Committee and accounting auditors, with separated position of Chairman and CEO but minority of appointed members (3) considered as independent. The Audit/Supervisory Committee, with more than half are external members, is in charge of the audit policy, in coordination with Internal Audit Department. NRI does not have a Remuneration Committee but has implemented an optional Reward Advisory Committee composed of external members. This Reward Advisory Committee deliberates on the level and system of board members compensation, but the decision is taken by the board as result of these deliberations and advices. The company does not disclose information about the executive remuneration. NRI has undertaken various measures to respect shareholder rights. The integrated risk management system partially covers ESG risks.	Robust (regarding local standard)
		Limited (regarding international standards)
	NRI has formalized its commitment to address business ethics in its Code of Business Principle, and especially anti-bribery and fair competition in two specific policies. The Ethics officer and the Compliance officer are responsible of the implementation. The Company has set up reporting measures on corruption and anti-competitive practices, but does not disclose any quantitative results.	Weak

Stakeholder-related ESG controversies:

As of end of March 2016, NRI is involved in one controversy regarding Responsible Customer Relations. This case is considered as minor in terms of level of severity based on the analysis of its impact on both the Company and its stakeholders. The Company does not communicate on this case, as it is still on-going legal proceeding.

(sources: Factiva research).

Part II. PROJECT

Use of proceeds

- Project description

The net proceeds of the bond will be used to finance the Acquisition of Trust Beneficiary Rights and occupancy works (less than 20%) for part of **Yokohama Nomura Building** Sectional Ownership and Trust Asset – the “Eligible Project” – in construction in Yokohama business area by Shimizu Corporation and which will be managed by NRI Workplace Services, Ltd”(NRI-WPS), and then occupied by Nomura Research Institute, except for the ground floor occupied by tenants (restaurants, shops,...), from April 2017.

With various environmental certifications targeted for the building, the Eligible Project promotes environmental performance, especially in terms of energy efficiency, and is fully integrated in Yokohama Smart City Project, an overall integrated city environmental management project with an ambitious CO₂ reduction target of 30% by 2025.

The ESG commitments of the Issuer and the Green Bond have been independently assessed by Vigeo Eiris’ sustainability consultant on environmental objectives and Environmental, Social and Governance criteria integration. Based upon that independent assessment, the issuer has designated the Eligible Project as a “Sustainable Green Project” and has designated the bond issuance as a “Green Bond.”

The project is scheduled according to two phases:

1. Construction, started in March 2015 and on schedule for completion in end of January 2017
2. Operation, middle of April 2017

As at July 2016, the heavy construction work (building with 17 floors) is completed and interior works are underway.

- Environmental outcomes

Expected environmental benefits on climate change mitigation have been described and will be annually estimated, based on the project impact reporting (see Part III.). The associated objectives are visible, measurable and relevant, with a quantitative target to which NRI committed to at project level: a reduction of 9% of GHG emission per employee compared with other current NRI main office buildings is expected by FY 2017 with this project of NRI occupation of Yokohama Nomura Building, contributing to reach the overall reduction goal to reduce 25% of whole company GHG emissions compared with 2013 by 2022.

Outcomes	Final objectives
Climate Change mitigation	<ul style="list-style-type: none"> - Energy savings - Reduction of GHG emissions: 9% of GHG emission per employee compared with other current NRI main office buildings is expected by FY 2017

ESG integration in the project

Regarding the II activated criteria for the construction phase and the II activated criteria for the operation phase, organized in 4 sustainability domains, Vigeo Eiris has attributed:

- A **robust** assessment level for the **construction phase**, on responsible management of the project regarding the implementation at project level
- A **robust** assessment level for the **operation phase**, on responsible management of the project, regarding the future commitments at project level.

Domain	Comments	Opinion assessment level	
		Construction	Operation
Environment	The environmental management at project level is robust, and particularly advanced regarding the eco-design and management of environmental impacts (biodiversity, waste, local pollution) in the construction phase: various environmental certifications are targeted for the building, such as	Advanced	Advanced
	<ul style="list-style-type: none"> - Green Building DBJ certification (planned for end of 2016) - LEED -<i>Leadership in Energy and Environmental Design</i>- Gold level (design certification is obtained, construction work is still under way) - CASBEE - <i>Comprehensive Assessment System for Building Environmental Efficiency</i>- Class S level (i.e. Excellent) (obtained at pre-authentication) - SEGES - <i>Social and Environmental Green Evaluation System</i> - (certification approved as of March 2016). 	Robust	Robust
		Limited	Limited
	During operation, robust building management systems are expected to be implemented, covering energy and water consumptions, and the Community Energy Management System facilitates demand control and energy monitoring.	Weak	Weak

Domain	Comments	Opinion assessment level	
		Construction	Operation
Social	The integration of social issues (human rights and human resources) is considered to be robust for both project construction and operation commitment.	Advanced	Advanced
	In particular, during the construction, robust health and safety management system is implemented, working hours are monitored and a human right policy is defined at construction company level with some measures implemented at project level covering all workers (employees and sub-contractors).	Robust	Robust
	Regarding the operation, even if subcontractors and social issues are still under consideration at this stage, the Group's Human Right Policy will apply to NRI-WPS staff. According to the Group's Procurement Policy, the respect of human rights and social factors will be considered in the selection and relation with sub-contractors. Commitments regarding the management of health & safety and monitoring of working hours cover all workers, including subcontractors.	Limited	Limited
		Weak	Weak
Community Involvement	The management of community involvement consideration is robust for both construction and operation, and particularly advanced in terms of minimizing impacts of natural disasters, with a robust Business Continuity Plan and relevant measures implemented. The project is robustly integrated in its territory, within the Yokohama Smart City Project, and public meetings were held before construction. In addition, the building is closed to public transportation, with promotion of clean transportation, and accessible for persons with reduced mobility.	Advanced	Advanced
		Robust	Robust
		Limited	Limited
		Weak	Weak
Project Governance	The project governance is considered as robust for both construction and operation.	Advanced	Advanced
	Relevant polices and measures in terms of risk management & control are implemented by the construction company, with its Risk management rules and Code of Conduct and Corporate Ethics. The work book implemented during the construction, including all levels of contractors, partially covers ESG risks, focusing on social and quality issues. The construction company has Green and social Procurement Guidelines at corporate level, but the application at project level is unclear.	Robust	Robust
	Regarding the operation, an annual external on-site audit will verify the alignment with the NRI-EMS and an initial risk analysis, covering construction and operation, have been conducted including sub-contractors and will be updated annually by the EMS manager. Even if subcontractors and overall management issues are still under consideration, NRI-WPS commits to apply at project level the Group procurement policy and rules, including general environmental and social factors, and the respect the local regulation, such as the Act against Delay in Payment of Subcontract Proceeds (i.e. within sixty days), monitored by the Group procurement managing division.	Limited	Limited
		Weak	Weak

Management of proceeds

The bond proceeds for the Eligible Project will be deposited in a dedicated account owned by NRI (i.e. sub-account).

Pending the allocation the bond proceeds will be managed within this sub-account, in cash or other safe financial instruments that do not include GHG intensive activities. The bond proceeds will be allocated to finance the building within 12 months after the issuance.

The issuer will track investments of the proceeds allocated to Eligible projects. This internal tracking is integrated into the annual financial reporting process and will be verified by an external auditor.

In case of project divestment, NRI commits to use the net proceeds to finance other Eligible Projects which are compliant with the current use of proceeds.

Part III. REPORTING

NRI is committed to report annually, according to the fiscal year (i.e. first report in April 2016- March 2017 report), and until the maturity of the bond, within its CSR Report available on NRI website (www.nri.com), on:

- The fund allocation: use of green bond proceeds up to the total amount raised by NRI through the bond, project description and evolution
- Environmental outcomes, through a set of defined reporting indicators, based on ex-ante estimates of expected results

This reporting information, fund allocation and environmental metrics, will be reviewed by an external auditor.

In addition, NRI will partially report on the responsible management of the project, based on additional indicators on ESG factors, depending on the information availability and relevance of the ESG matters.

When reporting on the identified outcomes or on the ESG domains, NRI may substitute the identified indicators with alternate quantitative or qualitative indicators, to remain relevant with the Project's evolution and may integrate additional qualitative or quantitative indicators as considered appropriate to disclose relevant Project performance or details on responsible management of the Project.

Fund allocation

Criteria	Reporting indicator
Use of bond proceeds	<ul style="list-style-type: none"> - List of draws related to the Acquisition of Trust Beneficiary Rights for Yokohama Nomura Building Sectional Ownership and Trust Asset and corresponding allocated amount (in Yen) - Beginning balance and ending balance (in Yen)

Environmental outcomes

Outcomes	Final objectives	Reporting indicators
Climate change mitigation	Energy savings	<ul style="list-style-type: none"> - Annual energy consumption (in GJ) - Annual energy savings (compared with previous records) Energy resource use: calculation are based on Act on the Rational Use of Energy (Energy Conservation Act)
	Reduction of GHG emissions	<ul style="list-style-type: none"> - Annual GHG emissions (Scope I&2) (in tCO₂e) - Annual GHG emissions (Scope I&2) per employee (in tCO₂e/person) Greenhouse Gas Emissions: calculation is based GHG emissions: calculation is based on the Act on Promotion of Global Warming Countermeasures

Responsible management

Domains	Additional indicators selected to report on ESG management of the project	
	Construction	Operation
Environment	<ul style="list-style-type: none"> - GHG emissions for the project construction (tCO₂e) - Final disposal rate of construction byproducts (%) - Waste production (t) 	<ul style="list-style-type: none"> - Waste production (t) and recycle rate (%) - Water consumption (m³)
Social	<ul style="list-style-type: none"> - Results of social on-site audits including workers and subcontractors - H&S: number of serious accidents, including workers and subcontractors 	<ul style="list-style-type: none"> - H&S: number of serious accidents, including workers and subcontractors
Project governance	<ul style="list-style-type: none"> - Allegations related to ESG issues, including employees and subcontractors, and corrective measures undertaken 	<ul style="list-style-type: none"> - Allegations related to ESG issues, including employees and subcontractors, and corrective measures undertaken
Community involvement	<ul style="list-style-type: none"> - Initiatives with local stakeholders 	<ul style="list-style-type: none"> - Engagement actions with the community

METHODOLOGY

In Vigeo Eiris' view, ESG factors are intertwined and complementary and cannot be separated when assessing the management of sustainability in any organization or in any activity, including the issuance of green bonds. In this sense, we write an opinion on the issuer's responsibility as a corporate organization, and on the objectives, the management and the reporting of the project financed by this bond.

Vigeo Eiris' methodology to define and to assess corporate ESG performance is based on criteria aligned with public international standards, in compliance with the ISO 26000 guidelines, and organized in 6 domains: Environment, Human Resources, Human Rights, Community Involvement, Business Behavior and Corporate Governance. The evaluation framework has been customized regarding material issues, based on the Vigeo Eiris' Heavy Construction and Real Estate sectors and Companies operating in Software & IT services, and local specificities.

Vigeo Eiris' review uses information provided by NRI, press content providers and stakeholders (partnership with Factiva Dow Jones: access to the content of 28,500 publications worldwide from reference financial newspapers to sector-focused magazines, local publications or Non-Government Organizations). Vigeo Eiris has reviewed documents and websites of involved partners (e.g. Project specifications, building certification list, CSR Report, Hazard assessment) and conducted interviews with people from different NRI and its involved partners (construction and operation companies) departments.

Part I. ISSUER

Level of the NRI's ESG commitments:

NRI has been evaluated by Vigeo Eiris during July 2016 on its ESG commitments and policies, based on 18 relevant ESG drivers organized in the 6 sustainability domains. NRI's ESG performance has been assessed by Vigeo Eiris on the basis of its Leadership, i.e. relevance of the commitments (content, visibility and ownership)

- Scale for assessment of ESG performance: Advanced, Robust, Limited, Weak.

NRI's commitments, processes and performance in terms of corporate responsibility have not been subjected to Vigeo Eiris Rating's complete process of rating and benchmark, and then completed by Vigeo Eiris Enterprise evaluation, according to the Vigeo Eiris Environmental, Social and Governance (ESG) assessment methodology, and based on additional documents and information provided by the issuer.

Stakeholder-related ESG controversies:

A controversy is information, a flow of information, or contradictory opinions that are public, documented and traceable, allegation against an issuer on corporate responsibility issues. Such allegations can relate to tangible facts, be an interpretation of these facts, or constitute an allegation on unproven facts.

Vigeo Eiris provides an opinion on companies' controversies risk mitigation based on the analysis of three factors :

- **Severity:** the more a controversy will relate to stakeholder's fundamental interests, will prove actual corporate responsibility in its occurrence, and will have adverse impacts for stakeholders and the Company, the highest its severity. Severity assigned at corporate level will reflect the highest severity of all cases faced by the Company (scale: Minor, Significant, High, Critical);
 - **Responsiveness:** ability demonstrated by an issuer to dialogue with its stakeholders in a risk management perspective and based on explanatory, preventative, remediating or corrective measures. At corporate level, this factor will reflect the overall responsiveness of the Company for all cases faced (scale: Proactive, Remediate, Reactive, Non Communicative);
 - **Frequency:** reflects for each ESG challenge the number of controversies faced. At Corporate level, this factor reflects on the overall number of controversies faced and scope of ESG issues impacted (scale: Isolated, Occasional, Frequent, Persistent).
- Scale for assessment of ability to mitigate stakeholder-related ESG controversies: Advanced, Robust, Limited, Weak.

The impact of a controversy on a company's reputation reduces with time, depending on the severity of the event and the company's responsiveness to this event. Conventionally, Vigeo Eiris' controversy database covers any controversy with Minor or Significant severity during 24 months after the last event registered and during 48 months for High and Critical controversies.

Part II. PROJECT

Use of proceeds

The use of proceeds requirements are defined to ensure that the funds raised are used to finance an eligible project and are traceable within the issuing organization, and include the management of proceeds. The environmental purpose of the bond's associated eligible project has been precisely defined, with regard to NRI's commitments, and assessed regarding described and estimated benefits of the eligible project. The contribution of the eligible project to Sustainable Development is evaluated regarding the UN Sustainable Development Goals.

ESG integration in the project

NRI's 'Yokohama Nomura Building' Project has been assessed by Vigeo Eiris on the implementation of ESG criteria according to a customized assessment frameworks focusing on the most relevant drivers regarding the financed project issues.

- 12 relevant ESG drivers for the construction phase
- 13 relevant ESG drivers for the operation phase

	Construction	Operation
ENVIRONMENT		
<i>Environmental strategy and eco-design</i>	x	x
<i>Protection of biodiversity</i>	x	
<i>Minimizing environmental impacts from energy use / carbon intensity reduction</i>	x	x
<i>Minimizing the use of inputs (materials, water...)</i>	x	x
<i>Minimizing outputs (pollution, nuisances, waste)</i>	x	x
SOCIAL RESPONSIBILITY		
<i>Respect of Human and Labour rights standards</i>	x	x
<i>Career management and promotion of employability</i>	x	x
<i>Improvement of health and safety conditions</i>	x	x

	Construction	Operation
PROJECT GOVERNANCE		
<i>Responsible procurement</i>	x	x
<i>Risk management & control</i>	x	x
COMMUNITY INVOLVMENT		
<i>Prevention of natural disasters</i>		x
<i>Insertion in the territory and local consultation</i>	x	
<i>Quality of access / Connectivity</i>		x

In the construction phase, Vigeo Eiris has appreciated a level of assurance for each criteria under analysis regarding the coherence of implementation at the Project level through:

- **Process:** procedures, guidelines and measures in place to ensure all the commitments and policies can be implemented;
- **Means:** resources available and implemented to put in place the commitments and policies;
- **Control:** reporting systems, monitoring and external audit.

In the operation phase, Vigeo Eiris has appreciated a level of assurance for each criteria under analysis regarding the ESG factors integration in the managerial commitments at the Project level through:

- **Commitments:** policies and management plans to guarantee the future integration of ESG factors
 - Scale for assessment of implementation at project level: Advanced, Robust, Limited, Weak

Part III. REPORTING

Reporting indicators are selected from existing indicators in use by NRI or other partners in NRI to enable annual reporting on fund allocation and environmental benefits and on responsible management of the project financed by the Green Bond proceeds, collected at project level.

Vigeo Eiris has evaluated the relevance of these indicators according to three following principles: transparency, exhaustiveness and effectiveness, in order to provide an opinion on the issuer's commitment and capacity to report on the green bond.

- Scale of level of assurance on reporting commitment on the project: Reasonable, Moderate, Weak

VIGEO EIRIS'S ASSESSMENT SCALES

Performance evaluation	
Advanced	Advanced commitment; strong evidence of command over the issues dedicated to achieving the objective of social responsibility. Reasonable level of risk management and using innovative methods to anticipate emerging risks.
Robust	Convincing commitment; significant and consistent evidence of command over the issues. Reasonable level of risk management.
Limited	Commitment to the objective of social responsibility has been initiated or partially achieved; fragmentary evidence of command over the issues. Limited to weak level of risk management.
Weak	Commitment to social responsibility is non-tangible; no evidence of command over the issues. Level of insurance of risk management is weak to very weak.

Level of assurance	
Reasonable	Able to convincingly conform to the prescribed principles and objectives of the evaluation framework
Moderate	Compatibility or partial convergence with the prescribed principles and objectives of the evaluation framework
Weak	Lack or unawareness of, or incompatibility with the prescribed principles and objectives of the evaluation framework