

SAUR SUSTAINABILITY-LINKED FINANCING FRAMEWORK UPDATE

DNV ELIGIBILITY ASSESSMENT

Scope and objectives

Saur provides essential water and sanitation services, both in France and internationally (Iberia, the UK, Poland, Cyprus, the Middle East (Saudi Arabia and Qatar) and Colombia), working to ensure that small communities receive the same quality of services as major cities. This underpins Saur's corporate purpose "Standing for Water"¹. To deliver on Saur's ambition on "Standing for Water" a "CSR roadmap" has been created focused around three key objectives, each having its own prioritised commitments:

- Protecting and safeguarding water quality and quantity.
- Supporting local territories.
- Fostering people's development.

Saur's intent is to have a positive contribution through providing access to clean water, support a low carbon economy in the municipal water sector in the countries that it operates within, and to increase the diversity and inclusion of women at the leadership level. To support this commitment, a Sustainability-Linked Financing Framework (the "Framework") for 2021 was developed. This Framework has enabled the issuance of Sustainability-Linked Bonds (SLB) or Loans (SLL) to finance and support activities that will contribute towards the reduction of Saur's overall environmental and social impact simultaneously, during the growth of the business. Saur has re-baselined its first KPI in 2024 as new data has become available. This means that there has been an adjustment to the Sustainability Performance Targets (SPTs).

Three material Key Performance Indicators (KPIs) have been identified, illustrating how the business will commit to future sustainability improvements within predefined timelines (by 2023 and 2025):

- **KPI 1:** Water withdrawals per subscriber for drinking water production.
- **KPI 2:** Carbon intensity.
- **KPI 3:** Gender diversity (% of executive positions held by women).

Saur will assess its sustainability performance against the following annual Sustainability Performance Targets (SPTs) for the period to 2023:

- **SPT 1.1:** achieve a reduction in water withdrawals from the 2020 baseline year of 180.31 m³/yr/subscriber to 177.62 m³/yr./subscriber by 2023.
- **SPT 1.2:** achieve a reduction in water withdrawals from the 2020 baseline year of 180.31 m³/yr/subscriber to 175.85 m³/yr./subscriber by 2025.

¹ Standing for water means guaranteeing that it is safe and available short-term and long-term in sufficient quality and quantity, everywhere and for everyone.

- **SPT 2:** achieve a reduction in GHG emission intensity for scope 1 and 2 to 76.0 tCO₂eq./M€ by 2023 and 24.0 tCO₂eq./M€ by 2025, compared to 2018-20 three-year rolling average (baseline) of around 144.3 tCO₂eq./M€.
- **SPT 3:** to have at least 28% women in executive positions by 2023, and 40% of women in executive positions by 2025.

DNV Business Assurance Services UK Limited ("DNV") has been commissioned by Saur to provide an eligibility assessment of Saur's Framework and its updated baseline on its Framework. Our objective has been to provide an assessment of whether the Framework meets the criteria established within the International Capital Market Association (ICMA) Sustainability-Linked Bond Principles 2020 (SLBP), and the Sustainability-Linked Loan Principles 2021 (SLLP) as set out by the Loan Market Association (LMA). Our methodology to achieve this is described under 'Work Undertaken'. No assurance has been provided regarding the financial performance of Bonds/Loans issued under the company's Framework, the value of any investments, or the long-term environmental and/or societal benefits of the associated transactions. Our objective has been to provide an assessment that the Framework has met the criteria established on the basis set out below.

Responsibilities of the Management of Saur and DNV

The management of Saur has provided the information and data used by DNV during the delivery of this review. Our statement represents an independent opinion and is intended to inform Saur management and other interested stakeholders in the Framework as to whether the established criteria have been met, based on the information provided to us. In our work, we have relied on the information and the facts presented to us by Saur. DNV is not responsible for any aspect of the nominated assets referred to in this opinion and cannot be held liable if estimates, findings, opinions, or conclusions are incorrect. Thus, DNV shall not be held liable if any of the information or data provided by Saur management and used as a basis for this assessment were not correct or complete.

Basis of DNV's opinion

We have adapted our eligibility assessment protocol, which incorporates the requirements of the SLB and SLL Principles to create a Saur-specific Sustainability-Linked Financing Eligibility Assessment Protocol (henceforth referred to as "Protocol"). Our Protocol includes a set of suitable criteria that can be used to underpin DNV's opinion. The overarching principle behind the criteria is that a Sustainability Linked Bond or Loan should *"provide an investment opportunity with transparent sustainability credentials"*.

As per our Protocol, the criteria against which the Framework has been reviewed are grouped under the five Principles:

- **Principle One: Selection of Key Performance Indicators (KPIs).** The issuer of a sustainability-linked bond should clearly communicate its overall sustainability objectives, as set out in its sustainability strategy, and how these relate to its proposed Sustainability Performance Targets (SPT). The KPI should be relevant, core and material to the issuer's core sustainability and business strategy, be measurable or quantifiable on a consistent methodological basis; address relevant Environmental Social and Governance (ESG) challenges of the industry sector and be under management control, externally verifiable; and able to be benchmarked externally.

- **Principle Two: Calibration of Sustainability Performance Targets (SPTs).** The SPTs should be ambitious, meaningful, and realistic. The target setting should be done in good faith and based on a sustainability improvement in relation to a predetermined performance target benchmark.
- **Principle Three: Bond Characteristics.** The Bond will need to include a financial and/or structural impact depending on whether the selected KPIs reach (or not) the predefined SPTs. The bond documentation needs to require the definitions of the KPI(s) and SPT(s) and the potential variation of the SLBP's financial and/or structural characteristics. Any fallback mechanisms in case the SPTs cannot be calculated or observed in a satisfactory manner, should be explained.
- **Principle Four: Reporting.** Issuers should publish and keep readily available and easily accessible up to date information on the performance of the selected KPI(s), as well as a verification/assurance report outlining the performance against the SPT(s) and the related impact and timing of such impact on the bond's financial and/or structural characteristics, with such information to be provided to investors or those institutions participating in the bond at least once per annum; and
- **Principle Five: Verification (Post-issuance).** The issuer should have its performance against its SPTs independently verified by a qualified external reviewer with relevant expertise, such as an auditor, sustainability consultant and/or independent ratings agency, at least once a year. The verification of the performance against the SPT(s) should be made publicly available.

Through this protocol we have also included and reviewed the Framework against the SLL Principles:

- **Principle One** - Relationship to Borrower's Overall Corporate Social Responsibility Strategy.
- **Principle Two** - Target Setting – Measuring the Sustainability of the Borrower.
- **Principle Three** – Reporting; and
- **Principle Four** – Review.

Work undertaken

Our work constituted a high-level review of the available information based on the understanding that this information was provided to us by Saur in good faith. We have not performed an audit or other tests to check the veracity of the information provided to us. The work undertaken to form our opinion included:

- Creation of a Saur-specific Protocol adapted to the purpose of the Framework as described above, and in Schedule 2 and Schedule 3 of this Assessment.
- Assessment of documentary evidence provided by Saur on the Framework and supplemented by high-level desktop research. These checks refer to current assessment best practices and standards methodology.
- Discussions with Saur management, as well as review of relevant documentation and evidence related to the criteria of the Protocols; and
- Documentation of findings against each element of the criteria.

Our opinion as detailed below is a summary of these findings.

Findings and DNV's Opinion

DNV's summary findings are listed below, with further detail provided in Schedule 2 and Schedule 3:

1. Principle One: Selection of Key Performance Indicators (KPIs).

Within the Framework, Saur has identified three relevant, core and material Key Performance Indicators (KPIs) to the business that will help to achieve environmental and social change, within a predefined timeline by 2023. The company's materiality assessment² (2020) underscored the need to focus on water withdrawal (abstraction), carbon intensity and gender diversity. Saur's CSR roadmap was revised, accordingly, to support its positioning on standing for water. As a member of the Global Compact, Saur's overall sustainability strategy and the three KPIs selected summarised below, are in alignment with the UN Sustainable Development Goals (SDGs), specifically Goal #6 for Clean Water and Sanitation and the EU Water Framework Directive. Also, promoting inclusion and diversity is one of the nine prioritized commitments of Saur's CSR Roadmap

- **KPI 1:** Water withdrawals (abstraction) per subscriber for drinking water production.
- **KPI 2:** Carbon intensity (Scope 1 and 2).
- **KPI 3:** Gender diversity (target of gender parity) % of executive positions held by women.

KPI 1 – Water withdrawal (abstraction): This is a key environmental indicator for the business, strategically aligned to the first three objectives listed in Saur's sustainability strategy and is a key concern for the water and wastewater utility operations sector. It is a key measure of Saur's performance towards conserving water resources, promoting water efficiency and anticipating and complying with all laws and regulations on water and aquatic environments. This KPI will help Saur measure its performance in the countries it operates³. Saur aims to achieve this through a range of measures, including improvements to network performance and the sustainable reduction of consumption by subscribers, including engagement with domestic and industrial/commercial consumers and distribution of water-saving kits. Lastly, the perimeter to which this KPI applies, is approximately 75% of the Group's total revenues as of the end of 2020 (including both water and wastewater activities in France, Spain, and Portugal).

KPI 2 – Carbon intensity: This is deemed material as it is a key measure of Saur's long-term performance towards supporting a move to decarbonisation through a reduction in scope 1 and 2 emissions at Saur's key sites by 2023 at the latest. DNV acknowledges Saur's more ambitious long-term target to move to net zero emissions by 2050.

KPI 3 – Gender diversity: This KPI is deemed material based on its integration within the business' overall sustainability strategy, as diversity of people and an inclusive environment has been found to generate greater engagement, performance, and innovation, and as such, is a business imperative for Saur. The rationale for this KPI is clearly outlined in the Framework. DNV acknowledges that Goal #5 on Gender Equality is the international standard that Saur has based this KPI commitment on.

We can confirm that for all three KPIs, evidence of three years of historical data has been provided where feasible, as well as a clear methodology for calculating progress and any justification where increase in values have taken place on a year-on-year basis making these KPIs measurable and quantifiable. Saur has provided justification where increase in values have taken place on a year-on-year basis. DNV has reviewed evidence showing that the KPIs are externally verifiable and will be published in Saur's integrated report annually.

² Note: in 2020, Saur conducted a formal consultation process with its stakeholders who unanimously reaffirmed its three operational missions: supplying high-quality water, ensuring its permanent availability, and delivering continuity of service. On this basis, Saur undertook a materiality assessment addressing not only the environmental, social, and societal challenges that impact its business model, but also its products, services, and governance. Saur revised its CSR roadmap accordingly to support its positioning of standing for water, with nine prioritized commitments, organized around 3 strategic pillars and supported by ambitious objectives for 2025.

³ Note: this KPI excludes activities outside of the scope of Saur's operations in municipal drinking water supply services, i.e., the activities of Saur Industries and wastewater treatment within the United Kingdom (UK) and Cyprus.

Based on the work undertaken, DNV can confirm that the KPIs are material to the company and its overarching sustainability strategy. The rationale and process for KPI selection, as well as its definition, measurability and verifiability, are clearly defined, presented within the Framework, and are deemed to be robust, reliable and in accordance with the relevant SLB/SLL Principles. DNV does note, however, that potentially not all three KPIs will be selected within a given financing instrument, as stated by the Framework.

2. Principle Two: Calibration of Sustainability Performance Targets (SPTs).

Aligned with the three KPIs outlined above, Saur has set the following Sustainability Performance Targets (SPTs):

- **SPT 1.1:** Water Withdrawals (abstraction) per subscriber to 177.62 m³/yr./subscriber by 2023.
- **SPT 1.2:** Water Withdrawals (abstraction) per subscriber to 175.85 m³/yr./subscriber by 2025.
- **SPT 2:** reduce carbon emission intensity (Scope 1 & 2) to 76.0 tCO₂eq./M€ by 2023 and 24.0 tCO₂eq./M€ by 2025, compared to 2018-20 three year rolling average (baseline) of around 144.3 tCO₂eq./M€. Saur has also set out a long-term target to achieve net zero emissions on scopes 1 and 2 by 2035, and to be net zero by 2050; and
- **SPT 3:** at least 28% women in executive positions by 2023, and 40% of women in executive positions by 2025.

SPT 1 supports Saur's long-term strategy towards conserving water resources, promoting water efficiency, anticipating and complying with all laws and regulations on water and aquatic environments. SPT 2 is aligned with Saur's long-term objective to improve the businesses overall environmental footprint and support Saur's move towards renewables and to achieve net zero in the long-term (by 2050). SPT 3 supports Saur's work on promoting gender equality notably through its ElIEau network and reflects the businesses commitment to Goal #5, which targets women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life.

Each SPT has a clearly defined baseline (2018 or 2020) and target year (2023), and a defined calculation methodology, as included within the Framework:

- **SPT 1:** The calculation formula has the appropriate adjustments detailed considering water imported and exported from networks under Saur's management, amounts used for groundwater refill (recharge), and the numbers of subscribers.
- **SPT 2:** Tonnes of CO₂eq (Scope 1+2) divided by revenue (EUR millions). The calculation methodology provided is in line with the Greenhouse Gas Protocol standard (GHG protocol).
- **SPT 3:** Number of women in executive positions divided by number of people in executive roles.

Based on the evidence reviewed and the discussions had with Saur, DNV conclude that Saur is either leading or goes beyond "Business as Usual" (BAU) when compared to the peers in the same industry. For instance, Saur's peers do not set similar targets that are directly comparable to SPT1 for water withdrawal (abstraction). The fact that Saur is taking on this target indicates that it is going beyond business as usual (BAU). To DNV's knowledge of the industry, we would consider Saur's medium-term commitments to reduce water withdrawal to be demanding, and the targets set, generally above what peers would commit to. When it comes to the intensity target set on carbon emissions for scopes 1 and 2 (SPT 2) and considering Saur's mid-term target for net zero on scopes 1 and 2, and its long-term target for net zero by 2050, Saur is high performing. The reduction trajectory appears to be

aligned with an estimated well below 2°C⁴ scenario based on the minimum rate of the absolute contraction approach. For SPT 3, through discussions with Saur, DNV was able to confirm that SPT 3 goes beyond BAU. Although there is no peer benchmarking available, due to the lack of comparability with the indicators of direct peers in the same industry, DNV has reviewed evidence highlighting Saur's performance in the wider context of large French companies. On the gender equality index published by the French Ministry of Employment (which all French companies with more than 1000 employees are required to disclose), Saur was given a score of 89 out of 100 which is above market performance.

Based on the work undertaken, DNV can confirm that the SPTs represent a material improvement in the respective KPIs, are beyond a "Business as Usual" trajectory, are consistent with Saur's overall strategic vision for sustainability, and are set on a predefined timeline in line with the SLB/SLL Principles.

3. Principle Three: Bond/Loan Characteristics.

In the event Saur fails to satisfy either SPT 1, SPT 2 and SPT 3 on a set target observation date, a step-up coupon or margin adjustment would be triggered as applicable. Saur has confirmed that this would be specified in the relevant documentation of a specific transaction. If, for any reason the performance level against each SPT cannot be calculated or observed as prescribed, or not in a satisfactory manner⁵, then a step-up coupon or increased margin adjustment of the instrument will be applicable. Any changes are to be communicated within the annual reporting. DNV can confirm Saur's commitment to the bond/loan characteristics are in line with the requirements of the SLB/SLL Principles.

4. Principle Four: Reporting.

Saur has committed to reporting annual progress against the KPIs in a dedicated Sustainability-Linked Financing Report, included within Saur's annual sustainability reporting, which will be made publicly available on Saur's corporate website.

The reporting may include:

- Information on the performance and monitoring of the selected KPI.
- Verification assurance report relative to the SPT outlining the performance and related impact, timing of such impact, on an instrument's financial performance.
- Any relevant information enabling investors to monitor the progress of the SPT.

Reporting may also include when feasible and possible:

- Illustration of the positive sustainability impacts of the performance improvement; and/or
- Any re-assessments of KPIs and/or restatement of the SPT and/or pro-forma adjustments of baselines or KPI scope.

DNV can confirm Saur's commitment to reporting is in line with the requirements of the SLB/SLL Principles.

5. Principle Five: Verification.

Saur commits to reporting all three KPIs on an annual basis as part of the Group's sustainability report audit process. Data will be verified by external auditors. An assurance statement confirming whether the performance of the KPIs meet the relevant SPTs will also be published by Saur and made publicly available at Saur's discretion on its website, following a relevant target observation date. DNV can confirm Saur's commitment to verification is in line with the requirements of the SLB and SLL Principles.

⁴ The estimated well-below 2°C scenario relies on the minimum annual linear reduction rate of 2.5% of the absolute contraction approach developed by SBTi (but not reviewed).

⁵ Non-satisfactory manner: this is understood as a verification assurance certificate provided by the independent auditor containing a reservation or the independent auditor not being able to provide such certification.

On the basis of the information provided by Saur and the work undertaken, it is DNV's opinion that the Saur's Sustainability-Linked Financing Framework meets the criteria established in the Protocol, and that it is aligned with the stated definition of SLB within the Sustainability Linked Bond Principles 2020, and the SLL within the Sustainability-Linked Loan Principles 2021, which is to *"incentivise the issuer's achievement of material, quantitative, pre-determined, ambitious, regularly monitored and externally verified sustainability (ESG) objectives through KPIs and SPTs"*, thereby providing *"an investment opportunity with transparent sustainability credentials"*.

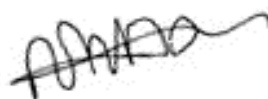
for DNV Business Assurance Services UK Limited

London, 15 May 2024

A handwritten signature in blue ink, appearing to read "G Oakman".

George Oakman

Senior Consultant & Project Manager
DNV – Business Assurance

A handwritten signature in black ink, appearing to read "N Hutson".

Niki Hutson (PhD)



Head of Sustainable Finance & Reviewer
DNV – Business Assurance



About DNV

Driven by our purpose of safeguarding life, property and the environment, DNV enables organisations to advance the safety and sustainability of their business. Combining leading technical and operational expertise, risk methodology and in-depth industry knowledge, we empower our customers' decisions and actions with trust and confidence. We continuously invest in research and collaborative innovation to provide customers and society with operational and technological foresight.

With our origins stretching back to 1864, our reach today is global. Operating in more than 100 countries, our 14,800 professionals are dedicated to helping customers make the world safer, smarter and greener.

SCHEDULE 1: DESCRIPTION OF SAUR'S KEY PERFORMANCE INDICATORS (KPI) AND SUSTAINABILITY PERFORMANCE TARGETS (SPT)

Key Performance Indicator (KPI)	SUSTAINABILITY PERFORMANCE TARGET (SPT)	SDG ALIGNMENT AND/OR EUROPEAN ENVIRONMENTAL OBJECTIVES
Water Abstraction	Reduce water withdrawals per subscriber for drinking water production (m³/yr/subs): <ul style="list-style-type: none"> Water withdrawal reduction of 0.5% per annum against a baseline year of 2020 (180.31 m³/yr/subs): <ul style="list-style-type: none"> 177.62 m³/yr./subscriber by 2023, and 175.85 m³/yr./subscriber by 2025. 	 <p>SDG 6: Ensure availability and sustainable management of water and sanitation for all</p>
Carbon intensity	Reduce GHG Emissions Intensity (Scope 1+2, in CO₂eq t/Mio CHF): <ul style="list-style-type: none"> Scope 1 + 2 emission intensity reduction relative to the 2018 reference base of 138.8 tCO₂eq./M€: <ul style="list-style-type: none"> 76.0 tCO₂eq./M€ by 2023, and 24.0 tCO₂eq./M€ by 2025. Saur has also set out a long-term target to achieve: <ul style="list-style-type: none"> Net zero emissions on scopes 1 and 2 by 2035, and To achieve net zero by 2050. 	 <p>SDG 7: Ensure access to affordable, reliable, sustainable, and modern energy for all</p>

Key Performance Indicator (KPI)	SUSTAINABILITY PERFORMANCE TARGET (SPT)	SDG ALIGNMENT AND/OR EUROPEAN ENVIRONMENTAL OBJECTIVES
Gender Diversity	<p>At least 28% of executive positions to be held by women by 2023.</p> <ul style="list-style-type: none"> 2023 is an interim target, contributing to the 2025 target, whereby 40% of executive positions will be held by women. 	<div>   </div> <p>SDG 5: Achieve gender equality and empower all women and girls</p> <p>SDG 10: Reduced inequalities within and among countries</p>

SCHEDULE 2: SUSTAINABILITY LINKED BOND ELIGIBILITY ASSESSMENT PROTOCOL

1. Selection of Key Performance Indicators (KPIs)

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
1a	KPI – material to core sustainability and business strategy	<p>The issuer's sustainability performance is measured using sustainability KPIs that can be external or internal.</p> <p>The KPIs should be material to the issuer's core sustainability and business strategy and address relevant environmental, social and/or governance challenges of the industry sector and be under management's control. The KPI should be of high strategic significance to the issuer's current and/or future operations.</p> <p>It is recommended that issuers communicate clearly to investors the rationale and process according to which the KPI(s) have been selected and how the KPI(s) fit into their sustainability strategy.</p>	<p>Alongside discussions with Saur's management, DNV reviewed:</p> <ul style="list-style-type: none"> Saur's Sustainability-Linked Financing Framework 2021. Saur's Sustainability-Linked Financing Framework baseline update 2024 Saur Integrated Report 2020 including materiality assessment. Saur SPT peer benchmarking. Saur technical note in connection with KPI1 Saur note in connection with historical performance against KPI1 Proposed trajectories, June 6th, 2021. 	<p>It is our opinion that Saur has set three KPIs that are material to the business, informed by the Saur's Group's 2020 materiality assessment. The KPIs all align with Saur's commitment to deliver long-term environmental and social change, as well as meeting changing customer preferences to reduce the negative impact of the water and wastewater and water utilities sector within a predefined timeframe (year 2023). Saur has also reported that it is committed to reviewing and updating its approach to sustainability on an annual basis.</p> <p>DNV notes Saur has conducted the following activities below to validate that the KPIs set out under the Framework, are indeed relevant and material to the business' overarching sustainability strategy:</p> <p>Saur Group materiality assessment (2020): identifies key themes, initiatives and focus areas that best support sustainable development for the business.</p> <p>KPI material risk assessment, based on peer review: illustrating that Saur is taking the lead on these topics - in particular, when it comes to gender diversity.</p> <p>As a member of the UN Global Compact (UNGC), since 2003, Saur also has a commitment to deliver on the UN Global Compact's 10 principles - combatting corruption, fulfilling human rights and labour standards and protecting the environment. To embed its commitment to sustainability, Saur also aligns with the United Nations (UN) Sustainable Development Goals (SDGs) – the most salient Goal being to</p>

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
				<p>progress being #6 for “Clean Water and Sanitation”⁶. DNV can confirm that the three KPIs laid out in the Framework are in alignment with the UN SDGs: Goal #6 on clean water (KPI 1), Goal #7 on clean energy (KPI 2) and Goal #5 on gender equality (KPI 3) - and relevant environmental and/or social objectives (e.g., the EU Water Framework Directive).</p> <p>Having assessed the documentation provided by Saur, we can conclude that the three KPIs set are material to the business for the following reasons as detailed below:</p> <p>KPI 1: Water withdrawal (abstraction) per subscriber for drinking water production. This is a key environmental indicator for the business, strategically aligned to the first three objectives as listed in the overall sustainability strategy, and a key concern for the water and wastewater utility operations sector in general. It is a key measure of Saur’s performance towards conserving water resources, promoting water efficiency and anticipating and complying with all laws and regulations on water and aquatic environments. This KPI is a key measure of Saur’s performance towards ensuring it protects the availability and quality of the resources in the countries within which it operates. Saur aims to achieve this through a range of measures, including improvements of network performance and the sustainable reduction of consumption by subscribers, including engagement with domestic and industrial/commercial consumers and distribution of water-saving kits.</p> <p>KPI 2: Carbon intensity – deemed material as it is a key measure of Saur’s performance towards becoming a low-carbon water and wastewater utilities company by 2023. Saur has a responsibility to be more energy efficient and reduce its</p>

⁶ UN SDG 6 targets: the increase of water-use efficiency across all sectors, and sustainable withdrawals and supply of freshwater to address water scarcity by 2030.

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
				<p>operational emissions, especially emissions attributed to electricity and fuel use by vehicles.</p> <p>KPI 3: Gender diversity - Promoting inclusion and Diversity is one of the nine prioritized commitments of SAUR's CSR Roadmap. Gender diversity is deemed material based on its integration within the business' overall sustainability strategy, and the materiality exercise undertaken by Saur in 2020. The rationale for this KPI is clearly outlined in the Framework, as diversity of people and an inclusive environment have been found to generate greater engagement, performance, and innovation and as such, considered to be a business imperative for Saur. Goal #5 on Gender Equality is the international standard that Saur has based its commitment on.</p> <p>In summary, we conclude that the KPIs set by Saur are consistent with the SLB Principles, and they are material to the company's overarching sustainability strategy.</p>
1b	KPI - Measurability	<p>KPIs should be measurable or quantifiable on a consistent methodological basis; externally verifiable; and able to be benchmarked, i.e. as much as possible using an external reference or definitions to facilitate the assessment of the SPTs level of ambition.</p> <p>Issuers are encouraged, when possible, to select KPI(s) that they have already included in their previous annual reports, sustainability reports or other</p>	<p>Alongside discussions with Saur's management, DNV reviewed:</p> <ul style="list-style-type: none"> Saur's Sustainability-Linked Financing Framework 2021. Saur's Sustainability-Linked Financing Framework baseline update 2024 Saur SPT peer benchmarking. Saur Integrated Report 2020 including materiality assessment. 	<p>It is our opinion that the KPIs chosen by Saur are quantifiable and have a clear target date set (year-2023 and year-2025), are benchmarkable against peers operating in the water and wastewater utilities sector, and the appropriate calculation methodologies are in place that follow recognised standards:</p> <p>KPI 1: The calculation methodology provided is derived from indicators that are regularly reported to relevant public authorities in the respective jurisdictions and is based on robust methodology, which is outlined in the Framework.</p> <p>KPI 2: The calculation methodology provided is in line with the Greenhouse Gas Protocol standard (GHG protocol).</p>

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
		<p>non-financial reporting disclosures to allow investors to evaluate historical performance of the KPIs selected.</p> <p>In situations where the KPIs have not been previously disclosed, issuers should, to the extent possible, provide historical externally verified KPI values covering at least the previous 3 years.</p>	<ul style="list-style-type: none"> Saur technical note in connection with KPI1. Saur note in connection with historical performance against KPI1. Proposed trajectories, June 6th, 2021. 	<p>KPI 3: Number of women in executive positions divided by number of people in executive roles.</p> <p>DNV confirms that Saur has stated an intent to assure its data as featured in the Sustainability-Linked Financing Instrument by a third-party, on an annual basis. The verification of the SPTs relative to the KPIs will be made publicly available, along with Saur's Sustainability-Linked Financing Report to verify that this has taken place – this is at the discretion of Saur.</p>
1c	KPI – Clear definition	A clear definition of the KPI(s) should be provided and include the applicable scope or perimeter as well as the calculation methodology	<p>Alongside discussions with Saur's management, DNV reviewed:</p> <ul style="list-style-type: none"> Saur's Sustainability-Linked Financing Framework 2021. Saur's Sustainability-Linked Financing Framework baseline update 2024 Saur Integrated Report 2020 including materiality assessment. Saur technical note in connection with KPI1. Addendum to the 2020 CSR reporting protocol, June 2021. Saur note in connection with historical performance against KPI1. Saur SPT benchmarking information. 	<p>It is our opinion that Saur has provided and included the applicable scope and parameters and that the calculation methodologies as required under the SLB Principles for all KPIs, have been reported:</p> <p>KPI 1: Reduce Water Withdrawal</p> <ul style="list-style-type: none"> m³ per annum of water withdrawals per number of subscribers (m³/yr/subs) 177.62 m³/yr/subs by 2023 (target reference year) 175.85 m³/yr/subs by 2025 (target reference year) 2020 reference baseline of 180.31 m³/yr/subs 0.5% reduction in water withdrawals per subscriber per annum every year from 2021 to 2027, which corresponds to a near 5% reduction in the lifetime of a 10-year contract (2030 performance forecasted at 171.49 m³/yr./subs). The calculation methodology provided is derived from indicators that are regularly reported to relevant public authorities in the respective jurisdictions. Saur has set out of a calculation formula, with appropriate adjustments taking into account: water imported and exported from networks under Saur's management, the amounts used for groundwater refill (recharge)

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
			<ul style="list-style-type: none"> Comments on the 2020 Integrated Report. Proposed trajectories, June 6th, 2021. 	<p>and the number of subscribers.</p> <p>Saur has provided a clearly defined methodology in the framework, shown as:</p> <p>KPI = (The volume of Water Abstracted (V_A) + Volume of bulk water imported from other providers (V_I) – Volume of bulk water exported to other municipalities (V_E) – Volume used for Groundwater refill (V_R)) all divided by the number of subscribers.</p> <p>This is expressed in cubic meters per year per subscriber.</p> <p>KPI 2: Reduce carbon intensity of Scope 1 & 2 emissions</p> <ul style="list-style-type: none"> tCO₂eq/M€ Tonnes of tCO₂eq (Scope 1 +2) divided by revenue (EUR millions). 76.0 tCO₂eq./M€ by 2023 (target reference year) 24.0 tCO₂eq./M€ by 2025 (target reference year) 2018 reference baseline year of 138.8 tCO₂eq./M€ The calculation methodology provided is in line with the Greenhouse Gas Protocol standard (GHG protocol). <i>Note: Saur has committed to reducing its carbon intensity of its operations to 22.5 tCO₂eq./M€ by 2027, as a result of the complete neutralisation of its emissions from electricity use (scope 2) through transition to renewables, as well as an estimated 32% reduction of emissions from transport use. In addition, Saur has also set an ambitious long-term commitment to achieve net zero emissions on scopes 1 and 2 by 2035, and net zero emissions by 2050.</i>

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
				<p>KPI 3: Gender diversity</p> <ul style="list-style-type: none"> % of executive positions held by women, calculated by the number of women in executive positions, divided by the number of people in executive roles. Executive positions are defined as: (1) employees in an N-2 position from the Executive Chairman; (2) From Saur International, employees in an N-3 position from the Executive Chairman, to reflect Saur's business and establish a comparable level between France and other countries in which Saur operates; and (3) Trainees and assistants are excluded from this count to include executive positions only. <p>DNV can confirm that the scope and parameters for the three KPIs are clearly defined within the Framework.</p>

2. Calibration of Sustainability Performance Targets (SPTs)

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
2a	Target Setting - Meaningful	The SPTs should be ambitious, realistic, and meaningful to the issuer's business and be consistent with the issuers' overall strategic sustainability/ESG strategy.	<p>Alongside discussions with Saur's management, DNV reviewed:</p> <ul style="list-style-type: none"> Saur's Sustainability-Linked Financing Framework 2021. Saur's Sustainability-Linked Financing Framework baseline update 2024 Addendum to the 2020 CSR reporting protocol, June 2021. 	<p>DNV can confirm that the selected KPIs outlined in 1a are aligned with the following SPTs, and will help Saur on its commitment to provide access to clean water, support a low carbon economy, and to increase the diversity and inclusion of women at leadership level by 2023:</p> <p>SPT 1: achieve a reduction in water withdrawals from the 2020 baseline year of 180.31 m³/yr/subs to 177.62 m³/yr./subs by 2023, and 175.85 m³/yr./subs by 2025.</p> <p>SPT 2: achieve a reduction in GHG emission intensity for scope 1 and 2 to 76.0 tCO₂eq./M€ by 2023 and 24.0</p>

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
			<ul style="list-style-type: none"> Proposed trajectories, June 6th, 2021. Saur Integrated Report 2020 including materiality assessment. Saur SPT peer benchmarking. Comments on the 2020 Integrated Report. 	<p>tCO₂eq./M€ by 2025, compared to a 2018 reference base of around 138.8 tCO₂eq./M€.</p> <p>SPT 3: to have at least 28% women in executive positions by 2023, and 40% of women in executive positions by 2025.</p> <p>The three SPTs set are meaningful as they address a key environmental and social challenges required by Saur, and by the municipal water and wastewater utility sector more widely:</p> <p>The three SPTs set are meaningful as they address a key environmental and social challenges required by Saur, and by the municipal water and wastewater utility sector more widely:</p> <ul style="list-style-type: none"> ➤ SPT 1 is aligned with Saur's long-term objective to enhance the availability of water resources in the natural environment. ➤ SPT 2 is aligned with Saur's long-term objective to improve its overall environmental footprint and support towards renewables and to achieve net zero by 2050. ➤ SPT 3 is aligned with Saur's overall sustainability strategy. Saur's target to have at least 28% of executive positions held by women by 2023 and at least 40% by 2025, is considered ambitious in comparison with the French National Assembly's 2021 proposal which sets the objective of 30% of women in management positions by 2027, and 40% by 2030. Saur proposes to achieve the 40% target by 2025, earlier than this proposed national legislation (which is now under consideration by the French Senate). This is the official country target that Saur has chosen to follow. SPT3, as stated in the Framework represents an interim target towards Saur's longer-term target to have at least 40% of executive positions held by women by 2025.

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
				DNV can confirm that all three SPTs are meaningful as they address key environmental and social challenges required by Saur and the water and wastewater utility operator sector in France, Spain, Portugal, and more widely within Europe to preserve water resources, transition to a low carbon economy, and to improve gender diversity.
2b	Target Setting - Meaningful	SPTs should represent a material improvement in the respective KPIs and be beyond a "Business as Usual" trajectory; where possible be compared to a benchmark or an external reference and be determined on a predefined timeline, set before (or concurrently with) the issuance of the bond.	<p>Alongside discussions with Saur's management, DNV reviewed:</p> <ul style="list-style-type: none"> • Saur's Sustainability-Linked Financing Framework 2021. • Saur's Sustainability-Linked Financing Framework baseline update 2024 • Saur Integrated Report 2020 including materiality assessment. • Proposed trajectories, June 6th, 2021. • Saur SPT peer benchmarking • Addendum to the 2020 CSR reporting protocol, June 2021. • Comments on the 2020 Integrated Report. 	<p>We can confirm that the historic performance provided when viable for each SPT, has been outlined within the Framework, where feasible. DNV notes that where Saur has not been able to produce three years of historic performance on a like-for-like basis, a three-year trajectory from 2018 to 2020, based on information available from its contracts, has been provided.</p> <p>We can conclude that where this has been done, the trajectories have been based on a robust methodology and that the baseline year set, has been calculated in accordance with the SPT methodology outlined in the Framework. We can also confirm that each SPT has a defined baseline and target year set and reported on within the Framework.</p> <p>We can also confirm that the targets set are leading when compared to direct peers - for SPT 1, peers have not set a directly comparable target on "withdrawal (abstraction)" targets for water, therefore Saur is leading. For SPT 2, "intensity targets" for carbon emissions when considering the medium-term and long-term targets set for net zero and the industry sector, Saur is leading when based on the information provided to DNV. For SPT 3 on "gender diversity" targets, when considering gender parity targets set and the industry context, Saur will be a leader if this target is achieved.</p> <p>Based on the evidence reviewed, DNV concludes that all SPTs are beyond "Business as Usual".</p>

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
2c	Target Setting – benchmarks	<p>The target setting exercise should be based on a combination of benchmarking approaches:</p> <ol style="list-style-type: none"> 1. The issuer's own performance over time for which a minimum of 3 years, where feasible, of measurement track record on the selected KPI(s) is recommended and when possible forward-looking guidance on the KPI 2. The SPTs relative positioning versus the issuer's peers where comparable or available, or versus industry or sector standards 3. Systematic reference to science-based scenarios, or absolute levels (e.g. carbon budgets) or official country/regional/international targets or to recognised Best-Available-Technologies or other proxies 	<p>Alongside discussions with Saur's management, DNV reviewed:</p> <ul style="list-style-type: none"> • Saur's Sustainability-Linked Financing Framework 2021. • Addendum to the 2020 CSR reporting protocol, June 2021. • Proposed trajectories, June 6th, 2021. • Saur SPT peer benchmarking. • Saur Integrated Report 2020 including materiality assessment. • Comments on the 2020 Integrated Report. 	<p>DNV can confirm that the Framework reports on three-years of historic performance for each SPT, where feasible, and has defined within the Framework the appropriate calculation measurements, governance structure, and reporting requirements for the business. We can also confirm that Saur has conducted a peer assessment to set its three targets to help deliver on its ambition to become a low-carbon business and to meet water intensity reduction goals and increase gender diversity, for the water utility sector. The targets are, from the evidence DNV has been provided, leading when compared to Saur's peers who have set water withdrawal targets, intensity GHG targets, and gender diversity targets.</p> <p>SPT 1: DNV aligns with the assertion made by Saur that its peers have not made such public commitments to the reduction of total water withdrawals, and that Saur is going further than its peers in this regard. We are of the opinion that a sustained commitment to an annual reduction in water abstractions of 0.5% would be more than a BAU approach. <i>Note, DNV is not generally aware of reliable directly relevant statistics published by regulators in relevant west European countries.</i></p> <p>SPT 2: Saur is leading when compared to peers that have set carbon intensity targets, given that a long-term target for net zero has been considered. The reduction trajectory appears to be aligned with an estimated well below 2°C scenario based on the minimum rate of the absolute contraction approach- and aligns with the Science Based Target (SBT) methodology. Saur has set out to achieve a reduction in Scope 1 & 2 emissions to 76.0 tCO₂eq./M€ by 2023 and 24.0 tCO₂eq./M€ by 2025, compared to a 2018 reference base of around 138.8 tCO₂eq./M€. Saur has also set out a long-term target to achieve net zero emissions on scopes 1 and 2 by 2035, and net zero by 2050.</p> <p>SPT 3: Saur's target to have at least 28% of executive positions held by women by 2023, and at least 40% by 2025, is considered ambitious in comparison with the French National Assembly's 2021 proposal which sets the objective of 30% of women in management positions by 2027, and 40% by 2030.</p>

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
				<p>Saur proposes to achieve the 40% target by 2025, earlier than this proposed national legislation (which is now under consideration by the French Senate). This is the official country target that Saur has chosen to follow. SPT3, as stated in the Framework represents an interim target towards Saur's longer-term target to have at least 40% of executive positions held by women by 2025. Although there is no peer benchmarking available, due to the lack of comparability with the indicators of direct peers in the same industry, DNV has reviewed evidence highlighting Saur's performance in the wider context of large French companies. On the gender equality index published by the French Ministry of Employment (which all French companies with more than 1000 employees are required to disclose), Saur was given a score of 89 out of 100 which is beyond market performance.</p> <p>It is DNV's opinion that Saur's targets are leading when compared to its peers.</p>
2d	Target setting – disclosures	<p>Disclosures on target setting should make clear reference to:</p> <ol style="list-style-type: none"> 1. The timelines of target achievement, the trigger event(s), and the frequency of SPTs 2. Where relevant, the verified baseline or reference point selected for improvement of KPIs as well as the rationale for that baseline or reference point to be used 3. Where relevant, in what situations recalculations or pro-forma adjustments of baselines will take place 4. Where possible and taking into account competition and confidentiality 	<p>Alongside discussions with Saur's management, DNV reviewed:</p> <ul style="list-style-type: none"> • Saur's Sustainability-Linked Financing Framework 2021. • Proposed trajectories, June 6th, 2021. • Saur SPT peer benchmarking. • Saur Integrated Report 2020 including materiality assessment. • Comments on the 2020 Integrated Report. 	<p>It is our opinion that Saur's disclosures on target-setting are adequate for the following reasons:</p> <ul style="list-style-type: none"> ➤ For all three SPTs, the timelines to achieve targets and the trigger events, are clearly disclosed in the Framework and other documentation, as detailed in 2b; and ➤ DNV considers Saur's SPTs realistic, as detailed in 2b, and Saur has clearly described how it intends to reach the KPIs in supporting documentation. <p>DNV can confirm that all three SPTs' disclosures on target setting make clear reference to the timelines, trigger events and frequency of SPTs, the baseline and rationale for improvement of the KPIs, potential recalculations, and how Saur intends to reach such SPTs. DNV confirms this is clearly outlined in the Framework and is consistent with the SLB Principles.</p>

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
		considerations, how the issuers intend to reach such SPTs		

3. Bond Characteristics

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
3a	Bond Characteristics – SPT Financial/ structural impact	The SLB will need to include a financial and/or structural impact involving trigger event(s) based on whether the KPI(s) reach the predefined SPT(s).	Alongside discussions with Saur's management DNV reviewed: <ul style="list-style-type: none"> Saur's Sustainability-Linked Financing Framework 2021. 	<p>We have reviewed the relevant documents and Framework and can confirm that in the event Saur fails to satisfy SPT 1, SPT 2 and SPT 3 on a target observation date, a step-up coupon or margin adjustment would be triggered, as applicable.</p> <p>Saur has also confirmed that this would be specified in the relevant documentation of the specific transaction. If, for any reason the performance level against each SPT cannot be calculated or observed as prescribed, or not in a satisfactory manner, the step-up coupon or increased margin adjustment of the instrument will also be applicable. Any changes will be communicated within the annual reporting.</p> <p>DNV can confirm that the inclusion of trigger event(s) under the Framework, is in line with the requirements outlined by the SLB Principles.</p>
3b	Bond Characteristics – Fallback mechanism	Any fallback mechanisms in case the SPTs cannot be calculated or observed in a satisfactory manner should be explained. Issuers may also consider including, where needed, language in the bond documentation to take into	Alongside discussions with Saur's management DNV reviewed: <ul style="list-style-type: none"> Saur's Sustainability-Linked Financing Framework 2021. 	<p>DNV can confirm there appears to be little risk of Saur not being able to calculate its KPIs – e.g., a SPT Event or regulatory change. However, Saur confirms to recalculate its baselines and/or SPTs in case of any change that affects positively or negatively the value of the KPI(s) by at least 5%.</p> <p>We can confirm Saur's commitment to the bond characteristics is in line with the requirements of the SLB Principles.</p>

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
		consideration potential exceptional events.		

4. Reporting commitments

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
4a	Reporting	<p>Issuers of SLB/SLLs should publish, and keep readily available and easily accessible:</p> <ol style="list-style-type: none"> 1. Up-to-date information on the performance of the selected KPI(s), including baselines where relevant 2. A verification assurance report relative to the SPT outlining the performance against the SPTs and the related impact, and timing of such impact, on the bond's financial and/or structural characteristics 3. Any information enabling investors to monitor the level of ambition of the SPTs <p>This reporting should be published regularly, at least annually, and in any case for any date/period</p>	<p>Alongside discussions with Saur's management DNV reviewed:</p> <ul style="list-style-type: none"> • Saur's Sustainability-Linked Financing Framework 2021. • Addendum to the 2020 CSR reporting protocol, June 2021. • Comments on the 2020 Integrated Report. 	<p>We can confirm that Saur has committed to reporting annual progress against the KPIs in a dedicated "Sustainability-Linked Financing Report" (the "report"), included within Saur's annual sustainability reporting. This will be made publicly available on Saur's corporate website.</p> <p>Reporting may include:</p> <ul style="list-style-type: none"> • Information on the performance and monitoring of the selected KPI. • Verification assurance report relative to the SPT outlining the performance and related impact, timing of such impact, on an instrument's financial performance; and • Any relevant information enabling investors to monitor the progress of the SPT. <p>Reporting may also include, when feasible and possible, the following:</p> <ul style="list-style-type: none"> • Illustration of the positive sustainability impacts of the performance improvement; and • Any re-assessments of KPIs and/or restatement of the SPT and/or pro-forma adjustments of baselines or KPI scope.

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
		relevant for assessing the SPT performance leading to a potential adjustment of the SLB's financial and/or structural characteristics.		DNV can confirm Saur's commitment to reporting is in line with the requirements of the SLB Principles.
4b	Second Party Opinion	Publication of any pre-issuance external review, such as a second party opinion, or if relevant a verification of baselines.	Alongside discussions with Saur's management DNV reviewed: <ul style="list-style-type: none"> Saur's Sustainability-Linked Financing Framework 2021. Saur's Integrated Report 2020 "Stand for Water". 	Saur has committed to conducting and publishing a Second Party Opinion (SPO) on the Framework, meeting the ICMA criteria. This includes an assessment of the KPIs selected, benchmarking and baselines selected, and the credibility of Saur's overall strategy to achieve them. DNV can confirm the pre-issuance of any publication is in line with the requirements of the SLB Principles.

5. Verification

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
5a	External Verification	Issuer should have its performance against each SPT for each KPI independently verified by a qualified external reviewer with relevant expertise, at least once a year, and for each SPT trigger event.	Alongside discussions with Saur's management, DNV reviewed: <ul style="list-style-type: none"> Saur's Sustainability-Linked Financing Framework 2021. Saur's Integrated Report 2020 "Stand for Water". 	Saur commits to reporting all KPIs on an annual basis as part of Saur's annual Sustainability Report, which is verified by external auditors and will be made publicly available at the discretion of Saur. An assurance statement confirming whether the performance of the KPI meets the relevant SPT will also be published by Saur and made publicly available following a relevant target observation date. DNV can confirm Saur's commitment to verification is in line with the requirements of the SLB Principles.

SCHEDULE 3: SUSTAINABILITY LINKED LOAN ELIGIBILITY ASSESSMENT PROTOCOL

1. Relationship to Saur's Overall Sustainability Strategy

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
1a	Overall Strategy - Objectives	The issuer of a sustainability-linked bond / borrower of a sustainability linked loan should clearly communicate to its lenders its sustainability objectives, as set out in its sustainability strategy, and how these align with its proposed SPTs.	Alongside discussions with Saur's management, DNV reviewed: <ul style="list-style-type: none"> Saur's Sustainability-Linked Financing Framework 2021. Saur's Integrated Report 2020 "Stand for Water". 	<p>DNV has reviewed Saur's company overview as detailed and benchmarked in their private documentation. DNV concludes that the framework clearly communicates Saur's efforts to support the UN SDGs across the environment and social agenda. The SPTs and corresponding KPI in this framework are exclusively focused on the environment and social component of Saur's vision, as set out in its sustainability strategy. This approach is deemed appropriate with reference to the rationale in Ref. 1a in schedule 2.</p> <p>As highlighted in Schedule 2 – Ref 2a and Ref 2b, the SPTs outlined in the Framework, builds on Saur's overarching long-term strategy towards a net zero pathway, gender parity and progressively addressing high water stress risks.</p>
1b	Overall Strategy - Context	Issuers/borrowers are encouraged to position this information within the context of their overarching objectives, strategy, policy and/or processes relating to sustainability.	Alongside discussions with Saur's management, DNV reviewed: <ul style="list-style-type: none"> Saur's Sustainability-Linked Financing Framework 2021. Saur's Integrated Report 2020 "Stand for Water". Addendum to the 2020 CSR reporting protocol, June 2021. 	As per the analysis in Ref. 1a in Schedule 2, DNV has confirmed that the context of the Sustainability-Linked Finance Framework has been positioned in context with Saur's values, strategy, and objectives.
1c	Overall Strategy - Standards	Issuers/borrowers are also encouraged to disclose any sustainability standards or	Alongside discussions with Saur's management, DNV reviewed:	Saur is committed to the UN SDGs and European environmental objectives - see Schedule 1 and refer to 1a. Schedule 3.

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
		certifications to which they are seeking to conform.	<ul style="list-style-type: none"> Saur's Sustainability-Linked Financing Framework 2021. Saur's Integrated Report 2020 "Stand for Water". 	

2. Target Setting – Measuring the Sustainability of Saur

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
2a	Target Setting - Meaningful	The SPTs should be ambitious and meaningful to the issuer/borrower's business and should be tied to a sustainability improvement in relation to a predetermined performance target benchmark.	Alongside discussions with Saur's management, DNV reviewed: <ul style="list-style-type: none"> Saur's Sustainability-Linked Financing Framework 2021. Saur's Integrated Report 2020 "Stand for Water". Comments on the 2020 Integrated Report. 	Confirmed as meaningful by DNV and appropriately tied to a predetermined performance target benchmark. Refer to 2c in Schedule 2 for elaboration.
2b	Target Setting - Meaningful	Market participants recognise that any targets should be based on recent performance levels.	Alongside discussions with Saur's management, DNV reviewed: <ul style="list-style-type: none"> Saur's Sustainability-Linked Financing Framework 2021. Saur's Integrated Report 2020 "Stand for Water". Comments on the 2020 Integrated Report. Proposed trajectories, June 6th, 2021. 	Confirmed as appropriate by DNV given the provision of historical evidence or a track-record provided. Refer to 2d in Schedule 2 for elaboration.

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
2c	Target Setting - Meaningful	Interaction of the KPIs with the interest rate or equivalent.	<p>Alongside discussions with Saur's management, DNV reviewed:</p> <ul style="list-style-type: none"> Saur's Sustainability-Linked Financing Framework 2021. Saur's Integrated Report 2020 "Stand for Water". Proposed trajectories, June 6th, 2021. 	Confirmed by DNV as appropriate under the SLL Principles. Refer to 3a in Schedule 2 for elaboration.

3. Reporting

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
3a	Reporting	<p>Issuers/borrowers should, where possible, make and keep readily available up to date information relating to their SPTs, with such information to be provided to those institutions participating in the loan at least once per annum.</p> <p>Issuers/borrowers should be encouraged to publicly report information relating to their SPTs and this information will often be included in an issuer/borrower's annual report or its sustainability report.</p>	<p>Alongside discussions with Saur's management, DNV reviewed:</p> <ul style="list-style-type: none"> Saur's Sustainability-Linked Financing Framework 2021. 	DNV concludes that the framework meets the reporting requirements outlined under the SLL Principles. Refer to 4a. in Schedule 2 for elaboration.

4. Review

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
4a	External Review	The borrower should have its performance against its SPTs independently verified by a qualified external reviewer, such as an auditor, sustainability consultant and/or independent ratings agency, at least once a year.	<p>Alongside discussions with Saur's management, DNV reviewed:</p> <ul style="list-style-type: none"> Saur's Sustainability-Linked Financing Framework 2021. Addendum to the 2020 CSR reporting protocol, June 2021. 	DNV concludes that the framework meets the review requirements outlined under the SLL Principles. Refer to 5a in Schedule 2 for elaboration.