



CPN RETAIL GROWTH LEASEHOLD REIT ("CPNREIT")

SECOND PARTY OPINION: CPNREIT'S SUSTAINABILITY-LINKED FINANCE  
FRAMEWORK

**Document Title:** Second Party Opinion on CPNREIT's Sustainability-Linked Finance Framework

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### Disclaimer

Our assessment relies on the premise that the data and information provided by the client to us as part of our review procedures are provided in good faith. Because of the selected nature (sampling) and other inherent limitation of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not be detected. Limited depth of evidence gathering including inquiry and analytical procedures and limited sampling at lower levels in the organization were applied as per scope of work. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Statement.

### Statement of Competence and Independence

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17029:2019 - Conformity Assessment – General principles and requirements for validation and verification bodies, and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We have complied with the DNV Code of Conduct during the assessment and maintain independence where required by relevant ethical requirements.



## DNV'S INDEPENDENT ASSESSMENT

### Scope and Objectives

CPN Retail Growth Leasehold REIT ("CPNREIT") was established on 29 November 2017 from the conversion of CPN Retail Growth Leasehold Property Fund ("CPNRF"). As of the end of 2024, CPNREIT has been investing in 12 projects in 4 cities, comprising 7 shopping malls, 4 office buildings, and 1 hotel. CPNREIT intends to focus on investing in real property, leasehold rights in real property, and sub-leasehold rights in high-end real property, particularly shopping malls, as well as related assets such as office buildings, hotels, and serviced apartments.

CPNREIT operates its business with a strong commitment to corporate governance principles, transparency, accountability and Environmental, Social, and Governance (ESG) principles. As part of CPNREIT's commitment to sustainability, CPNREIT has developed a Sustainability-Linked Finance Framework (henceforth referred to as "Framework"), dated August 2025, to support their commitment to enhancing the sustainability profile by integrating its ESG strategy into various financing instruments.

DNV (Thailand) Co., Ltd. ("DNV") has been commissioned by CPNREIT to review and provide a Second Party Opinion ("SPO") on the alignment of the proposed sustainability-linked financing instruments ("SLFI") with the below mentioned standards and principles. Our methodology to achieve this is described under 'Work Undertaken' below. We were not commissioned to provide independent assurance or other audit activities.

This SPO is on the alignment of the SLFIs against the following principles ("Standards & Principles"):

- Sustainability-Linked Loan Principles ("SLLP") issued by the Asia Pacific Loan Market Association ("APLMA"), Loan Market Association ("LMA") and Loan Syndications & Trading Association ("LSTA") in 2025
- Sustainability-Linked Bond Principles ("SLBP") issued by the International Capital Market Association ("ICMA") in 2024
- ASEAN Sustainability-Linked Bond Standards ("ASEAN SLBS") issued by the ASEAN Capital Markets Forum ("ACMF") in 2022

The Key Performance Indicators ("KPI") proposed under CPNREIT's Framework include:

- KPI 1: Percentage of carbon intensity reduction (Scope 1 and Scope 2 Emissions)
- KPI 2: Number of buildings with Global Real Estate Sustainability Benchmark (GRESB) recognized building certifications

The Sustainable Performance Targets ("SPT") associated with the KPIs include:

- SPT 1: CPNREIT pledges to achieve a 34% reduction in carbon intensity (Scope 1 and Scope 2 emissions) by 2034, using 2019 as the base year.
- SPT 2: CPNREIT is committed to obtaining GRESB-recognized building certifications for 6 buildings within its portfolio by 2034, compared to a 2024 base year.<sup>1</sup>

No assurance is provided regarding the financial performance of instruments entered into or issued via the Framework, the value of any investments, or the long term environmental & social benefits of the transaction. Our objective has been to provide an assessment that the SLFI has met the criteria established on the basis set out below.

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<sup>1</sup> CPNREIT has stated in its Framework that for the purpose of this SPT, any certifications secured prior to the Target Observation Date will be included in the calculation.

## Responsibilities of the Management of CPNREIT and DNV

The management of CPNREIT 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 CPNREIT's management and other interested stakeholders in the SLFIs as to whether the SLFIs are aligned with Standards & Principles. In our work we have relied on the information and the facts presented to us by CPNREIT. DNV is not responsible for any aspect of the nominated KPI or SPTs 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 CPNREIT's management and used as a basis for this assessment were not correct or complete.

## Basis of DNV's Opinion

We have adapted our assessment methodology to create a CPNREIT-specific Sustainability-Linked Finance Eligibility Assessment Protocol ("Protocol"). Our Protocol includes a set of suitable criteria that can be used to underpin DNV's opinion.

As per our Protocol, the criteria against which the SLFIs has been reviewed are grouped under the five components as below:

- **Principle One:** Selection of Key Performance Indicators (KPIs). The borrower/issuer of SLFIs should clearly communicate its overall sustainability objectives, as set out in its sustainability strategy, and how these relate to its proposed KPIs. The KPI should be reliable, material to the borrower's/issuer's core sustainability and business strategy, address relevant ESG challenges of the industry sector and be under management control.
- **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:** Financial Characteristics. The SLFI will need to include a financial and/or structural impact depending on whether the selected KPIs reach (or not) the predefined SPTs. The SLFI documentation needs to require the definitions of the KPIs and SPTs and the potential impacts to the SLFI'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. The borrower/issuer should publish at least once per annum the performance of the selected KPI(s), as well as a verification assurance report (see Principle Five) outlining the performance against the SPTs and the related impact and timing of such impact on the SLFI's financial and/or structural characteristics, with such information to be provided to those institutions participating in this securities/loan or to investors participating in the SLFI at least once per annum.
- **Principle Five:** Verification. The borrower/issuer should have its performance against its SPTs independently verified by a qualified external reviewer with relevant expertise, at least once per annum. The verification of the performance against the SPTs should be made available to relevant stakeholders in the SLFI facility.



## 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 CPNREIT 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 CPNREIT-specific Protocol, adapted to the purpose of the SLFIs, as described above and in Schedule 2 to this Assessment;
- Assessment of Framework provided by CPNREIT and supplemented by high-level desktop research. These checks refer to current assessment best practices and standards methodology;
- Review of relevant documentation and evidence related to the criteria of the Protocol; 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 findings on the alignment with the Standards & Principles are listed below:

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

DNV confirms that CPNREIT's KPIs are core, relevant, material, and consistent with CPNREIT's overarching sustainability position and strategy. The KPIs are listed as follows:

- KPI 1: Percentage of carbon intensity reduction (Scope 1 and Scope 2 Emissions) (kgCO<sub>2</sub>e/m<sup>2</sup>)
- KPI 2: Number of buildings with Global Real Estate Sustainability Benchmark (GRESB) recognized building certifications

The rationale and process for KPI selection, as well as their definition, measurability, and verifiability, are deemed to be robust, reliable, and in accordance with the criteria established under the Standards & Principles.

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

DNV concludes that the SPTs are realistic and meaningful in the context of CPNREIT's broader sustainability and business strategy, representing a material improvement over a predefined timeline. The SPTs are listed as follows:

- SPT 1: Achieve a 34% reduction in carbon intensity (Scope 1 and Scope 2 emissions) by 2034, using 2019 as the base year (102 kgCO<sub>2</sub>e/m<sup>2</sup>).
- SPT 2: Obtain GRESB-recognized building certifications for 6 buildings within CPNREIT's portfolio by 2034, using 2024 as the base year (zero certifications).

DNV confirms that both SPTs are ambitious, exceeding a "business-as-usual" trajectory, and are aligned with international and regional benchmarks, including the real estate sector's decarbonisation goals and GRESB standards. DNV has reviewed CPNREIT's historical data and detailed strategies, including advanced carbon management, renewable energy investments, and green building certification initiatives, and considers the SPTs achievable within the specified timelines. The SPTs are consistent with the criteria established under the Standards & Principles.

### 3. Principle Three: Financial Characteristics

DNV reviewed the characteristics related to the SLFIs stated in CPNREIT's Framework. The financial characteristics presented by CPNREIT highlight that CPNREIT will tie sustainable financing terms under its Framework to KPI performance against the SPTs. Specific terms, including coupon rate adjustments via step-up/step-down mechanisms or additional covenants, will be detailed in the final terms of each issuance. CPNREIT commits to notifying investors or lenders of KPI/SPT achievement or non-achievement within 150 days of the specified Target Observation Date.

CPNREIT has also specified the terms of a fallback mechanism, where the KPIs and SPTs defined in the Framework will remain valid regardless of any changes to CPNREIT's sustainability strategy or direction, including updates to industry standards or benchmarks. Baselines and SPTs may be recalculated to reflect significant changes such as mergers, acquisitions, spin-offs, or asset disposals, with any recalculations verified by an independent external reviewer. DNV concludes that these arrangements align with the criteria established under the Standards & Principles.

### 4. Principle Four: Reporting

DNV concludes that the Framework includes the required information on reporting. CPNREIT commits to annual reporting of its KPI/SPT performance, including measurement, monitoring, and reporting of metrics, in formats that meet the requirements outlined in the Standards & Principles. This information will be included in CPNREIT's Annual Report or equivalent public document, available on CPNREIT's website, and will cover up-to-date KPI performance, a verification assurance report on SPT performance, and any additional information needed to track SPT ambition.



CPNREIT commits to notifying investors or lenders of KPI/SPT performance within 150 days of the specified Sustainability Performance Target Observation Date. If KPIs cannot be assessed or disclosed satisfactorily within the specified timeline, the associated financial adjustment or additional covenants will apply as if the SPT was not achieved. DNV considers CPNREIT's reporting commitments to be aligned with the criteria established under the Standards & Principles.

#### **5. Principle Five: Verification**

CPNREIT has appointed DNV as an external independent SPO provider to verify alignment of CPNREIT's Framework with the Standards & Principles and to assess the materiality and ambition of their KPIs and SPTs.

DNV confirms that CPNREIT has committed to obtaining external and independent verification of its KPI performance relative to the SPTs sharing the results with relevant stakeholders involved in the financial transactions. These verifications will be conducted annually and related to periods relevant to the assessment of the SPT performance.

Based on the limited assurance procedures conducted and on the basis of the information provided by CPNREIT and the work undertaken, nothing has come to our attention that causes us to believe that the SLFIs are not, in all material respects, in accordance with the Standards & Principles. The KPI is core, relevant, material, and consistent with the CPNREIT's overarching sustainability position and strategy. The SPTs are material and relevant to CPNREIT's business strategy, operational environment and are considered to be ambitious and achievable in the context of their operational environment, history of operational upgrades and associated sustainability impacts.

#### **For DNV (Thailand) Co., Ltd.**

Bangkok, Thailand / 08<sup>th</sup> August 2025

A handwritten signature in blue ink that reads "Thomas Leonard".

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Thomas Leonard  
**Quality Reviewer**

A handwritten signature in blue ink that reads "Jerus D'Silva".

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Jerus D'Silva  
**Lead Verifier**



# Schedule 1. CPNREIT’s Key Performance Indicator and Sustainability Performance Targets

From Framework (dated August 2025):

KPI 1: Percentage of carbon intensity reduction (Scope 1 and Scope 2 Emissions)														
SPT 1: CPNREIT pledges to achieve a 34% reduction in carbon intensity (Scope 1 and Scope 2 emissions) by 2034, using 2019 as the base year.														
Year	Historical Performance				SPTs									
	2019	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
BAU (kgCO <sub>2</sub> e/m <sup>2</sup> )	102	72	77	76										
Reduction compared to baseline (%)					25	26	27	28	29	30	31	32	33	34

KPI 2: Number of buildings with Global Real Estate Sustainability Benchmark (GRESB) recognized building certifications										
SPT 2: CPNREIT is committed to obtaining GRESB-recognized building certifications for 6 buildings within its portfolio by 2034, compared to a 2024 base year.										
Year	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Number of buildings with GRESB-recognized building certifications	0	2	2	3	3	4	4	5	5	6





### **Notes**

Regarding KPI 1:

- Baseline year is 2019.
- CPNREIT has stated that performances in 2022 are considered non-BAU due to the impact of COVID-19 and associated shutdowns of buildings.

Regarding KPI 2:

- As of 2024, CPNREIT reported a portfolio of 12 buildings.
- CPNREIT currently does not have any properties with GRESB-recognized building certifications.
- For the purpose of this SPT, any certifications secured prior to the Target Observation Date will be included in the calculation.

## Schedule 2. Sustainability-Linked Loan/Bond Eligibility Assessment Protocol

### 1. Selection of Key Performance Indicators (KPIs)

Ref.	Criteria	Requirements	DNV Findings
1a	KPI – material to core sustainability and business strategy	<p>The Borrower's / Issuer's sustainability performance is measured using sustainability KPIs that can be external or internal.</p> <p>The KPIs should be material to the Borrower's / 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.</p> <p>The KPIs should be of high strategic significance to the Borrower's / Issuer's current and/or future operations, consistent with the overall Borrower's / Issuer's sustainability strategy or policies but also reflecting the most material strategic dimensions for the issuer. It is recommended that the Borrower / Issuer communicate clearly to investors / lenders the rationale and process according to which the KPIs have been selected and how the KPIs fit into their sustainability strategy.</p>	<p>DNV has reviewed CPNREIT's proposed KPIs as per its Sustainability-Linked Finance Framework:</p> <p><b>KPI 1: Percentage of carbon intensity reduction (Scope 1 and Scope 2 Emissions)</b></p> <p>The KPI is material to CPNREIT's sustainability strategy as it is central to CPNREIT's commitments on sustainability performance, stating that they are considering significant efforts to reduce emissions across their portfolio – recognizing the role CPNREIT plays in addressing climate and environmental challenges.</p> <p>Given that buildings contribute to nearly 40% of global carbon emissions linked to energy use – majority of this arising from operational emissions such as heating and electricity use – this KPI is considered relevant to CPNREIT's decarbonization measures. CPNREIT has acknowledged this at a corporate level – referring to their strategy as "Journey to Net Zero", while also committing to international frameworks (e.g., Paris Agreement) in support of meeting the 1.5°C target for climate change mitigation.</p> <p>The Framework indicates that CPNREIT also promotes investments in eco-friendly property development, enhancing energy efficiency and supplying clean energy. This KPI addresses relevant environmental, social and/or governance challenges of the industry through a structured and comprehensive strategy that integrates sustainability initiatives into CPNREIT's core business operations.</p> <p><b>KPI 2: Number of buildings with Global Real Estate Sustainability Benchmark (GRESB) recognized building certifications</b></p> <p>This KPI is material to CPNREIT's sustainability strategy as it is aligned with KPI 1 and emphasizes impacts not related to environment as part of CPNREIT's long-term operational performance. The Framework indicates that in an effort to build stakeholder trust in CPNREIT's portfolio, GRESB-recognized building certifications serve as an external validation that the properties are addressing material ESG issues appropriate to each of asset's context and stakeholders' expectations.</p> <p>GRESB is known as a mission-driven and investor-led organization providing transparent ESG of individual assets and portfolio-based assessments to financial</p>

			<p>markets. The certification provides a reference guide for ESG benchmarking for real assets.</p> <p>DNV's assessment concludes that the KPIs established by CPNREIT are consistent with CPNREIT's strategic sustainability policies and plans. DNV confirms that this is aligned with the criteria established in the Standards &amp; Principles.</p>
<b>1b</b>	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>The Borrower / Issuer is encouraged, when possible, to select KPI(s) that they have already been included in their previous annual reports, sustainability reports or other non-financial reporting disclosures to allow investors to evaluate historical performance of the KPI(s) selected. In situations where the KPIs have not been previously disclosed, Borrower / Issuer should, to the extent possible, provide historical externally verified KPI values covering at least the previous 3 years.</p>	<p>DNV concludes that the KPIs listed in CPNREIT's Framework are measurable using quantifiable performance data and established benchmarks as follows:</p> <p><b>KPI 1: Percentage of carbon intensity reduction (Scope 1 and Scope 2 Emissions)</b></p> <p>The KPI is measurable through the Greenhouse Gas Protocol ("GHG Protocol"), confirmed by external verifiers / audits for performance over an annual basis. CPNREIT has confirmed that this information is presented in their Sustainability Performance Reports.</p> <p>As per CPNREIT's Framework, the KPI is benchmarked against regional peers, where CPNREIT currently refers to similar building portfolios and asset types in the region. The materiality and sustainability of the KPI is measured against the average carbon and GHG intensity for different sectors in Asia. The KPI also seeks to address the UN Sustainable Development Goal (UN SDG) 9 (Industry, Innovation, and Infrastructure) and 13 (Climate Action).</p> <p>CPNREIT recognizes that GHG emissions from buildings are a significant contributor to climate change. Its sustainability commitment and effective implementation are therefore essential in supporting the greening of industries and value chains, as well as national decarbonization efforts.</p> <p><b>KPI 2: Number of buildings with Global Real Estate Sustainability Benchmark (GRESB) recognized building certifications</b></p> <p>The KPI is measurable through receiving a credible internationally recognized certification for assets of different classes (e.g., retail, office, etc.). GRESB is a mission-driven and investor-led organization providing transparent ESG of individual assets and portfolio-based assessments to financial markets.</p> <p>GRESB-recognized building certifications serve as credible indicators to demonstrate the quality of CPNREIT's portfolio – encompassing not only environmental attributes, such as energy saving, but also social aspects, including well-being and sustainable neighbourhoods.</p>

			<p>These certifications will serve as an external validation that properties under CPNREIT are addressing material ESG issues.</p> <p>DNV confirms that the KPIs are appropriately measured, facilitating the assessment of its level of ambition. The KPIs are simple, measurable, based on quantifiable evidence and benchmarked appropriately as per the criteria established in the Standards &amp; Principles. DNV concludes that the measurement methodology is a robust and reliable set of metrics to measure the KPIs selected.</p>
<b>1c</b>	KPI – Clear definition	A clear definition of the KPIs should be provided and include the applicable scope or perimeter as well as the calculation methodology.	<p>The Framework provides a clear definition of the KPIs.</p> <p><b>KPI 1: Percentage of carbon intensity reduction (Scope 1 and Scope 2 Emissions)</b></p> <p>The KPI represents the percentage of CPNREIT’s carbon intensity reduction of Scope 1 and Scope 2 (measured in kgCO<sub>2</sub>e/m<sup>2</sup>). Emissions intensity is calculated using Gross Internal Area, and the baseline is established with reference to emissions data from 2019.</p> <p>CPNREIT has also specified that the GHG Protocol assessment methodologies are used for reporting on the KPI.</p> <p><b>KPI 2: Number of buildings with Global Real Estate Sustainability Benchmark (GRESB) recognized building certifications</b></p> <p>This KPI is representative of CPNREIT’s core business of investing in real estate, alongside its commitments to integrating ESG considerations into business operations.</p> <p>GRESB-recognized building certifications serve as credible indicators to demonstrate the quality of CPNREIT’s portfolio – encompassing not only environmental attributes, such as energy saving, but also social aspects, including well-being and sustainable neighbourhoods. CPNREIT has specified that there is currently no track record of obtaining GRESB-recognized building certifications.</p> <p>DNV confirms that the definition of the KPIs have been clearly defined and are readily understood in the correct context.</p>

## 2. Calibration of Sustainability Performance Targets (SPTs)

Ref.	Criteria	Requirements	DNV Findings
2a	Target Setting - Meaningful	The SPTs should be ambitious, realistic and meaningful to the Borrower's / Issuer's business and be consistent with the Borrower's / Issuer's overall strategic sustainability/ESG strategy.	<p><b>KPI 1: Percentage of carbon intensity reduction (Scope 1 and Scope 2 Emissions)</b></p> <ul style="list-style-type: none"> <li>SPT 1: CPNREIT pledges to achieve a 34% reduction in carbon intensity (Scope 1 and Scope 2 emissions) by 2034, using 2019 as the base year.</li> </ul> <p>DNV considers this SPT ambitious as the target proposed by CPNREIT – 34% reduction by 2034 – is considered aligned with international frameworks to significantly decarbonize the building industry by 2050. Particularly focusing on a sector such as real estate, this level of reduction requires significant operational transformation.</p> <p>DNV considers this SPT realistic as CPNREIT has provided data on historical performance as well as a detailed strategy to achieve the SPT in order to reduce emissions by 34% by 2034. Measures implemented and to be commissioned in order to meet these targets are with direct initiatives such as:</p> <ul style="list-style-type: none"> <li>Adopting advanced carbon management systems;</li> <li>Investing in onsite renewable energy;</li> <li>Supporting and encouraging local clean energy producers;</li> <li>Preparing for Power Purchase Agreements (PPA) as part of CPNREIT's long-term strategy to directly procure clean energy;</li> <li>Until PPAs become available, purchase of energy attribute certificates in the short-term; and</li> <li>Implementation of specific energy efficiency measures.</li> </ul> <p>Based on the 2024 Global Real Estate Sustainability Benchmark (GRESB) Real Estate Assessment<sup>2</sup> results, CPNREIT's targets demonstrate strong ambition compared to a regional benchmark. In Asia, the GHG intensity (kgCO<sub>2</sub>e/m<sup>2</sup>) for 2034 is projected at:</p> <ul style="list-style-type: none"> <li>81.47 for retail shopping centres</li> <li>75.33 for hotels</li> <li>46.92 for offices</li> </ul> <p>This is information reported to GRESB against their respective Carbon Risk Real Estate Monitor (CRREM) pathways. Based on the current baseline, CPNREIT's GHG intensity is</p>

<sup>2</sup> <https://www.gresb.com/nl-en/2024-real-estate-assessment-results/#average-intensities>

			<p>expected to decline to approximately 67.32, outperforming the projected average decarbonization pathways for both shopping centres and hotels.</p> <p>DNV considers this SPT meaningful as it directly addresses the core environmental impacts of CPNREIT's operations within Thailand. The inclusion of decarbonization strategies further strengthens CPNREIT's relevance and credibility in the industry which offers the public/market a clear forward-looking commitment to sustainability.</p> <p><b>KPI 2: Number of buildings with Global Real Estate Sustainability Benchmark (GRESB) recognized building certifications</b></p> <ul style="list-style-type: none"> <li>SPT 2: CPNREIT is committed to obtaining GRESB-recognized building certifications for 6 buildings within its portfolio by 2034, compared to a 2024 base year.</li> </ul> <p>DNV considers this SPT ambitious as the target proposed by CPNREIT – 6 buildings with GRESB-recognized building certifications by 2034 – is a notable measure when considering the average number of buildings in Thailand (as well as the surrounding region) which do not have GRESB-recognized building certifications.</p> <p>DNV considers this SPT realistic. Measures implemented and to be commissioned in order to meet these targets are with direct initiatives such as:</p> <ul style="list-style-type: none"> <li>Obtaining green building certifications such as LEED, TREES, EDGE, or other GRESB-recognized building certifications;</li> <li>Include building certification as one of assessment criteria for new acquisition and conduct due diligence for any newly acquired buildings;</li> <li>Enhance capacity of property managers to apply for GRESB-recognized building certifications; and</li> <li>Align strategy for obtaining certificates with revenue generation objectives.</li> </ul> <p>DNV considers both SPTs to be ambitious, realistic, meaningful, and aligned with the purpose of the Standards &amp; Principles. The SPTs are also consistent with CPNREIT's sustainability goals.</p>
<b>2b</b>	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	<p><b>KPI 1: Percentage of carbon intensity reduction (Scope 1 and Scope 2 Emissions)</b></p> <ul style="list-style-type: none"> <li>SPT 1: CPNREIT pledges to achieve a 34% reduction in carbon intensity (Scope 1 and Scope 2 emissions) by 2034, using 2019 as the base year.</li> </ul>

		<p>concurrently with) the issuance of the SLFIs.</p>	<p>DNV confirms that the SPT represents a material improvement of the KPI, being substantial improvements over the baseline condition and through the term indicated in the Framework.</p> <p>The KPI baseline is 2019, with a reported carbon intensity of 102 kgCO<sub>2</sub>e/m<sup>2</sup>. DNV considers this SPT to go beyond a business-as-usual ("BAU") trajectory, as the validated target setting also aligns with the real estate sector's emissions intensity benchmark for other countries in the Asia.</p> <p>DNV has also reviewed CPNREIT's historical data, as represented in the Framework and past sustainability reports, and considers the SPT to be meaningful and ambitious for the purposes of the KPI.</p> <p><b>KPI 2: Number of buildings with Global Real Estate Sustainability Benchmark (GRESB) recognized building certifications</b></p> <ul style="list-style-type: none"> <li>SPT 2: CPNREIT is committed to obtaining GRESB-recognized building certifications for 6 buildings within its portfolio by 2034, compared to a 2024 base year.</li> </ul> <p>DNV confirms that the SPT represents a material improvement of the KPI, being substantial improvements over the baseline condition and through the term indicated in the Framework.</p> <p>The KPI baseline is 2024, with zero reported buildings / assets having GRESB-recognized building certifications. DNV has also reviewed CPNREIT's historical data, as represented in the Framework and past sustainability reports, and considers the SPT to be meaningful and ambitious for the purposes of the KPI.</p> <p>DNV concludes that the SPTs are aligned with the criteria established under the Standards &amp; Principles.</p>
<b>2c</b>	Target Setting – benchmarks	<p>The target setting exercise should be based on a combination of benchmarking approaches:</p> <ol style="list-style-type: none"> <li>The Borrower's / 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</li> </ol>	<p><b>KPI 1: Percentage of carbon intensity reduction (Scope 1 and Scope 2 Emissions)</b></p> <ul style="list-style-type: none"> <li>SPT 1: CPNREIT pledges to achieve a 34% reduction in carbon intensity (Scope 1 and Scope 2 emissions) by 2034, using 2019 as the base year.</li> </ul> <p>The Framework provides a timeline on how CPNREIT will achieve this SPT. Historic performance is provided from 2019 to 2024 (omitting 2020 and 2021), with 2019 being the baseline year. Targets are provided for 2025 to 2034.</p> <p>Based on discussions with CPNREIT, the target setting is based on an appropriate combination of methodologies, including benchmarking approaches.</p>

		<p>and when possible forward-looking guidance on the KPI</p> <ol style="list-style-type: none"> <li>The SPTs relative positioning versus the Borrower's / Issuer's peers where comparable or available, or versus industry or sector standards</li> <li>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.</li> </ol>	<ol style="list-style-type: none"> <li>DNV confirms that the Framework provides descriptions on the KPI and SPT performance, as relevant. DNV was provided with the terms of the SLFIs and relevant information to measure targets against the baseline performance level, to assess the level of performance from 2025 to 2034.</li> <li>DNV concludes that the SPT outlined goes beyond that of the industry standard, as considered against benchmarks set to international standards and recognized frameworks.</li> <li>DNV concludes that the SPT is appropriate in the context of sustainability efforts for CPNREIT. The basis for the KPI is based on robust sustainability related methodologies for calculating / estimating GHG emissions reduction.</li> </ol> <p>DNV concludes that the SPT is aligned with the criteria established under the Standards &amp; Principles.</p> <p><b>KPI 2: Number of buildings with Global Real Estate Sustainability Benchmark (GRESB) recognized building certifications</b></p> <ul style="list-style-type: none"> <li>SPT 2: CPNREIT is committed to obtaining GRESB-recognized building certifications for 6 buildings within its portfolio by 2034, compared to a 2024 base year.</li> </ul> <p>The Framework provides a timeline on how CPNREIT will achieve this SPT. Historic performance is not provided, as the baseline value is zero and reported as 2024. Targets are provided for 2025 to 2034.</p> <p>Based on discussions with CPNREIT, the target setting is based on an appropriate combination of methodologies, including benchmarking approaches.</p> <ol style="list-style-type: none"> <li>DNV confirms that the Framework provides descriptions on the KPI and SPT performance, as relevant. DNV was provided with the terms of the SLFIs and relevant information to measure targets against the baseline performance level, to assess the level of performance from 2025 to 2034.</li> <li>DNV concludes that the SPT outlined goes beyond that of the industry standard, as considered against benchmarks set to regional standards and peers.</li> <li>DNV concludes that the SPT is appropriate in the context of sustainability efforts for CPNREIT. The basis for the KPI is based on robust sustainability related methodologies for obtaining GRESB-recognized building certifications.</li> </ol> <p>DNV concludes that the SPT is aligned with the criteria established under the Standards &amp; Principles.</p>
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2d	Target setting – disclosures	<p>Disclosures on target setting should make clear reference to:</p> <ol style="list-style-type: none"> <li>1. the timelines for the target achievement, including the target observation date(s)/ period(s), the trigger event(s) and the frequency of review of the SPTs</li> <li>2. Where relevant, the verified baseline or reference point selected for improvement of KPI(s) as well as the rationale for that baseline or reference point to be used</li> <li>3. Where relevant, in what situations recalculations or pro-forma adjustments of baselines will take place</li> <li>4. Where possible and taking into account competition and confidentiality considerations, how the Borrower / Issuer intends to reach such SPTs.</li> </ol>	<p>DNV confirms that the relevant disclosures on target setting are appropriately referenced:</p> <ol style="list-style-type: none"> <li>1. Target setting for the SPT is clearly referred to, at an annual frequency from 2025 to 2034, with 2019 and 2024 being the baseline years for KPI 1 and KPI 2, respectively. This is considered to be reasonable by DNV as it captures the most relevant performance data for building emissions and certifications, and is confirmed by DNV to represent a high level of target achievement. CPNREIT will provide reporting at an annual frequency for measuring its target achievement against the KPI.</li> <li>2. The baseline year is 2019 for SPT 1 and 2024 for SPT 2.</li> <li>3. Based on the review of CPNREIT’s Framework, DNV is of the opinion that CPNREIT has considered external key factors beyond CPNREIT’s control that could impact achievement of the SPTs; such situations that could lead to a recalculation of the KPI baseline / trajectory. Given the straight-forward nature of the SPTs, DNV considers it unlikely that a recalculation of the KPIs would be necessary.</li> <li>4. CPNREIT has laid out detailed plans on how the SPTs will be achieved. Measures implemented and to be commissioned in order to meet these targets are with direct initiatives, as shown under Clause 2.a. of Schedule 2.</li> </ol> <p>After review of CPNREIT’s overall sustainability strategy, approach and the Framework, DNV concludes that the SPTs are realistic, and that the plan is viable in meeting the specified targets.</p>
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### 3. Financial Characteristics

Ref.	Criteria	Requirements	DNV Findings
<b>3a</b>	Loan/Bond Characteristics – SPT Financial / structural impact	The SLFI will need to include a financial and/or structural impact based on whether the KPIs reach the predefined SPTs.	<p>DNV has reviewed CPNREIT's Framework and CPNREIT has communicated to DNV the function of the SLFIs.</p> <p>The proceeds issued from CPNREIT's Framework will feature both SLBs and SLLs linked to the performance against the KPIs and the achievement of the SPTs. The financial structures of the SLBs and SLLs will consist of coupon rate adjustments via step-up / step-down mechanisms based on the achievement of the SPTs at each target period.</p> <p>CPNREIT has mentioned in its Framework that in the event of non-achievement of the SPTs, the coupon rate may increase, inducing an elevated cost of debt for CPNREIT. The SLFIs will encompass a step-up or step-down mechanism in the coupon rate or additional covenants based on the attainment or non-attainment of the defined SPTs. CPNREIT commits to notifying investors or lenders of KPI/SPT achievement or non-achievement within 150 days of the specified Target Observation Date.</p> <p>DNV concludes that this is in line with the requirements stipulated under the Standards &amp; Principles.</p>
<b>3b</b>	Fallback Mechanism	Any fallback mechanisms in the case that the SPTs cannot be calculated or observed in a satisfactory manner should be explained. Issuers may consider including, where needed, language in the bond documentation to take into consideration potential exceptional events.	<p>In terms of a fallback mechanism, CPNREIT has specified that the KPI and SPT set out in this Framework will remain valid regardless of any changes to CPNREIT's sustainability strategy and direction. This includes any new or updated relevant industry standards or benchmarks.</p> <p>It also indicates that the baselines and SPT may change or recalculate to reflect any significant change including but not limited to mergers and acquisitions, spin-offs, and the asset disposition. Any recalculations will be described in the specific document and verified by an independent external reviewer. If required, CPNREIT will implement additional covenants to ensure progress towards the predefined SPTs.</p> <p>DNV concludes that this is in line with the requirements stipulated under the Standards &amp; Principles.</p>

#### 4. Reporting

Ref.	Criteria	Requirements	DNV Findings
4a	Reporting	<p>Borrowers of SLLs / Issuers of SLBs should publish, and keep readily available and easily accessible:</p> <ol style="list-style-type: none"> <li>1. Up-to-date information on the performance of the selected KPI(s), including baselines where relevant</li> <li>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 Loan / Bond's financial and/or structural characteristics</li> <li>3. Any information enabling investors/ lenders to monitor the level of ambition of the SPTs.</li> </ol> <p>This reporting should be published regularly, at least annually, and in any case for any date/period relevant for assessing the SPT performance leading to a potential adjustment of the SLFI's financial and/or structural characteristics.</p>	<p>DNV confirms that CPNREIT commits to providing annual disclosures to lenders or investors on the verified performance of the KPI/SPT, including any related financial implications.</p> <p>This information will be incorporated into CPNREIT's Annual Report, or any other official report that may replace it in the future and will be publicly available on CPNREIT's website. This will include:</p> <ul style="list-style-type: none"> <li>• The most recent data on the performance of the selected KPIs, including any relevant baselines.</li> <li>• A verification assurance report, conducted on the basis of limited assurance, detailing the performance of the selected KPI against the relevant SPT.</li> <li>• Any other information considered essential for enabling investors or lenders to track the progress of the selected KPIs.</li> </ul> <p>Where feasible, the report may also include a qualitative or quantitative explanation of the principal factors influencing the KPI's evolution, including any merger and acquisition activities.</p> <p>DNV considers CPNREIT's annual reporting to be aligned with the criteria established under the Standards &amp; Principles.</p>



## 5. Verification

Ref.	Criteria	Requirements	DNV Findings
5a	External Verification	Borrowers / Issuers should have their performance against each SPT for each KPI independently verified by a qualified external reviewer with relevant expertise, at least once a year.	DNV confirms that CPNREIT has committed to obtain external and independent verification of its annual KPI performance relative to the SPT and share the same with its relevant stakeholders involved in the financial transactions.



WHEN TRUST MATTERS

### **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 16,000 professionals are dedicated to helping customers make the world safer, smarter, and greener.