



LA TROBE UNIVERSITY SUSTAINABLE FINANCE FRAMEWORK SECOND PARTY OPINION



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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 have been 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 have been 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 17021:2011 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, 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 Conduct¹ during the assessment and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV was not involved in the preparation of statements or data included in the Framework except for this Statement. DNV maintains complete impartiality toward stakeholders interviewed during the assessment process.

¹ DNV Code of Conduct is available from DNV website (www.dnv.com)

DNV'S INDEPENDENT ASSESSMENT

Scope and Objectives

La Trobe University ("La Trobe", the "University" or "Customer") is a public research university based in Melbourne, Victoria. La Trobe prides itself on being an internationally recognised leader in the provision of high quality education and training underpinned by a strong research profile.

The university works with students, staff and the community to make sustainability central to everything it does. La Trobe will develop responsible leaders, professionals and citizens by: (i) recognising that sustainability encompasses economic, social, and environmental dimensions; (ii) integrating sustainability across all operations, curriculum and research; (iii) embedding sustainability in the culture and practices of the university through the broadest engagement with staff, students, employers and partners in the community and in government; and (iv) becoming known as the leading sustainability university in Australia and a leader internationally. The establishment of A Sustainability Finance Framework will allow La Trobe University to align its growth ambitions to its finance strategy. La Trobe developed A Sustainability Financing Framework ('Framework') to demonstrate its intentions to enter into sustainability financing transactions. The Framework has been developed in alignment with the following principles (collectively the "Principles"):

- Green Bond Principles ("GBP") issued by the International Capital Markets Association ("ICMA") in June 2021
- Green Loan Principles ("GLP") issued by the Loan Syndications and Trading Association ("LSTA"), the Loan Market Association ("LMA") and the Asia Pacific Loan Market Association ("APLMA") in February 2023
- Social Bond Principles ("SBP") issued by the ICMA in June 2021
- Social Loan Principles ("SLP") issued by the LSTA / LMA / APLMA in February 2023
- Sustainability Bond Guidelines ("SBG") issued by the ICMA in June 2021
- Sustainability-Linked Loan Principles ("SLLP") issued by the LSTA / LMA / APLMA in February 2023

The Framework is structured according to the following four core components prescribed under the Principles:

1. Use of Proceeds
2. Process for Project Evaluation and Selection
3. Management of Proceeds
4. Reporting

The Framework also follows the recommendations of the Principles regarding "External Review". The Framework may be subsequently revised and updated in line with future developments in the Sustainable Finance market if La Trobe chooses.

Responsibilities of the Management of the Customer and DNV

The management of the Customer 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 the Customer's management and other interested stakeholders in the Framework as to whether the Framework is aligned with the Principles. In our work, we have relied on the information and the facts presented to us by the Customer. 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 the Customer's management and used as a basis for this assessment were not correct or complete.

Basis of DNV's opinion

DNV has adapted our assessment methodology to create the La Trobe-specific Eligibility Assessment Protocol (henceforth referred to as "Protocol") that includes assessment of both Use of Proceeds and Sustainability-Linked activities. Our Protocol includes a set of suitable criteria that can be used to underpin DNV's opinion.

Use of Proceeds Instruments

As per our Protocol, the GBP/SBP and GLP/SLP criteria against which the Framework has been reviewed are grouped under the four core components:

1. Use of Proceeds

The Use of Proceeds criteria are guided by the requirement that an issuer of a bond / borrower of a loan must use the funds raised to finance or refinance or to repay equity of eligible activities. The eligible activities should produce clear environmental and social benefits.

2. Process for Project Evaluation and Selection

The Project Evaluation and Selection criteria are guided by the requirements that an issuer of a bond / a borrower of a loan should outline the process it follows when determining eligibility of an investment using Green / Social Bond or Loan proceeds and outline any impact objectives it will consider.

3. Management of Proceeds

The Management of Proceeds criteria are guided by the requirements that a bond / loan should be tracked within the organisation, that separate portfolios should be created when necessary and that a declaration of how unallocated funds will be handled.

4. Reporting

The Reporting criteria are guided by the recommendation that at least annual reporting should be made of the use of proceeds and that quantitative and/or qualitative performance indicators should be used, where feasible.

Sustainability-Linked Instruments

The SLLP criteria against which the Framework has been reviewed are grouped under the four core components:

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

The Borrower of an SLL should clearly communicate its overall sustainability objectives, as set out in its sustainability strategy, and how these relate to its proposed SPTs. The KPI should be reliable, material to the Borrower's core sustainability and business strategy, address relevant ESG challenges of the industry sector and be under management control.

2. 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.

3. Principle Three: Bond/Loan Characteristics

The loan will need to include a financial and/or structural impact depending on whether the selected KPIs reach (or not) the predefined SPTs. The loan documentation needs to include the definitions of the KPI(s) and SPT(s) and the potential variation of the SLL'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.

4. Principle Four: Reporting

Borrowers 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 (see Principle 5) outlining the performance against the SPTs and the related impact and timing of such impact on the Loan's financial and/or structural characteristics, with such information to be provided to those institutions participating in the Loan at least once per annum.

5. Principle Five: Verification (Post-issuance).

The Borrower should have its performance against its SPTs independently verified by a qualified external reviewer with relevant expertise, at least once per annum. It is recommended that verification of the performance against the SPTs should be made publicly available where appropriate.

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

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 the Customer 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 Protocol, adapted to the purpose of the Framework, as described above and in Schedule 3 to this Assessment;
- Assessment of documentary evidence provided by the Customer on the Framework and supplemented by a high-level desktop research. These checks refer to current assessment best practices and standards methodology;
- Review of published materials by the Customer and the website of the Customer, and where relevant, parent organisations;
- Discussions with the Customer's management, and 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 are listed below:

- **Use of Proceeds**

La Trobe intends to use the net proceeds raised through the sustainable finance instruments to finance or refinance new or existing eligible green projects and/or eligible social projects that deliver positive environmental and/or social outcomes, aligned with and contributing to the UN SDGs.

The Framework defines the following eligible project categories:

Eligible Green Project Categories

- Green buildings
- Renewable energy
- Energy efficiency
- Clean transportation
- Pollution prevention and control

Eligible Social Project Categories

- Food security and sustainable food systems (e.g. physical, social, and economic access to safe, nutritious, and sufficient food that meets dietary needs and requirements; resilient agricultural practices; reduction of food loss and waste)
- Affordable housing
- Socioeconomic advancement and empowerment
- Access to essential services (e.g. health, education and vocational training, healthcare, financing and financial services)
- Employment generation, and programs designed to prevent and/or alleviate unemployment stemming from socioeconomic crises, including through the potential effect of SME financing and microfinance

DNV undertook an analysis of the associated project type to determine the eligibility as "Green" and "Social" and in line with the Principles. DNV concludes that the eligible categories outlined in the Framework are consistent with the categories outlined in the Principles.

- **Process for Project Evaluation and Selection**

La Trobe have established a Sustainability Financing Working Group to carry out the evaluation and selection process. The committee members oversee the implementation and execution of the framework.

The committee's responsibilities are:

- Establishing, maintaining, and updating this framework
- Screening projects and shortlisting projects based on sustainability criteria
- Conducting environmental and social due diligence on short listed projects
- Assessing financial viability and quantify sustainability impacts of projects
- Performing Risk Assessment on shortlist projects
- Comparing and ranking the projects on their financial viability, sustainability impact and risk profiles
- Endorsing final project list and creating portfolio of approved projects
- Engaging external verification - Second party Opinion (Pre-issuance verification and Certification – if applicable)
- Establishing and maintaining a Projects Register
- Post-Issuance Verification – if applicable
- Annual reporting on sustainable debt products – for both internal and external parties – including review by approved external reviewer
- Managing sustainable debt products under this Framework.

DNV concludes that La Trobe's Framework appropriately describes the process for Project Evaluation and Selection.

- **Management of Proceeds**

La Trobe describes the process for management of net proceeds under this Framework:

The Sustainability Financing Projects Register will be reviewed annually by the Sustainability Financing Working Group to account for any re-allocation, repayments or drawings on the Eligible Green Projects and Eligible Social Projects. La Trobe will use its Enterprise Resourcing Planning system, SAP to track and report on Eligible Green Projects or Eligible Social Projects and verify whether the net proceeds of the Green Loans/Green Bonds/Social Loans/Social Bonds/Sustainability Bonds/ UoPTs have been fully allocated.

So long as Green Bonds, Social Bonds, Sustainability Bonds, Green Loans or Social Loans /UoPTs are outstanding, the balance of the tracked net proceeds will be periodically adjusted to match allocations to eligible Green Projects or Social Projects made during that period. Unallocated net proceeds will be temporarily placed into cash or cash equivalents or invested according to the La Trobe University Investment Policy. La Trobe University has committed to allocating the net proceeds of each Green Loan/Social Loan/Green Bond/Social Bond/Sustainability Bond/UoPT (or an amount equal to those net proceeds) to Eligible Green Projects [or Eligible Social Projects] within 24 months following receipt.

DNV has reviewed the evidence presented and concludes that the Framework appropriately describes the process for Management of Proceeds.

- **Reporting**

La Trobe has confirmed that it will disclose the allocation of the net proceeds through annual reporting.

As part of its Annual Financial Report, La Trobe University will publish a Sustainable Financing Report and an Assurance / Compliance Report prepared by a verified external reviewer. The Annual Report will disclose the use of proceeds of its Green Loans / Social Loans / Green Bonds / Social Bonds / Sustainability Bonds / UoPTs and will be made available on La Trobe’s website.

The annual report will consist of 3 parts:

- A Summary Report
- Allocation Reporting
- Impact Reporting

Sustainability-Linked Instruments

DNV’s findings on the alignment of Sustainability Linked Instruments with the SLLP are listed below:

1. Selection of Key Performance Indicators (KPIs).

DNV confirms that the Framework’s KPIs are core, relevant, material, and consistent with the company’s overarching sustainability position and strategy. La Trobe’s potential KPIs may be selected as described below:

La Trobe Focus Area	Example potential KPI themes
Emissions reduction and renewable energy	<ul style="list-style-type: none"> • Reduced scope 1 and 2 greenhouse gas emissions • Purchase Power Agreements for wind/ solar energy generation and consumption • Onsite / offsite renewable energy generation projects e.g. solar panels • Projects e.g. LED lighting upgrades and building refurbishments
Emissions reduction and sustainable transport	<ul style="list-style-type: none"> • Reduced scope 3 greenhouse gas emissions • Investment in fleet upgrades to low emissions vehicles and/or fuels e.g. EVs
Waste	<ul style="list-style-type: none"> • Increased waste diverted from landfill and / or recycled • Recycling programs/infrastructure • Eliminate single-use plastics

	<ul style="list-style-type: none"> • % waste transformed into secondary raw materials e.g. biofuel, compost etc
Biodiversity	<ul style="list-style-type: none"> • Predator management & removal • Reintroduction and reinforcement of Indigenous species • Improving biodiversity on eco-corridors and biodiverse waterway • Number of specified species (flora and/or fauna) enhanced/regenerated • La Trobe Wildlife Sanctuary restoration projects • No natural capital gain/no net loss • No net deforestation/no native vegetation conversion • % or ha land/habitat protected/restored/regenerated • % increase in species abundance of threatened species • % certified products/ha (native plants, Bird Boxes sold etc)
External environmental performance ratings	<ul style="list-style-type: none"> • Improvement in externally rated environmental performance (e.g., Green Star or NABERS)
Regional inclusion	<ul style="list-style-type: none"> • Increase in the number of student enrolments from regional areas
Student employability	<ul style="list-style-type: none"> • Improved employability of students, measured through improving the national ranking for proportion of graduates in employment
Teaching and learning	<ul style="list-style-type: none"> • Increased enrolment in sustainability focused courses • Increased staff and student participation in sustainability initiative • # sustainability focused research papers/grants/scholarships/initiatives • # students completed sustainability related courses/subjects
Aboriginal and Torres Strait Islander Peoples	<ul style="list-style-type: none"> • Improved student representation, retention and/or success rates • Increased staff representation • Increased research and teaching focus and content • Cultural awareness training completion rates • % employment of Aboriginal and Torres Strait Islander People • Close pay gaps • \$ or % spend with Indigenous businesses
Gender equality	<ul style="list-style-type: none"> • Improved gender representation in leadership • Closing the gender pay gap • Initiatives to drive diverse employee/supplier representation
Research impact	<ul style="list-style-type: none"> • Increasing spend on research or education to address climate change or other key sustainability areas

The proposed KPIs are considered to be material to the activities of La Trobe and these are core to the sustainability of the organization, its stakeholders and are appropriate in the context of the universities operations and their geographical extent.

2. Calibration of Sustainability Performance Targets (SPTs).

DNV confirmed La Trobe committed in their Framework to determine their SPTs based on consistency with La Trobe's core sustainability and business strategy. The SPTs will be set with appropriate ambition and timeframe, and specified in relevant documentation for each Sustainability-Linked Loan together with material factors that may impact the achievement of SPTs. The Framework states that targets will be set with reference to historical, peer performance or regional/national/international targets and negotiated with the relevant lender group and determined on either an asset or portfolio basis. All calculation methodologies will also be disclosed in the relevant documentation. Alignment

to the SLLP Calibration of SPTs principles will be confirmed by external review for each SLL prior to issuance. DNV do not opine on these at this time.

3. Sustainability-Linked Bond and Loan Characteristics

DNV confirmed that La Trobe have committed in their Framework to use proceeds of any of La Trobe's Sustainability-Linked Loans for general corporate purposes unless otherwise stated. These transactions will feature financial or structural characteristics which encourage the achievement of the relevant SPTs, including incentives if the SPTs are met and penalties if they are not, depending on the transaction. The financial or structural characteristic will be meaningful and aligned with market practice. The magnitude of the pricing adjustment, as well as the effective trigger event date(s), will be clearly detailed in the relevant documentation for each transaction. Alignment to the SLLP Characteristics principles will be confirmed by external review for each SLL prior to issuance.

4. Reporting

DNV confirmed La Trobe have committed in their Framework to transparency and will clearly state the scope, detail and frequency of reporting in the relevant documentation for each Sustainability-Linked Loan. For Sustainability-Linked Loans, proceeds from La Trobe's SLLs will be available for general purposes unless otherwise stated. La Trobe will provide updates to lenders on an annual basis. Alignment to the SLLP Reporting principles will be confirmed by external review for each SLL prior to issuance .

5. Verification

DNV confirmed La Trobe have committed in their Framework to provide certainty on alignment to the SLLP, for each Sustainability-Linked Loan, appropriate external review will be undertaken. This includes obtaining a second party opinion on each Sustainability-Linked Loan individually as well as ongoing annual post-issuance assurance of sustainability performance in relation to the selected SPTs for each instrument. Post-issuance assurance will cover any material change to the KPI methodology or SPT calibration, if applicable. Alignment to the SLLP Verification principles will be confirmed by external review for each SLL prior to issuance.

On the basis of the information provided by La Trobe and the work undertaken, it is DNV's opinion that the Framework meets the criteria established in the Protocol and is aligned with the Principles.

for DNV Business Assurance Australia Pty Ltd.

Sydney, NSW, Australia, 21 July 2023



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Schedule 1. Use of Proceeds Categories and Sustainability-Linked Focus Areas

Description of Categories to be Financed or Refinanced by Use of Proceeds Instruments through La Trobe’s Framework

Eligible Green Project Categories	Eligible Criteria and Description	DNV Findings
Green buildings	Financing and/or refinancing, in whole or in part, for the following eligible projects: <ul style="list-style-type: none"> • (LAN) La Trobe Apartments (North) • (LAS) La Trobe Apartments (South) • (LTSS) La Trobe Sports Stadium • (SW) Sylvia Walton Building • (HHS2) Health Science 2 Building • (CT) Clinical Teaching Building • (LIMS1) Molecular Science Building • (ET) Engineering Technology Building 	DNV finds that the criteria and project types are eligible projects according to the Principles.
Renewable energy	Financing and/or refinancing, in whole or in part, for the following: <ul style="list-style-type: none"> • Rollout of renewable energy generation (Solar PV) across all campuses. 	
Energy efficiency	Financing and/or refinancing, in whole or in part, for the following: <ul style="list-style-type: none"> • Upgrading to energy efficient LED lighting solutions • Covering gas heating to electric heating in HHS1 Building • La Trobe Energy Analytics (LEAP) Platform 	
Clean transportation	Financing and/or refinancing, in whole or in part, for the following: <ul style="list-style-type: none"> • Transitioning fleet to zero emissions vehicles, in line with La Trobe’s Environmental Sustainability Policy • Installing and maintaining infrastructure that facilitates greater uptake of active and sustainable transport options <ul style="list-style-type: none"> ○ EV charging stations ○ Bicycle hubs / facilities or share pathways 	
Pollution prevention and control	Financing and/or refinancing, in whole or in part, for the following: <ul style="list-style-type: none"> • On-site composting units • Increasing procurement of recycled materials / products within operational and capital expenditure • Developing and implementing waste avoidance, resource recovery and reuse • Approved e-waste recycling contractor 	
Sustainable water and wastewater management	Financing and/or refinancing, in whole or in part, for the following: <ul style="list-style-type: none"> • Sustainable infrastructure for clean and/or drinking water for distribution • Water conservation projects • Water and wastewater treatment and recycling facilities • Sustainable urban drainage systems and river training and other forms of flood mitigation 	

	<ul style="list-style-type: none"> • Flood defences • Nature based solutions 	
Terrestrial and aquatic biodiversity and conservation	Financing and/or refinancing, in whole or in part, for Nangak Tamboree Wildlife Sanctuary	

Eligible Social Project Categories	Eligible Criteria and Description	DNV Findings
Food security and sustainable food systems (e.g. physical, social, and economic access to safe, nutritious, and sufficient food that meets dietary needs and requirements; resilient agricultural practices; reduction of food loss and waste.	Financing and/or refinancing, in whole or in part, for the following: <ul style="list-style-type: none"> • Future food programs aimed to help the world produce more food sustainably and make more food nutritious to reduce the health burden on communities.² 	DNV finds that the criteria and project types are eligible projects according to the Principles.
Affordable housing	Financing and/or refinancing, in whole or in part, for the following: <ul style="list-style-type: none"> • Accommodations scholarship costs for indigenous communities • Enabling accommodation scholarship costs for indigenous communities 	
Socioeconomic advancement and empowerment	Financing and/or refinancing, in whole or in part, for the following: <ul style="list-style-type: none"> • University plan for accommodating / inclusivity of indigenous communities • Gender equality programs in the university 	

² La Trobe University's programming on food for the future: [La Trobe University working for the future of food innovation, News, La Trobe University](#)

Access to essential services (e.g. health, education and vocational training, healthcare, financing and financial services).	Financing and/or refinancing, in whole or in part, for the following: <ul style="list-style-type: none"> Scholarships geared specifically for target populations 	
Employment generation, and programs designed to prevent and/or alleviate unemployment stemming from socioeconomic crises, including through the potential effect of SME financing and microfinance.	Financing and/or refinancing, in whole or in part, for the following: <ul style="list-style-type: none"> University plan for accommodating / inclusivity of indigenous communities Gender equality programs in the university 	

Description of Focus Areas as Potential KPIs that may be linked to Sustainability-Linked Loans issued through La Trobe’s Framework

La Trobe Focus Area	Example Potential KPI Themes	DNV Findings
Emissions reduction and renewable energy	<ul style="list-style-type: none"> Reduced scope 1 and 2 greenhouse gas emissions Purchase Power Agreements for wind/ solar energy generation and consumption Onsite/ offsite renewable energy generation projects e.g. solar panels Projects e.g. LED lighting upgrades and building refurbishments 	DNV considers the stated potential KPIs described by the Framework to be aligned with the SLLP.
Emissions reduction and sustainable transport	<ul style="list-style-type: none"> Reduced scope 3 greenhouse gas emissions Investment in fleet upgrades to low emissions vehicles and/or fuels e.g. EVs 	
Waste	<ul style="list-style-type: none"> Increased waste diverted from landfill and / or recycled Recycling programs/infrastructure Eliminate single-use plastics % waste transformed into secondary raw materials e.g. biofuel, compost etc 	
Biodiversity	<ul style="list-style-type: none"> Predator management & removal Reintroduction and reinforcement of Indigenous species Improving biodiversity on eco-corridors and biodiverse waterway 	

	<ul style="list-style-type: none"> • Number of specified species (flora and/or fauna) enhanced/regenerated • La Trobe Wildlife Sanctuary restoration projects • No natural capital gain/no net loss • No net deforestation/no native vegetation conversion • % or ha land / habitat protected / restored / regenerated • % increase in species abundance of threatened species • % certified products/ha (native plants, Bird Boxes sold etc) 	
External environmental performance ratings	<ul style="list-style-type: none"> • Improvement in externally rated environmental performance (e.g., Green Star or NABERS) 	
Regional inclusion	<ul style="list-style-type: none"> • Increase in the number of student enrolments from regional areas 	
Student employability	<ul style="list-style-type: none"> • Improved employability of students, measured through improving the national ranking for proportion of graduates in employment 	
Teaching and learning	<ul style="list-style-type: none"> • Increased enrolment in sustainability focused courses • Increased staff and student participation in sustainability initiative • # sustainability focused research papers/grants/scholarships/initiatives • # students completed sustainability related courses/subjects 	
Aboriginal and Torres Strait Islander Peoples	<ul style="list-style-type: none"> • Improved student representation, retention and/or success rates • Increased staff representation • Increased research and teaching focus and content • Cultural awareness training completion rates • % employment of Aboriginal and Torres Strait Islander People • Close pay gaps • \$m or % spend with Indigenous businesses 	
Gender equality	<ul style="list-style-type: none"> • Improved gender representation in leadership • Closing the gender pay gap • Initiatives to drive diverse employee/supplier representation 	
Research impact	<ul style="list-style-type: none"> • Increasing spend on research or education to address climate change or other key sustainability areas 	

Schedule 2. Contributions to UN SDGs

Eligible Project Categories	UN SDGs	DNV Findings
Green buildings	SDG 9: Industry, Innovation and Infrastructure SDG 11: Sustainable Cities and Communities	DNV is of the opinion that the eligible category outlined in the Framework contributes to the achievement of the UN SDGs.
Renewable energy Energy efficiency	SDG 7: Affordable and Clean Energy SDG 9: Industry, Innovation and Infrastructure	
Clean transportation	SDG 7: Affordable and Clean Energy SDG 9: Industry, Innovation and Infrastructure SDG 11: Sustainable Cities and Communities SDG 12: Responsible Consumption and Production	
Pollution prevention and control	SDG 12: Responsible Consumption and Production SDG 13: Climate Action SDG 15: Life on Land	
Sustainable water and waste water management	SDG 6: Clean Water and Sanitation SDG 11: Sustainable Cities and Communities SDG 12: Responsible Consumption and Production	
Terrestrial and aquatic biodiversity and conservation	SDG 15: Life Below Water SDG 15: Life on Land	
Food security and sustainable food systems (e.g. physical, social, and economic access to safe, nutritious, and sufficient food that meets dietary needs and requirements; resilient agricultural practices; reduction of food loss and waste.	SDG 2: Zero Hunger	
Affordable housing	SDG 1: No Poverty SDG 11: Sustainable Cities and Communities	

<p>Socioeconomic advancement and empowerment</p>	<p>SDG 5: Gender Equality</p> <p>SDG 10: Reduced Inequalities</p> <p>SDG 11: Sustainable Cities and Communities</p>	
<p>Access to essential services (e.g. health, education and vocational training, healthcare, financing and financial services).</p>	<p>SDG 3: Good Health and Well-being</p> <p>SDG 10: Reduced Inequalities</p>	
<p>Employment generation, and programs designed to prevent and/or alleviate unemployment stemming from socioeconomic crises, including through the potential effect of SME financing and microfinance.</p>	<p>SDG 5: Gender Equality</p> <p>SDG 8: Decent Work and Economic Growth</p> <p>SDG 10: Reduced Inequalities</p>	

Schedule 3. Use of Proceeds Eligibility Assessment Protocol

1. Use of Proceeds

Ref.	Criteria	Requirements	DNV Findings
1a	Type of bond / loan	<p>The Bond / Loan must fall in one of the following categories, as defined by the Green / Social Bond Principles:</p> <ul style="list-style-type: none"> • Green/Social Use of Proceeds Bond • Green/Social Use of Proceeds Revenue Bond • Green/Social Project Bond • Green/Social Securitized Bond • Loan instrument made available for Green/Social project (Green/Social use of proceeds loan) 	<p>The Framework states that the net proceeds raised through the sustainable finance instruments will be earmarked to finance or refinance new or existing eligible green projects and/or eligible social projects that deliver positive environmental and/or social outcomes, aligned with and contributing to the UN SDGs.</p> <div style="border: 1px solid black; padding: 5px;"> <p>From the Framework</p> <p><i>Green Bond or Green Loan entered into under this Framework will be exclusively applied to finance or refinance, in part or in full, new and/or existing eligible green projects.</i></p> <p><i>Social Bond or Social Loan entered into under this Framework will be exclusively applied to finance or refinance, in part or in full, new and/or existing eligible social projects.</i></p> </div> <p>The reviewed evidence confirms that the Sustainable Financing Instruments are aligned with and meeting the requirements under the Principles.</p>
1b	Green Project Categories	<p>The cornerstones of Green / Social Bonds and Loans are the utilization of the proceeds of the bond and the loan which should be appropriately described in the legal documentation for the security.</p>	<p>Eligible project categories presented by La Trobe are as follows.</p> <p><i>Eligible Green Project Categories:</i></p> <ul style="list-style-type: none"> • <i>Green buildings</i> • <i>Renewable energy</i> • <i>Energy efficiency</i> • <i>Clean transportation</i> • <i>Pollution prevention and control</i> • <i>Sustainable water and waste water management</i> • <i>Terrestrial and aquatic biodiversity conservation</i> <p><i>Eligible Social Project Categories:</i></p> <ul style="list-style-type: none"> • <i>Food security and sustainable food systems (e.g. physical, social, and economic access to safe, nutritious, and sufficient food that meets dietary needs and requirements; resilient agricultural practices; reduction of food loss and waste.</i> • <i>Affordable housing</i> • <i>Socioeconomic advancement and empowerment</i> • <i>Access to essential services (e.g. health, education and vocational training, healthcare, financing and financial services)</i> • <i>Employment generation, and programs designed to prevent and/or alleviate unemployment stemming from socioeconomic crises, including through the potential effect of SME financing and microfinance</i>

			The above-mentioned project category meets the Eligible Green and Social Project Categories in the Principles.																
1c	Environmental benefits	All designated Green / Social Project categories should provide clear environmentally / socially sustainable benefits, which, where feasible, will be quantified or assessed by the Issuer.	<p>Environmental benefits are noted to include:</p> <table border="1"> <thead> <tr> <th>Eligible Category</th> <th>Environmental Benefit(s)</th> </tr> </thead> <tbody> <tr> <td>Green buildings</td> <td> <ul style="list-style-type: none"> Annual GHG emissions reduced / avoided vs. local baseline / baseline certification level Percentage of energy use reduced / avoided vs. local baseline / baseline certification level Renewable energy generated on site Applicable ratings (e.g., Star Ratings for buildings) </td> </tr> <tr> <td>Renewable energy</td> <td> <ul style="list-style-type: none"> Annual GHG emissions reduced/avoided in tonnes of CO2 equivalent Annual renewable energy generation in MWh/GWh (electricity) and GJ/TJ (other energy) Capacity of renewable energy plant(s) constructed or rehabilitated in MW Number of sites powered </td> </tr> <tr> <td>Energy efficiency</td> <td> <ul style="list-style-type: none"> Annual energy savings in MWh/GWh (electricity) and GJ/TJ (other energy) Annual GHG emissions reduced/avoided in tonnes of CO2 equivalent </td> </tr> <tr> <td>Clean transportation</td> <td> <ul style="list-style-type: none"> Number of clean vehicles deployed (e.g. electric) Estimated reduction in fuel consumption </td> </tr> <tr> <td>Pollution prevention and control</td> <td> <ul style="list-style-type: none"> Annual tonnes of waste avoided from entering landfill Tons of waste segregated </td> </tr> <tr> <td>Sustainable water and waste water management</td> <td> <ul style="list-style-type: none"> Annual volume of water provided or treated (I/ML) </td> </tr> <tr> <td>Terrestrial and aquatic biodiversity and conservation</td> <td> <ul style="list-style-type: none"> Area, species and/or conservation progress. </td> </tr> </tbody> </table> <p>Social benefits are noted to include:</p>	Eligible Category	Environmental Benefit(s)	Green buildings	<ul style="list-style-type: none"> Annual GHG emissions reduced / avoided vs. local baseline / baseline certification level Percentage of energy use reduced / avoided vs. local baseline / baseline certification level Renewable energy generated on site Applicable ratings (e.g., Star Ratings for buildings) 	Renewable energy	<ul style="list-style-type: none"> Annual GHG emissions reduced/avoided in tonnes of CO2 equivalent Annual renewable energy generation in MWh/GWh (electricity) and GJ/TJ (other energy) Capacity of renewable energy plant(s) constructed or rehabilitated in MW Number of sites powered 	Energy efficiency	<ul style="list-style-type: none"> Annual energy savings in MWh/GWh (electricity) and GJ/TJ (other energy) Annual GHG emissions reduced/avoided in tonnes of CO2 equivalent 	Clean transportation	<ul style="list-style-type: none"> Number of clean vehicles deployed (e.g. electric) Estimated reduction in fuel consumption 	Pollution prevention and control	<ul style="list-style-type: none"> Annual tonnes of waste avoided from entering landfill Tons of waste segregated 	Sustainable water and waste water management	<ul style="list-style-type: none"> Annual volume of water provided or treated (I/ML) 	Terrestrial and aquatic biodiversity and conservation	<ul style="list-style-type: none"> Area, species and/or conservation progress.
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			Food security and sustainable food systems (e.g. physical, social, and economic access to safe, nutritious, and sufficient food that meets dietary needs and requirements; resilient agricultural practices; reduction of food loss and waste.	<ul style="list-style-type: none"> • Food security within the Campus and as an Education related subject and research area.
			Affordable housing	<ul style="list-style-type: none"> • The provision of affordable housing for students on campus.
			Socioeconomic advancement and empowerment	<ul style="list-style-type: none"> • The provision of students and key focus stakeholders with education, research and resources for socioeconomic advancement and empowerment.
			Access to essential services (e.g. health, education and vocational training, healthcare, financing and financial services)	<ul style="list-style-type: none"> • The provision of healthcare services through teaching hospitals, on campus healthcare services and health and medical related education.
			Employment generation, and programs designed to prevent and/or alleviate unemployment stemming from socioeconomic crises, including through the potential effect of SME financing and microfinance	<ul style="list-style-type: none"> • The creation of related employment positions, programs and opportunities for students, stakeholders and employees.
			The proposed use of proceeds is confirmed by DNV to reasonably be expected to deliver meaningful environmental and social benefits.	
1d	Refinancing Share	In the event that a proportion of the proceeds may be used for refinancing, it is recommended that issuers	The Framework indicates that net proceeds from the Sustainable Finance Instruments will be allocated to the eligible green and social project categories.	

	provide an estimate of the share of financing vs. re-financing, and where appropriate, also clarify which investments or project portfolios may be refinanced.	<p>La Trobe expects to allocate all funds to financing one or more of the eligible green and/or social projects, but does not rule out possible allocations to refinancing later in a project's life.</p> <p>The proposed management of net proceeds from the Sustainable Finance Instruments is confirmed by DNV to reasonably be expected to meet the criteria under the Principles.</p>
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2. Process for Project Selection and Evaluation

Ref.	Criteria	Requirements	DNV Findings
2a	Investment-decision process	<p>The Issuer of a Green / Social Bond and Loan should outline the decision-making process it follows to determine the eligibility of projects using Green / Social Bond and Loan proceeds. This includes, without limitation:</p> <ul style="list-style-type: none"> The environmental / social objectives of the eligible Green / Social Projects; The process by which the issuer determines how the projects fit within the eligible Green / Social Projects categories; and Complementary information on processes by which the issuer identifies and manages perceived environmental / social and social risks associated with the relevant project(s). 	<p>La Trobe stated that it will have a dedicated party to manage the process for project selection and evaluation. They provided a description of the decision-making process to be used to determine the eligibility of projects targeted for evaluation and selection.</p> <p>From the Framework <i>The process for project evaluation and selection will ensure that the net proceeds of Green Bonds, Social Bonds, and Sustainable Bonds issued under this Framework and Green Loans and Social Loans drawn under this Framework will meet the criteria set out above.</i></p> <p><i>La Trobe University will have formed a Sustainable Financing Working Group to carry out the evaluation and selection process.</i></p> <p>The Framework also indicates the process by which the committee will act in the selection and evaluation process.</p> <p>From the Framework <i>The committee members oversee the implementation and execution of the framework, including:</i></p> <ul style="list-style-type: none"> <i>Establishing, maintaining, and updating this framework</i> <i>Screening projects and shortlisting projects based on sustainability criteria</i> <i>Conducting environmental and social due diligence on short listed projects</i> <i>Assess financial viability and quantify sustainability impacts of projects</i> <i>Performing Risk Assessment on shortlist projects</i> <i>Comparing and ranking the projects on their financial viability, sustainability impact and risk profiles</i> <i>Endorsing final project list and creating portfolio of approved projects</i> <i>Engaging external verification - Second party Opinion (Pre-issuance verification and Certification – if applicable)</i> <i>Establishing and maintaining a Projects Register</i> <i>Post-Issuance Verification – if applicable</i> <i>Annual reporting on sustainable debt products – for both internal and external parties – including review by approved external reviewer</i> <i>Managing sustainable debt products under this Framework</i> <p>DNV confirms this process to be well aligned with the Principles.</p>

<p>2b</p>	<p>Issuer / borrower's environmental and governance framework</p>	<p>Issuers are also encouraged to:</p> <ul style="list-style-type: none"> • Position the relevant information within the context of the issuer's overarching objectives, strategy, policy and/or processes relating to environmental / social sustainability. • Provide information, if relevant, on the alignment of projects with official or market-based taxonomies, related eligibility criteria • Have a process in place to identify mitigants to known material risks of negative environmental / social impacts from the relevant project(s). 	<p>The Framework describes the governance structure for selecting projects for investment. La Trobe has included a full list of excluded activities that will not be involved in the process for allocating the net proceeds.</p> <div data-bbox="767 416 1444 1016" style="border: 1px solid black; padding: 5px;"> <p>From the Framework</p> <p><i>We commit to not knowingly being involved in financing any of the following projects or activities through the proceeds of any Use of Proceeds Transactions (UoPT):</i></p> <ul style="list-style-type: none"> • <i>Manufacture or retail sale and distribution of any products and services that are prohibited by any commitments under an international convention or treaty instrument to which Australia is a signatory.</i> • <i>Projects or assets restricted by Climate Bond Standards requirements (where deemed applicable).</i> • <i>Manufacture or wholesale retail of alcohol, tobacco products, weapons and small arms.</i> • <i>Manufacture of cluster munitions, landmines, biological or chemical weapons.</i> • <i>Ownership or operation of gambling enterprises.</i> • <i>Entities that are involved in proven, severe, and ongoing abuses of human rights or corrupt business practices.</i> • <i>Entities that demonstrate no commitment to, or capacity to execute, a low carbon transition.</i> </div> <p>Additional to this, the Framework indicates that there will be responsibilities carried out by different governing structures to ensure debt can be appropriately managed/issued under the Framework.</p> <div data-bbox="767 1182 1444 1373" style="border: 1px solid black; padding: 5px;"> <p>From the Framework</p> <p><i>The Treasurer of Victoria is responsible for authorising the University's debt cap and the La Trobe University Finance and Resources Committee and/or Council is required to approve all debt raising activities including debt issued under this Framework.</i></p> </div> <p>DNV confirms that La Trobe's environmental sustainability strategies, alignment of projects with eligibility criteria are well aligned with the Principles.</p>
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3. Management of Proceeds

Ref.	Criteria	Requirements	DNV Findings
<p>3a</p>	<p>Tracking procedure</p>	<ul style="list-style-type: none"> • (Bond) The net proceeds of Green/Social Bonds should be credited to a sub-account, moved to a sub-portfolio or otherwise tracked by the Issuer in an appropriate manner and attested to by a formal internal process that will be linked to the Issuer's lending and investment operations for Green/Social Projects. 	<p>The evidence reviewed shows how La Trobe plans to manage the net proceeds from the Sustainable Finance Instruments, in accordance with the evaluation and selection process in the Principles.</p> <div data-bbox="767 1816 1444 2011" style="border: 1px solid black; padding: 5px;"> <p>From the Framework</p> <p><i>La Trobe will use its Enterprise Resourcing Planning system, SAP to track and report on Eligible Green Projects or Eligible Social Projects and verify whether the net proceeds of the Green Loans/Green Bonds/Social Loans/Social Bonds/Sustainability Bonds/ UoPTs have been fully allocated.</i></p> </div>

		<ul style="list-style-type: none"> (Loan) The proceeds of Green/Social Loans should be credited to a dedicated account or otherwise tracked by the borrower in an appropriate manner, so as to maintain transparency and promote the integrity of the product. Where a Green/Social loan takes the form of one or more tranches of a loan facility, each Green/Social tranche(s) must be clearly designated, with proceeds of the Green/Social tranche(s) credited to a separate account or tracked by the borrower in an appropriate manner. 	<p>It is also evidenced in the Framework for Green and/or Social Bonds and Loans, the management for multiple tranches.</p> <p>From the Framework</p> <p><i>Where a Green Loan or Social Loan takes the form of one or more tranches of a loan facility, each green tranche will be clearly designated, with proceeds of the green tranche(s) would also be tracked in La Trobe's Enterprise Resourcing Planning system, SAP.</i></p> <p>DNV confirmed that the Framework outlines processes to track proceeds and allocations to the nominated projects that are well aligned with the Principles.</p>
3b	Tracking procedure	So long as the Green / Social Bonds and Loans are outstanding, the balance of the tracked proceeds should be periodically reduced by amounts matching eligible Green / Social investments or loan disbursements made during that period.	<p>The related tracking process is covered in the Framework as follows:</p> <p>From the Framework</p> <p><i>So long as Green Bonds, Social Bonds, Sustainability Bonds, Green Loans or Social Loans /UoPTs are outstanding, the balance of the tracked net proceeds will be periodically adjusted to match allocations to eligible Green Projects or Social Projects made during that period.</i></p> <p>DNV confirmed that the Framework outlines processes to track proceeds and allocations to the nominated projects that are aligned with the Principles.</p>
3c	Temporary holdings	Pending such investments or disbursements to eligible Green / Social Projects, the Issuer should make known to investors the intended types of temporary investment instruments for the balance of unallocated proceeds.	<p>The Framework explains the treatment of unallocated funds.</p> <p>La Trobe states that the Sustainability Financing Projects Register will be reviewed annually by the Sustainability Financing Working Group to account for any re-allocation, repayments or drawings on the Eligible Green Projects and Eligible Social Projects.</p> <p>From the Framework</p> <p><i>Unallocated net proceeds will be temporarily placed into cash or cash equivalents or invested according to the La Trobe University Investment Policy. La Trobe University has committed to allocating the net proceeds of each Green Loan/Social Loan/Green Bond/Social Bond/Sustainability Bond/UoPT (or an amount equal to those net proceeds) to Eligible Green Projects [or Eligible Social Projects] within 24 months following receipt.</i></p> <p>DNV confirmed that the Framework outlines instruments to which unallocated proceeds will be invested that are well aligned with the Principles.</p>

4. Reporting

Ref.	Criteria	Requirements	DNV Findings
4a	Periodical reporting	<ul style="list-style-type: none"> Issuers should make, and keep, readily available up to date information on the use of proceeds to be renewed annually until full allocation, and on a timely basis in case of material developments. The annual report should include a list of the projects to which Green Loan proceeds have been allocated, as well as a brief description of the projects, the amounts allocated, and their expected impact. Where confidentiality agreements, competitive considerations, or a large number of underlying projects limit the amount of detail that can be made available, the GBP recommend that information is presented in generic terms or on an aggregated portfolio basis (e.g. percentage allocated to certain project categories). 	<p>La Trobe has confirmed that it will disclose the allocation of the net proceeds through annual reporting.</p> <p>As part of its Annual Financial Report, La Trobe University will publish a Sustainable Financing Report and an Assurance / Compliance Report prepared by a verified external reviewer. The Annual Report will disclose the use of proceeds of its Green Loans / Social Loans / Green Bonds / Social Bonds / Sustainability Bonds / UoPTs and will be made available on La Trobe's website.</p> <p>The annual report will consist of 3 parts:</p> <p>A Summary section,</p> <p>From the Framework</p> <p><i>A list of Green Loans/Social Loans/ Green Bonds/Social Bonds/Sustainability Bonds/UoPTs issued or drawn in the reporting period and outstanding at the reporting date and summary terms of each transaction. Key information to be provided will include issuer/borrower entity, transaction date, principal amount of proceeds, maturity date, and interest rate or coupon, the ISIN etc.</i></p> <p>An Allocation reporting,</p> <p>From the Framework</p> <p><i>For each Green Loan/ Social Loan/Green Bond/Social Bond/Sustainability Bond/UoPT:</i></p> <ul style="list-style-type: none"> <i>A list of Eligible Green Projects and/or Eligible Social Projects earmarked to be funded by the proceeds</i> <i>Amount of proceeds allocated to the various Eligible Green Projects and/or Eligible Social Projects</i> <i>Description of major Eligible Green Projects and/or Eligible Social Projects</i> <i>Aggregate amount of proceeds of Green Loan/ Social Loan/ Green Bond/Social Bond/Sustainability Bond/UoPT allocated to Eligible Green Projects and/or Eligible Social Projects</i> <i>The remaining balance of unallocated proceeds.</i> <p>An Impact reporting,</p> <p>From the Framework</p> <p><i>For each Green Loan/ Social Loan/ Green Bond/Social Bond/Sustainability Bond/UoPT:</i></p> <ul style="list-style-type: none"> <i>Where possible, we will provide qualitative and/or quantitative reporting of the environmental and social impacts (where relevant) resulting from Eligible Green Projects and/or Eligible Social Projects. Subject to the nature of Eligible Green Projects and/or Eligible Social Projects and availability of information, we will look to utilise the impact reporting guidelines as detailed within the ICMA Green Bond Principles Resource Centre and Appendix 2 of this Framework.</i> <p>DNV confirms that the proposed reporting is consistent with the criteria set out in the Principles.</p>

Schedule 4: SLLP Eligibility Assessment Protocol

1. Selection of KPIs

Ref.	Criteria	Requirements	DNV Findings
1a	KPI – material to core sustainability and business strategy	<p>The Borrower’s sustainability performance is measured using sustainability KPIs that can be external or internal. The KPIs should be material to the Borrower’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 KPI should be of high strategic significance to the Borrower’s current and/ or future operations.</p> <p>It is recommended that the Borrower communicate clearly to lenders 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>DNV has reviewed La Trobe’s potential KPIs for the prospective instruments including:</p> <p><u>Emissions reduction and renewable energy</u></p> <ul style="list-style-type: none"> • Reduced scope 1 and scope 2 greenhouse gas emissions • Purchase Power Agreements for wind/solar energy generation and consumption • Onsite/offsite renewable energy generation projects e.g., solar panels • Projects e.g., LED lighting upgrades and building refurbishments <p><u>Emissions reduction and sustainable transport</u></p> <ul style="list-style-type: none"> • Reduced scope 3 greenhouse gas emissions • Investment in fleet upgrades to low emissions vehicles and/or fuels e.g., EVs <p><u>Waste</u></p> <ul style="list-style-type: none"> • Increased waste diverted from landfill and/or recycled • Recycling programs/infrastructure • Eliminate single-use plastics • % waste transformed into secondary raw materials e.g. biofuel, compost etc. <p><u>Water</u></p> <ul style="list-style-type: none"> • Reduced water consumption • Water recycling/harvesting/conservation infrastructure/projects • Investments in refurbishments/appliances to increase water efficiencies • Achieve water positivity • % increase in water efficiency • % water use from recycled/reused/harvested sources <p><u>Biodiversity</u></p> <ul style="list-style-type: none"> • Predator management & removal • Reintroduction and reinforcement of Indigenous species • Improving biodiversity on eco-corridors and biodiverse waterway • Number of specified species (flora and/or fauna) enhanced/regenerated • La Trobe Wildlife Sanctuary restoration projects • No natural capital gain/no net loss • No net deforestation/no native vegetation conversion • % or ha land/habitat protected/restored/regenerated • % increase in species abundance of threatened species • X% certified products/ha (native plants, Bird Boxes sold etc) <p><u>External environmental performance ratings</u></p>

			<ul style="list-style-type: none"> Improvement in externally rated environmental performance (e.g., Green Star or NABERS) <p><u>Regional inclusion</u></p> <ul style="list-style-type: none"> Increase in the number of student enrolments from regional areas <p><u>Student employability</u></p> <ul style="list-style-type: none"> Improved employability of students, measured through improving the national ranking for proportion of graduates in employment <p><u>Teaching and learning</u></p> <ul style="list-style-type: none"> Increased enrolment in sustainability focused courses Increased staff and student participation in sustainability initiative # sustainability focused research papers/grants/scholarships/initiatives # students completed sustainability related courses/subjects <p><u>Aboriginal and Torres Strait Islander Peoples</u></p> <ul style="list-style-type: none"> Improved student representation, retention and/or success rates Increased staff representation Increased research and teaching focus and content Cultural awareness training completion rates % employment of Aboriginal and Torres Strait Islander People Close pay gaps \$m or % spend with Indigenous businesses <p><u>Gender equality</u></p> <ul style="list-style-type: none"> Improved gender representation in leadership Closing the gender pay gap Initiatives to drive diverse employee/supplier representation <p><u>Research and impact</u></p> <ul style="list-style-type: none"> Increasing spend on research or education to address climate change or other key sustainability areas <p>DNV reviewed the proposed KPIs and conclude that they represent key sustainability impacts for La Trobe and are material to the university. DNV also considers the KPIs to be appropriately selected relative to La Trobe’s core sustainability and business 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>Borrowers are encouraged, when possible, to select</p>	<p>DNV confirms that all of the example KPI themes are simply and readily externally verifiable and are based on quantifiable evidence that may be recorded and recalled for the purposes of verification.</p>

		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 KPIs selected. In situations where the KPIs have not been previously disclosed. Borrowers should, to the extent possible, provide historical externally verified KPI values covering at least the previous 3 years.	
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	DNV confirms that La Trobe have committed to selecting KPIs that are defined, comparable against peers, appropriately benchmarked, and consistent in their methodology calculation.

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 business and be consistent with the Borrowers’ overall strategic sustainability/ESG strategy	<p>DNV confirmed that La Trobe committed in the Framework to ensure that the SPTs are consistent with La Trobe’s overall sustainability and business strategy, and are aligned with sustainability policy targets (such as GHG emissions reduction strategies).</p> <p>The Framework states that the targets will be set in good faith and will remain relevant (so long as they apply) and ambitious throughout the life of the loan. Annual SPT’s may be set per KPI for each year of the loan term. All calculation methodologies will also be disclosed in the relevant documentation.</p> <p>The Framework provides a clear commitment to set ambitious and meaningful SPTs that are tied to improving sustainability performance across the defined KPIs, and this would be confirmed for each SLL entered into.</p>
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 Loan.	DNV confirmed that La Trobe committed in the Framework that meeting the requirements of the potential SPTs would represent a meaningful departure from BAU performance for La Trobe and where possible demonstrate a high level of performance ambition to external benchmarks.
2c	Target Setting – benchmarks	The target setting exercise should be based on a	DNV confirmed that La Trobe committed in the Framework that SPTs will be based on the appropriate combination of methodologies including benchmarking approaches:

		<p>combination of benchmarking approaches:</p> <ol style="list-style-type: none"> 1. The Borrower'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 Borrower'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 	<ul style="list-style-type: none"> • Represent a material improvement in the respective KPIs and be beyond both a "business as usual" trajectory and regulatory required targets • Where possible be compared to a benchmark or an external reference • Be consistent with La Trobe University's overall sustainability strategy; and • Be determined on a predefined timeline.
<p>2d</p>	<p>Target setting – disclosures</p>	<p>Disclosures on target setting should make clear reference to:</p> <ol style="list-style-type: none"> 1. the timelines for the target achievement, including the target observation date(s)/period(s), the trigger event(s) 2. and the frequency of review of the SPTs 3. 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 	<p>DNV confirmed that La Trobe committed in the Framework to making the relevant disclosures and appropriate references on target setting:</p> <ul style="list-style-type: none"> • Represent a material improvement in the respective KPIs and be beyond both a "business as usual" trajectory and regulatory required targets • Where possible be compared to a benchmark or an external reference • Be consistent with La Trobe University's overall sustainability strategy; and • Be determined on a predefined timeline. <p>After a review of La Trobe's overall policy strategy and management approach, DNV concludes that the procedure and approach to setting SPTs is realistic and would likely be achievable. Target setting disclosures will be confirmed by an external verifier for each SLL entered into.</p>

		<p>4. Where relevant, in what situations recalculations or pro-forma adjustments of baselines will take place</p> <p>5. Where possible and taking into account competition and confidentiality considerations, how the Borrower intends to reach such SPTs</p>	
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3. Sustainability-Linked Loan Characteristics

Ref	Criteria	Requirements	DNV Findings
3a	Bond / Loan Characteristics – SPT Financial / structural impact	The SLL will need to include a financial and/or structural impact based on whether the KPI(s) reach the predefined SPT(s).	<p>DNV confirmed that La Trobe committed in the Framework to use proceeds of any Sustainability-Linked Loans for general corporate purposes unless otherwise stated. The margin under the SLL agreement may be reduced where La Trobe satisfies a pre-determined SPT as measured by the pre-determined KPIs and vice versa.</p> <p>Proceeds from La Trobe's SLLs will be available for general corporate purposes unless otherwise stated.</p> <p>DNV confirms that this is in line with the requirements outlined by the SLLP and is common practice in the market. Loan characteristics will be confirmed by an external verifier for each SLL entered into.</p>

4. Reporting

Ref	Criteria	Requirements	DNV Findings
4a	Reporting	<p>Borrowers of SLLs should publish, and keep readily available and easily accessible:</p> <ol style="list-style-type: none"> Up-to-date information on the performance of the selected KPI(s), including baselines where relevant A verification assurance report relative to the SPT outlining the performance against the SPTs and the related impact, and timing 	<p>DNV confirmed that La Trobe committed in the Framework to transparency and will clearly state the scope, detail and frequency of reporting in the relevant documentation for each Sustainability-Linked Loan.</p> <p>For Sustainability-Linked Loans, on an annual basis until all SLLs are fully and finally repaid, our performance against our SPTs will be reported in an annual Sustainability Performance Report. The report will be provided to the participating lenders.</p> <p>The Annual Report will contain at least the following details:</p> <ul style="list-style-type: none"> Relevant information to allow the lender to monitor the SPT performance and determine associated margins Information to allow the lender to determine that the SPT's remain ambitious Up to date version of this framework Assurance reports (second party opinion)

		<p>of such impact, on the Loan's financial and/or structural characteristics</p> <p>3. Any information enabling lenders to monitor the level of ambition of the SPTs</p> <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 SLL's financial and/or structural characteristics.</p>	<p>DNV confirms the reporting commitments stated in the Framework are well aligned with the Principles and will be confirmed for each SLL entered into.</p>
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5. Verification

Ref	Criteria	Requirements	DNV Findings
5a	External Verification	Issuers 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.	<p>DNV confirms that La Trobe has committed in the Framework to obtain external and independent verification of each Sustainability-Linked Loan issued. This includes ongoing annual post issuance assurance of sustainability performance in relation to the selected SPTs for each instrument.</p> <p>DNV confirms the verification commitments stated in the Framework are well aligned with the Principles and will be confirmed by an external verifier for each SLL entered into.</p>



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.

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