



KORIAN

**£200m June 2021
Green Bond
Allocation & Impact Reporting**

June 2022

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**Korian £200m
green bond
key terms**

KORIAN £200M GREEN BOND CHARACTERISTICS

Issuer	Korian SA
Notes	£200,000,000 Undated Non-Call 3 Years Deeply Subordinated Fixed Rate Resetable Notes
Rating of the Issuer	Unrated
Rating of the Notes	Unrated
Accounting Treatment	IFRS Equity
Pricing Date	08 June 2021
Issue Date	15 June 2021 (T+5)
Maturity Date	Undated
First Call Date	15 March 2024
First Reset Date	15 June 2024
Interest Rate	Fixed interest rate of 4.125% <i>per annum</i> until the First Reset Date.
Governing Law	French law
Documentation	Standalone
Listing	Euronext Dublin Global Exchange Market
Use of Proceeds	An amount equivalent to the net proceeds from the offering of the Notes, issued pursuant to the Green Bond Framework, will be allocated to finance or refinance a selected pool of new and existing assets that promote the transition to low-carbon and climate resilient growth (the " Green Asset Pool ") in alignment with the four core pillars of the June 2018 version of the International Capital Markets Association's Green Bond Principles.
ISIN Code	FR0014003YZ5



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Real Estate Green Bond Framework

KORIAN SUSTAINABLE FINANCE JOURNEY

A Green Bond issued under Korian's first Green Bond framework

1ST SUSTAINABILITY-LINKED EURO PP

3 KPIs:

- ✓ achieving of **ISO 9001 certification** across all its facilities in Europe,
- ✓ doubling the proportion of staff members participating in **qualifying training programs**,
- ✓ reducing its direct and indirect **CO₂ emissions**.

Aligned with Sustainability-Linked Bond Principles



2020

June 2021



3 Eligible Green Categories:

- ✓ Green Building
- ✓ Energy Efficiency
- ✓ Renewable Energy

Aligned with Green Bond Principles

1st Green Bond Framework

1ST SOCIAL FINANCING FRAMEWORK

Eligible Social Categories:

- ✓ Access to Essential Services

Aligned with Social Bond Principles and Social Loans Principles



October 2021

KORIAN REAL ESTATE GREEN BOND FRAMEWORK OVERVIEW

Developed in accordance with icma green bond principles, 2018

I - REAL ESTATE USE OF PROCEEDS

- **Green Buildings**
 - Buildings aligned with the European Nearly-Zero-Energy Buildings (NZEB) low consumption building standards
 - EPC B rating or above
- **Energy Efficiency**
 - Project aligned to EU Taxonomy, such as:
 - Installation of zoned thermostats and smart thermostats
 - Installation of Building Management and Energy Management Systems
 - Installation of EV charging stations
 - Installation of smart meters for gas and electricity
- **Renewable Energy**
 - On-site solar energy projects
 - Connection to district heating
 - Purchase Power Agreements

III - MANAGEMENT OF PROCEEDS

- An amount equivalent to the net proceeds from Green Bond issuances will be allocated and managed by Korian's Finance team together with the Real Estate Team
- Korian will track the allocation of proceeds for the purpose of recording the assets and projects in the Green Asset Pool
- Any portion of the net proceeds that have not been allocated to the Green Asset Pool may be temporarily invested or otherwise maintained in cash and cash equivalents
- Korian is committed on a best efforts basis to the full allocation of proceeds within 36 months of a Green Bond issuance




II - PROCESS FOR PROJECT EVALUATION AND SELECTION

- **A Real Estate Green Bond Committee will be responsible for:**
 - **Reviewing and approving the selection of projects** for the Green Asset Pool
 - **Monitoring** the Green Asset Pool
 - **Removing** from the Green Asset Pool **any projects that no longer meet the eligibility criteria** and replacing them with new projects as soon as feasible
 - **Reviewing and validating the annual report**

IV - REPORTING

- Within one year from issuance of any Green Bond and annually until full allocation, **Korian will prepare and make readily available on Korian's corporate website and/or within its Sustainability Report:**
 - Allocation Reporting
 - Impact Reporting
- An independent external party will verify the internal tracking method and allocation of funds

DETAILED USE OF PROCEEDS & IMPACT METRICS

GBP CATEGORY	ELIGIBLE PROJECT DESCRIPTION	SDG TARGET	POSSIBLE ENVIRONMENTAL INDICATORS (IMPACT METRICS)
<p>Green Buildings</p>	<ul style="list-style-type: none"> New or existing residential and commercial buildings owned and managed by Korian that meet specific energy performance thresholds, including: <ul style="list-style-type: none"> Buildings aligned with the European Nearly-Zero-Energy Buildings (NZEB) low consumption building standards corresponding to buildings with a very high energy performance. The NZEB is a requirement from the European Union Energy Performance of Buildings Directive (EPBD). Energy Performance Certificate (EPC): B rating or above, corresponding to buildings with a level of energy performance in the top 15% of national stock; Other equivalent internationally and/or nationally recognized certifications. 	 <p>9: Industry, Innovation and Infrastructure</p>	<ul style="list-style-type: none"> Number and floor space of Green Buildings meeting the eligibility criteria Buildings meeting the requirements of Réglementation Thermique 2012 Buildings with EPC certification level B rating or above Buildings meeting the KfW Effizienzhaus 55 standard
<p>Energy Efficiency</p>	<ul style="list-style-type: none"> New or existing investments or expenditures in projects which include the measures and technologies applicable for the "individual measures and professional services" of the EU Taxonomy. These are likely to include: <ul style="list-style-type: none"> The installation of zoned thermostats, smart thermostat systems and sensing equipment, e.g. motion and day light control The installation of Building Management Systems (BMS) and Energy Management Systems (EMS) The installation of charging stations for electric vehicles The installation of smart meters for gas and electricity 	 <p>9: Industry, Innovation and Infrastructure</p>	<ul style="list-style-type: none"> Number of energy efficiency projects implemented Reduction of energy consumption (kWh) on the global Group consumption Percentage improvement of energy efficiency at asset level
<p>Renewable energy</p>	<ul style="list-style-type: none"> New or existing investments in or expenditures on the acquisition, development, construction and/or installation of renewable energy such as wind and solar. Renewable energy can include (but are not limited to): <ul style="list-style-type: none"> On-site solar energy projects Connection to district heating Purchase Power Agreements (PPAs) which are project-specific and with a long-term maturity greater than 5 years 	 <p>7: Affordable and Clean Energy</p>	<ul style="list-style-type: none"> Total installed capacity (MW) Estimated annual CO2 emissions avoided (tCO₂)

KORIAN GREEN BOND FRAMEWORK – SECOND PARTY OPINION AND VERIFICATION

Korian has appointed DNV-GL to provide a Second Party Opinion on this Framework



USE OF PROCEEDS

Funds raised are used to finance eligible activities and these activities produce clear environmental benefits



PROCESS FOR PROJECT EVALUATION AND SELECTION

Outline of process followed and any impact objectives the issuer will consider



MANAGEMENT OF PROCEEDS

Funds are tracked and declaration of how unallocated funds are handled has been made



REPORTING

At least annual reporting of the bond will be made to the market and impact metrics will be made public



DNV WHEN TRUST MATTERS

KORIAN SA GREEN BOND FRAMEWORK 2021

DNV ELIGIBILITY ASSESSMENT

Scope and objectives

- Korian Group (henceforth referred to as "Korian") provides care services for elderly and fragile people, offering, in addition to its long-term care nursing homes network, a wide variety of residential solutions and services, including assisted living facilities, shared housing and care communities as well as home assistance and care services across seven European countries¹. Korian has set a social mission to provide care and support for fragile people because of their old age or underlying health conditions, supporting its corporate culture based on three values:
- Trust
- Initiative
- Responsibility

Given that Korian contributes to the local economies through its facilities, the organisation is mindful of the environmental footprint it has from building and construction activities. Based on a Group carbon audit conducted in 2019, Korian has set a commitment to reduce its environmental footprint by establishing a low carbon energy roadmap to reduce carbon emissions by 40% by 2030 (based on a 2019 baseline) and work towards the COP target of a 1.5-degree scenario. To facilitate this Korian has developed a Green Bond Framework (the "Framework") under which can raise proceeds to support the financing or refinancing of a selected pool of new and existing assets ("Green Asset Pool"), that promotes the transition to low-carbon and climate resilient growth. Korian is intending to issue a Framework that includes several of the International Capital Market Association ("ICMA") green eligible categories outlined in Schedule 1.

DNV Business Assurance Services UK Limited ("DNV") has been commissioned by Korian to provide a review of the Framework against the International Capital Market Association ("ICMA") Green Bond Principles 2018 ("GBP"). Our methodology to achieve this is described under the "Work Undertaken" section below. DNV was not commissioned to provide independent assurance or any other audit activities. No assurance has been provided regarding the financial performance of bonds issued via the Company's Framework, the value of any investments, or the long-term environmental benefits of the associated transactions. Our objective has been to provide an assessment that the Framework has met the criteria established on the basis set out below.

Responsibilities of the Management of Korian and DNV

The management of Korian 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 Korian's management

¹ Korian operates across France, Germany, Italy, Belgium, Spain, Netherlands, and the United Kingdom.



Allocation & impact reporting

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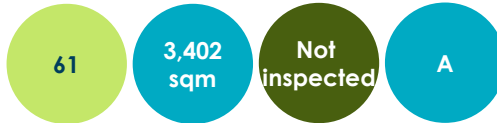
ALLOCATION & IMPACT REPORTING

Based on the criteria for project eligibility, the Korian Real Estate Green Bond Committee has voted to allocate a first portion of the £200m Bond proceeds to eligible Green Buildings projects having been acquired in the UK by the Group in the course of 2021 and 2022. Those Green Buildings are owned and managed by the Group and meet the specific energy performance thresholds defined for the UK.

ALLOCATION METRICS		
	Total net proceeds from the Bond	£199,310,000
	Total amount of net proceeds allocated	£151,520,000
	Financing vs. Refinancing	Financing: £41,370,000 Refinancing: £110,150,000
	Energy performance threshold	Energy Performance Certificate (EPC) A or B
	Balance of unallocated proceeds	£47,790,000
IMPACT METRICS		
	Number of buildings	7
	Total floor space	24 492 sq m
	EPC ratings	2 buildings with A ; 5 buildings with B

ALLOCATION & IMPACT REPORTING

1. PORTOBELLO PLACE
(CHARTRIDGE)



2. SHINFIELD VIEW
(READING)



3. CUMNOR HILL HOUSE
(OXFORD)



4. RYEFIELD COURT
(LONDON)



● Number of beds
 ● Floor space
 ● CQC rating
 ● EPC Rating

ALLOCATION & IMPACT REPORTING

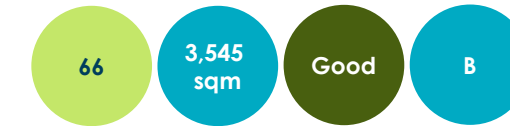
6. BADMINTON PLACE
(BRISTOL)



7. BLENHEIM HOUSE
(WILTSHIRE)



8. FERNHILL HOUSE
(WORCESTERSHIRE)



● Number of beds
 ● Floor space
 ● CQC rating
 ● EPC

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**External
verification**

AUDITORS VERIFICATION

In line with its Green Bond Framework Korian has asked its auditors Mazars and E&Y to perform the verifications regarding the internal tracking and allocation of funds as reported in this reporting.

The auditors attestation is available in the Sustainable Finance section of the Korian website together with the Allocation and Impact Reporting.



KORIAN

DISCLAIMER

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