

# GREEN BOND REPORT

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July 2023

# **Our Sustainability Strategy**



# 1. Emergence Plaza's 2022 ESG Highlights

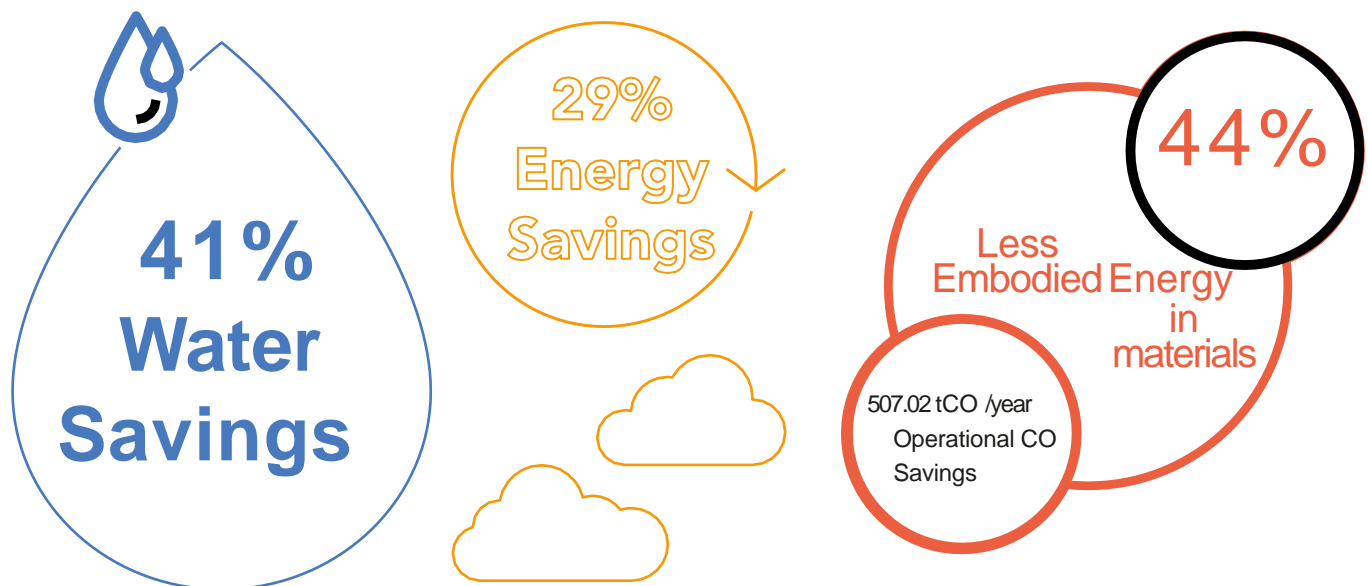


## ESG DISCLOSURE

Cosmos Yopougon believes that environmental, social and governance (ESG) principles are essential to the development of the shopping center and its operations and provide long-term value to our investors and stakeholders. We are committed to integrating ESG into our management process and operating philosophy. Our investors and shareholders benefit from this dedication.

Our approach is based on a commitment to our investors to be prudent managers of capital. We implement initiatives designed to make assets stronger and more resilient, such as promoting sustainability and diversity, and employability, which are considered essential components of ESG.

Our approach is highly coordinated, combining our efforts through our teams that seek to implement ESG policies.



In 2022, we have linked our bond issue to clear sustainability goals, targeting specific carbon emission reductions as part of sustainable financing; this green bond issue supports our mission, clearly demonstrating our not only continued, but strengthened commitment to developing a sustainable economy.



**+800**

Employees



**46%**

Women in a managerial role



**10%**

Waste recycled



**1,319 mWh**  
Consumption



**11.412 m³**  
Consumption



## **AWARDED FOR OUR WORK BY IFC WORLD BANK**

**HC Capital Properties** has been awarded as a partner of IFC's EDGE Green Building Market transformation Program and holds the distinction of an **EDGE Champion**.

The distinction of EDGE Champion is given as a recognition of our ongoing collaboration with IFC in pursuit of our shared aspirations to move the construction industry on to a lower carbon, more resource-efficient path through certified green buildings.

## 2. Emergence Plaza's Green Bond Issuance

By August 2021, Emergence Plaza SA has issued a green bond, certified as compliant with climate bond standards. The proceeds were fully allocated to eligible assets, which include projects that have achieved the green building Edge certification.

Operation Type	Private placement bond issue
Bonds Type	Green Bonds
Denomination	EMERGENCE PLAZA S.A., GREEN BONDS 7,50% 2021 – 2028
Amount Raised	10,000,000,000 XOF (€15.2M)
Nominal Amount	1,000,000 XOF (€1.5K)
Issuance Price	1,000,000 XOF (€1.5K)
Number of Shares	10,000
Duration	8 years
Coupon	7.5%
Date of Issue	12 August 2021
Arranger & Underwriter	HUDSON & Cie

Emergence Plaza's Green Bonds is the first corporate Green Bonds issued in Francophone West and Central Africa and has been oversubscribed. The issuance received the Climate Bond Certification, which is the highest certification for a green bond.

# 3. Emergence Plaza’s Green Bond Approach

## Sustainability Approach

Emergence Plaza SA strives to be the leader in Africa in sustainable retail developments, maximizing economical outcome with innovative cutting-edge energy efficient and sustainable building principles and operational excellence.

The Emergence Plaza SA Green Bond Framework follows the ICMA Green Bond Principles 2018 edition, which provides guidelines in four key areas:

1. Use of proceeds
2. Process for project evaluation and selection
3. Management of proceeds
4. Reporting

## Use of Proceeds

Emergence Plaza SA intends to allocate the net proceeds of Green Bond issuances to finance or refinance green certified retail developments.

In line with the key focus areas of the IFC EDGE tool, eligible Green Buildings must achieve a minimum 20% reduction in Energy Efficiency, Water Consumption and Materials Efficiency respectively as compared to the baseline in the market.

Emergence Plaza SA seeks IFC EDGE certification for architectural drawings (preliminary certification) and final IFC EDGE certification upon completion of construction.

## Process for Project Evaluation and Selection

Projects financed and/or refinanced through Green Bond proceeds are evaluated and selected by Emergence Plaza SA’s Green Bond Committee (the “Committee”).

The Committee consists of members of the Emergence Plaza SA board of directors and members of the management as well as other parties nominated as subject matter experts. The Committee will manage any future updates to the Framework, including expansions to the list of Eligible Categories, and oversee its implementation.

Emergence Plaza SA’s business principles apply minimum environmental and social requirements and all applicable local national environmental and social regulation for all its activities, including those financed or refinanced with the proceeds of the Green Bond.

## Management of Proceeds

Emergence Plaza SA intends to allocate the proceeds from the Green Bonds to an Eligible Green Project. Projects will be selected in accordance with the use of proceeds criteria and the evaluation and selection process presented above. Any Green Bond funding raised is reflected and tracked in a separate Emergence Plaza SA account (the “EP Green Bond Account”) for use towards financing or refinancing eligible projects. Internal budget/accounting systems or invoices are used to identify costs of projects, which are then marked against funds held in the Green Bond Account.

## Reporting

Emergence Plaza SA will make and keep readily available reporting, covering the allocation of net proceeds to the Eligible Green Projects. Reporting will take place a year following the issuance of the applicable Green Bond and will be renewed annually until full allocation of Green Bond net proceeds.

Emergence Plaza SA intends to provide aggregated reporting for all its Green Bonds and other potential green financings outstanding.





# Our Green Bond Program



# 100% of our Green Bond allocated to Green Buildings



Green Building Project	Signed Amount (XOF)	Share of Total Project Financing	Eligibility for Green Bonds	Green Building Component	Allocated Amount (XOF)	Gross Building Area (m²)
Cosmos Yopougon	10,000,000,000	50%	100%	100%	10,000,000,000	17,000

By August 2021, Emergence Plaza SA has allocated over 10,000,000,000 XOF (€15 million) of net proceeds of his first green bond entirely to Cosmos Yopougon, the first operational EDGE certified building in French Speaking West & Central Africa.

Achieving 29% energy savings, 41% water savings and 44% less embodied energy in materials.

# Final and/or Primary Energy Use

**156.65**

kWh/m<sup>2</sup> of GBA per Month

**1,319.9**

Energy Savings (MWh/Year)

**30.954**

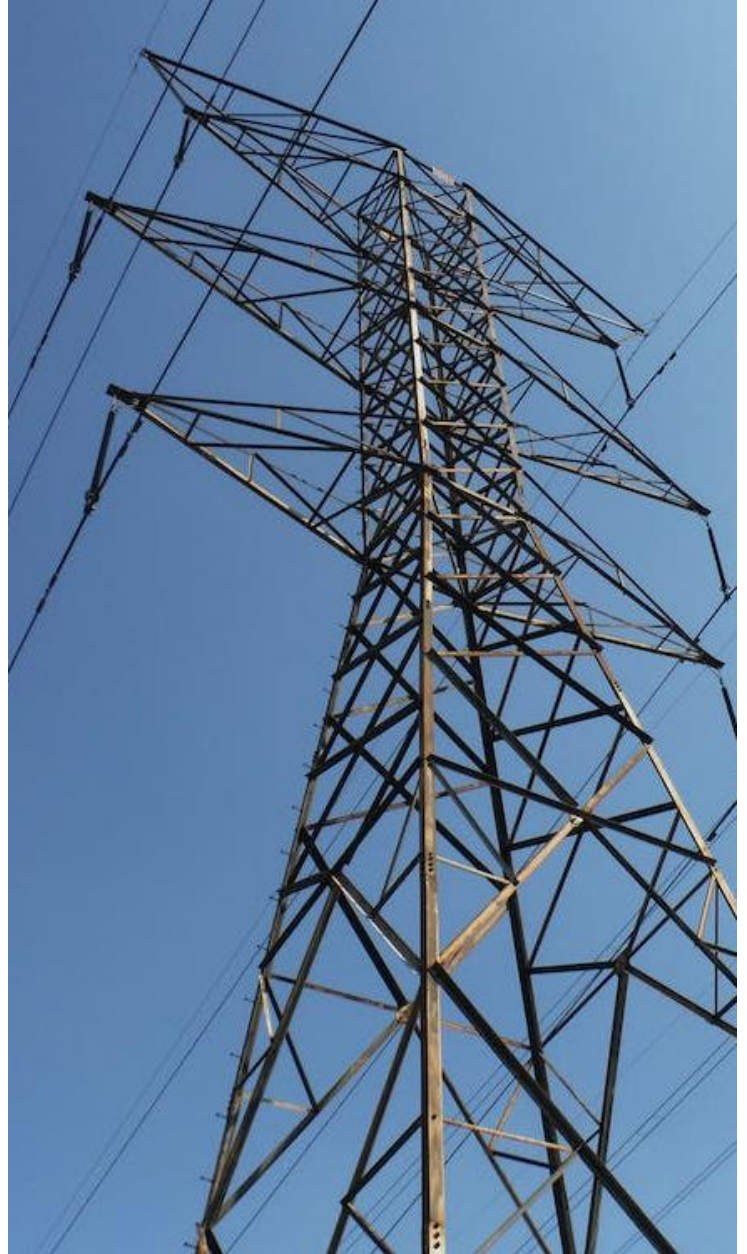
Embodied Energy In Materials  
Savings (GJ)

**1,774.82**

Embodied Energy Savings (MJ/m<sup>2</sup>)

**29%**

Estimated % of Energy Use  
Reduced / Avoided





# Carbon Reductions



**1,188.19**

tCO<sub>2</sub>/m<sup>2</sup> of GBA p.a.



**654.64**

Operational CO<sub>2</sub> Savings tCO<sub>2</sub> p.a

**507.02**

Tons of CO<sub>2</sub> equiv. Reduced / avoided p.a.

**44%**

% of Carbon Emissions Reduced / Avoided

# Water Efficiency

**3.481**

m<sup>3</sup> / m<sup>2</sup> of GBA per annum

**66,628.56**

Annual water savings in m<sup>3</sup>

**41%**

Water Savings





# Waste Management

**16.457**

Waste removed in tons



**10%**

Waste Minimized, Reused,  
Recycled in % of total waste







# **Report of Independent Third Party**



# EMERGENCE PLAZA SA GREEN BOND 2020

## DNV GL PRE ISSUANCE ASSURANCE OPINION

### Scope and objectives

Emergence Plaza SA (“EPSA” or “Issuer”) is considering the issuance of a Green Bond in XOF (henceforth referred to as “BOND”) and has submitted the proposed bond for verification and certification against the Climate Bond Standard (CBS).

EPSA intends to use the proceeds of the BOND to refinance nominated projects and assets falling under the following categories:

- Buildings - Commercial

DNV GL Business Assurance Australia Pty Ltd (henceforth referred to as “DNV GL”) has been commissioned by EPSA to provide verification of the BOND as an independent and approved verifier under the Climate Bond Standard. Our criteria and information covered to achieve this is described under ‘Work Undertaken’ below.

No assurance is provided regarding the financial performance of the BOND, the value of any investments in the BONDS, or the long-term environmental benefits of the transaction. Our objective has been to provide an assessment that the BOND has met the criteria of the Climate Bond Standard and the associated Technical Criteria on the basis set out below.

The scope of this DNV GL opinion is limited to the Climate Bond Standard Version 3.0 and the following associated Sector Technical Criteria:

- Buildings - Commercial

### Responsibilities of the Management of EPSA and DNV GL

The management of EPSA has provided the information and data used by DNV GL during the delivery of this review. Our statement represents an independent opinion and is intended to inform EPSA management and other interested stakeholders in the BOND as to whether the established criteria have been met, based on the information provided to us. In our work we have relied on the information and the facts presented to us by EPSA. DNV GL 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 GL shall not be held liable if any of the information or data provided by EPSA’s management and used as a basis for this assessment were not correct or complete.

### Basis of DNV GL’s opinion

DNV GL has conducted the verification against the CBS v3.0 and associated Sector Technical Criteria through the creation and execution of a verification protocol addressing each requirement of the CBS v3.0 and the associated Sector Technical Criteria. The detail of areas covered in the DNV GL verification

is summarised in Schedule 2 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 EPSA 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 and execution of a Climate Bond Standard Protocol, adapted to include the relevant Sector Technical Criteria for the BOND nominated projects and assets, as described above and in Schedule 2 to this Assessment;
- Assessment of documentary evidence provided by EPSA on the BOND and supplemented by a high-level desktop research, documentation review and correspondence with key personnel from the issuer EPSA. These checks refer to current assessment best practices and standards methodology;
- Discussions with EPSA management, and review of relevant documentation;
- Documentation of findings against each element of the criteria. Our opinion as detailed below is a summary of these findings.



## Findings and DNV GL's opinion

DNV GL has performed the Pre Issuance Verification of the EPSA Green Bond. It is DNV GL's responsibility to provide an independent verification statement on the compliance of the 2020 EPSA Green Bond with the Climate Bond Standard.

DNV GL conducted the verification in accordance with the Climate Bond Standard Version 3.0 and with International Standard on Assurance Engagements *3000 Assurance Engagements other than Audits or Reviews of Historical Information*. The verification included i) checking whether the provisions of the Climate Bond Standard were consistently and appropriately applied and ii) the collection of evidence supporting the verification.

DNV GL's approach draws on an understanding of the risks associated with conforming to the Climate Bond Standard and the controls in place to mitigate these. DNV GL planned and performed the assurance engagement by obtaining evidence and other information and explanations that DNV GL considers necessary to give limited assurance that the EPSA Green Bond meets the requirements of the Climate Bond Standard.

Based on the limited assurance procedures conducted, nothing has come to our attention that causes us to believe that the EPSA Green Bond is not, in all material respects, in accordance with the Pre Issuance requirements of the Climate Bond Standard Version 3.0 and Associated Commercial Buildings Sector Criteria. DNV GL also confirms the alignment of the EPSA Green Bond Framework and proposed Issuance with the Green Bond Principles 2018.

**for DNV GL Business Assurance Australia Pty Ltd**

Sydney, 10 November 2020



**Mark Robinson**  
Lead Verifier, Sustainability Services  
DNV GL – Business Assurance



**David McCann**  
Reviewer, Sustainability Services  
DNV GL – Business Assurance

### About DNV GL

Driven by our purpose of safeguarding life, property and the environment, DNV GL 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.

THIS CERTIFIES THAT  
**Centre Commercial COSMOS Yopougon**  
HAS ACHIEVED AN  
**EDGE CERTIFICATE**  
CERTIFICATE NUMBER  
**GP2-CIV-20010110082506**

Exemplifying achievement in the  
following areas:

**29%**  
**Energy Savings**

**41%**  
**Water Savings**

**44%**  
**Less Embodied  
Energy in Materials**

1228.94 tCO<sub>2</sub>/year  
Operational CO<sub>2</sub> Emissions  
507.02 tCO<sub>2</sub>/year  
Operational CO<sub>2</sub> Savings



DEVELOPED BY  
**SCI ÉMERGENCE PLAZA**

CERTIFIED BY  
**Green Business Certification Inc. (GBCI)**

*Mahesh Ramanujam*

Mahesh Ramanujam, President and CEO, Green Business Certification Inc.  
DATE OF ISSUE: 23-JUN-2020



**WORLD BANK GROUP**

THE WORLD BANK  
IBRD • IDA

**IFC**

International  
Finance Corporation



#### THIS CERTIFIES THAT

Centre Commercial COSMOS Yopougon Boulevard  
Principal en face Place Ficgayo ABIDJAN, Côte  
d'Ivoire BP 779 Cidex 03 Abidjan Côte d'Ivoire

#### DEVELOPED BY

SCI ÉMERGENCE PLAZA

#### HAS ACHIEVED AN

EDGE CERTIFICATE

#### CERTIFICATE NUMBER

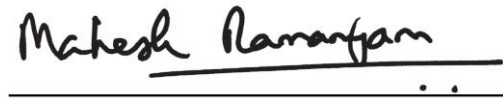
GP2-CIV-20010110082506

#### WAS AUDITED BY

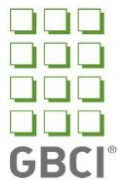
Samuel Kwaku Worwui  
EDGE Software Version: v2.1.5

#### CERTIFIED BY

Green Business Certification Inc. (GBCI)



Mahesh Ramanujam, President and CEO, Green  
Business Certification Inc.



#### DATE OF ISSUE

23-JUN-2020

#### ENERGY MEASURES

Reduced Window to Wall Ratio  
Reflective Paint/Tiles for Roof Reflective  
Paint for External Walls Insulation of  
Roof  
Insulation of External Walls Variable  
Speed Drives in AHU  
Energy Saving Light Bulbs- Sales Area  
Energy Saving Light Bulbs- Corridors and Common Areas Energy  
Saving Light Bulbs- External Areas  
Occupancy Sensors in Bathrooms Higher  
Efficiency Refrigerated Cases  
Skylight(s) to Provide Daylight to 50% of Top Floor Area

#### WATER MEASURES

Efficient Flush for Water Closets in All Bathrooms  
Water-Efficient Urinals in all Bathrooms  
Aerators for Faucets/ Auto Shut-Off Faucet  
Water-Efficient Faucets for Kitchen Sinks

#### MATERIALS

Floor Slabs - In-Situ Reinforced Concrete Slab  
Roof Construction - Steel (Zinc or Galvanised Iron) Sheets on Steel Rafters  
External Walls - Aluminium Profile Cladding  
External Walls - Solid Dense Concrete Blocks  
Internal Walls - Plasterboards on Metal Studs  
Internal Walls - Solid Dense Concrete Blocks  
Window Frames - Aluminium

[www.edgebuildings.com](http://www.edgebuildings.com)

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The EDGE standard requires 20% efficiencies in energy, water and materials compared to a local benchmark. Predicted efficiencies are not a guarantee of future operational performance. Energy savings may be associated with virtual energy for comfort depending on the presence of heating and cooling systems. Virtual energy does not contribute savings to utility bills.

This certificate is issued by the Certifier based on information provided by the client and the audit by the Auditor, and is subject to the terms and conditions of the Certifier. Contact [edge@ifc.org](mailto:edge@ifc.org) if the above measures are not consistent with your observation on the project.



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