



LA TROBE UNIVERSITY GREEN BOND

PERIODIC REVIEW 2024



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Prepared By: DNV Business Assurance Australia Pty Ltd

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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 17029:2019 - Conformity Assessment - General principles and requirements for validation and verification bodies, and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We have complied with the DNV Code of 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 ("LTU" or "Issuer") was founded in 1964 with a mission to advance knowledge and learning to shape the future of their students and communities with a strong commitment towards sustainability.

In July 2023, LTU issued the Sustainable Financing Framework ("Framework") to allow them to align its growth ambitions to their finance strategy by entering Sustainable Financing Transactions which refer to Green Loans/Green Bonds/Social Loans/Social Bonds/Sustainability Bonds collectively known as Use of Proceeds Instruments ("UoPIs").

On 8th August 2023, LTU issued its inaugural bond with ISIN: AU3CB0301513 of AUD \$175 million in medium-term notes within the framework, (henceforth referred to as "Green Bonds"). The term of this Green Bond is 7 years, maturing on 8th August 2030, with a coupon rate of 5.31%.

DNV Business Assurance Australia Pty Ltd (henceforth referred to as "DNV") conducted a Green Bond Eligibility Assessment on the bond using the Green Bond Principles 2023 (GBP).

LTU has used the proceeds of the Green Bond to finance and/or refinance new or existing eligible green projects and/or social projects falling under the following categories as described in the GBP:

- Green Buildings
- Renewable Energy
- Energy Efficiency
- Clean Transportation
- Pollution Prevention and Control
- Sustainable Water and Waste Management
- Terrestrial Aquatic Biodiversity Conservation

DNV has been commissioned by LTU to provide the initial and Periodic Review of the Green Bond. Our criteria and information covered to achieve this is described under 'Work Undertaken' below. This Periodic Review was conducted on the information provided by LTU in February/March 2024. No assurance is provided regarding the financial performance of the Green Bond, the value of any investments in the Green Bond, or the long-term environmental benefits of the transaction. Our objective has been to provide an assessment that the Green Bond has met the criteria established on the basis set out below.

The scope of this DNV opinion is limited to the latest version of the Green Bond Principles (GBP).

Responsibilities of the Management of LTU and DNV

The management of the LTU 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 LTU's management and other interested stakeholders in the Framework as to whether the proposed Green Bond is aligned with GBP. In our work we have relied on the information and the facts presented to us by



the University. 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 LTU's management and used as a basis for this assessment were not correct or complete.

Basis of DNV's Opinion

We have adapted our assessment methodology to create the LTU-specific Eligibility Assessment Protocol (henceforth referred to as "Protocol"). Our Protocol includes a set of suitable criteria that can be used to underpin DNV's opinion.

As per our Protocol, the 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 Green Bond must use the funds raised to finance eligible activities. The eligible activities should produce clear environmental and or 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 should outline the process it follows when determining eligibility of an investment using Green Bond 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 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 should be made.

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.

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 LTU 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:

Initial Verification (Completed in 2023)

- Creation of an LTU-specific Protocol, adapted to the purpose of the Green Bond, as described above and in Schedule 2 to this Assessment;
- Assessment of documentary evidence provided by LTU on the Green Bond and supplemented by a high-level desktop research. These checks refer to current assessment best practices and standards methodology;
- Discussions with LTU 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.

Periodic Verification (This engagement)

- Assessment of documentary evidence provided by LTU on the Green Bond and supplemented by a high-level desktop research, documentation review and interviews with key personnel from LTU. These checks refer to current assessment best practices and standards methodology;
- Review of relevant documentation;
- Review of the nominated projects and assets as described in Schedule 2 as at the time of Periodic Verification;
- Review and testing where possible of Reporting Data;

Documentation of findings for Periodic Verification as detailed in this document. Our opinion as detailed below is a summary of these findings.



Findings and DNV's Opinion

DNV's findings are listed below:

1. Use of Proceeds

The proceeds generated from the Green Bond issued according to the Framework are directed towards eligible initiatives overseen by La Trobe University's Sustainability Financing Working Group. By December 31, 2023, a total of AUD \$74.6 million had been spent on refinancing, with additional allocations planned for various programs, such as the 6-star Green Star La Trobe Sports Stadium, 5-star Green Star New Student Accommodation, and Net Zero Projects, among others. These eligible projects fall under the Green Buildings category as per GBP. DNV undertook an analysis of the associated projects to determine the eligibility as "Green" in line with the GBP. LTU has provided analysis and specifications of its Eligible Green Assets within the Category of Green Buildings. DNV concludes that the nominated projects and assets are consistent with the categories outlined in the GBP and may be reasonably expected to deliver meaningful environmental benefits.

2. Process for Project Evaluation and Selection

The Framework describes the process for project evaluation and selection which consists of a Sustainability Financing Working Group (SFWG), which has been created and had their inaugural meeting in December 2023. The SFWG oversees the implementation and execution of the Framework and screens projects by conducting environmental and social due diligence and assessing financial viability and sustainability impacts. The SFWG also maintains a Project Register listing down all approved projects. DNV concludes that the LTU's Sustainability Financing Framework appropriately describes the process of project evaluation and selection and is consistent with the criteria set out in the GBP.

3. Management of Proceeds

The net proceeds from the Green Bond will be listed in the Sustainability Financing Projects Register which will contain relevant information including details of the Green Bond such as principal amount of proceeds, maturity date, ISIN, and interest coupon to name a few. It will also include information on the amount of proceeds earmarked for each eligible green project category and information on any unallocated proceeds yet to be earmarked. The Framework highlights that LTU will use its Enterprise Resourcing Planning system, SAP to track net proceeds allocation towards eligible green projects. DNV has reviewed the evidence presented and can confirm that the proceeds have been allocated in a manner consistent with the Framework and the GBP.

4. Reporting

LTU will publish a Sustainable Financing Report and an Annual Report which will disclose Use of Proceeds of its Green Bond, and this will be made publicly available on their website. LTU will also be issuing an Allocation Report for its Green Bond with a list of eligible green projects, amount of proceeds allocated towards it along with any remaining balance of unallocated proceeds. LTU will also issue an Impact Report for the Green Bond. DNV can confirm that the LTU's Sustainability Finance Framework appropriately describes the procedures of reporting in line with GBP.



On the basis of the information provided by LTU and the work undertaken, it is DNV's opinion that the LTU's Green Bond instrument issued under this Framework meets the criteria established in the Protocol and is aligned with GBP.

For DNV Business Assurance Australia Pty Ltd

Sydney, Australia / 21st March 2024

A handwritten signature in black ink, appearing to read "DMC", written over a horizontal line.

David McCann
Team Leader

A handwritten signature in black ink, appearing to read "Parina", written over a horizontal line.

Parina Mehta
Technical Reviewer



Schedule 1. Nominated Projects/Assets: LTU Green Bond

The nominated projects/assets as provided by LTU as per Sustainability Financing Register dated March 2024.

Eligible Green Project Categories	Eligible Assets	Cost of Asset (AUD in Million)	Green Star Rating	Green Star Certification Status
Green Buildings category as per GBP	La Trobe Apartment North and South	\$100.8	5	Certified 16/4/2021 Design & As Built v1.2
	La Trobe Sport Stadium (6-star GBCA Green star rated building)	\$78.8	6	Certified 26/11/2020 Design & As Built v1.2
	La Trobe Rural Health School (Bendigo)	\$48.9	5	Certified 8/5/2014
	Clinical Teaching Building (Bendigo)	\$21.3	5	Certified 22/1/2014

Net Zero Projects (non-Building) cost \$24.6m

Schedule 2. Eligibility Assessment Protocol

1. Use of Proceeds

Ref.	Criteria	Requirements	DNV Findings
1a	Type of bond	<p>The bond must fall in one of the following categories, as defined by the Green Bond Principles:</p> <ul style="list-style-type: none"> • Green Use of Proceeds Bond • Green Use of Proceeds Revenue Bond • Green Project Bond • Green Securitised Bond 	<p>The reviewed evidence confirms that the Framework caters for instruments including Green, Social or Sustainability Use of proceeds Bonds or Loans.</p> <p>From the Framework <i>In this Framework, we refer to Green Loans/Green Bonds/ Social Loans/Social Bonds/Sustainability Bonds collectively as Use of Proceeds Instruments (UoPIs). Green Bonds and/or Green Loans that are aligned with the Green Bond Principles (GBP)</i></p> <p>The instrument issued under the Framework is a Green Use of Proceeds Bond.</p>
1b	Sustainable Project Categories	<p>The cornerstone of Green Bond is the utilisation of the proceeds of the bond which should be appropriately described in the legal documentation for the security.</p>	<p>The Green Bond issuance is related to a Use of Proceeds falling under the Framework categories:</p> <ul style="list-style-type: none"> • Green Buildings • Renewable Energy • Energy Efficiency • Clean Transportation • Pollution Prevention and Control • Sustainable Water and Waste Management • Terrestrial Aquatic Biodiversity Conservation <p>This is consistent with the categories outlined in the GBP.</p>
1c	Environmental and Social benefits	<p>All designated Green Project categories should provide clear environmentally sustainable benefits, which, where feasible, will be quantified or assessed by the Issuer.</p>	<p>Eligible Green Categories</p> <p>Green Buildings</p> <ul style="list-style-type: none"> • Notable and eligible projects include: • 6-star GBCA Green star rated building – La Trobe Sports Stadium • AgriBio Science Building • Clinical Teaching Building (109 Arnold St, Bendigo)

Ref.	Criteria	Requirements	DNV Findings
			<ul style="list-style-type: none"> • La Trobe Apartment North • La Trobe Apartment South • La Trobe Institute of Molecular Science (LIMS) • La Trobe Rural Health School (LRHS) (Edwards Rd, Bendigo) • Sylvia Walton Building • Shepparton Campus <p>Renewable Energy</p> <ul style="list-style-type: none"> • LTU has installed Rooftop Solar PV, which is renewable energy generation across all campuses. • Installation and rollout of solar carport projects at Bendigo and Wodonga. • Creation of La Trobe Renewable Zone – 2.8MW PV + Battery Energy Storage System (BESS). <p>Energy Efficiency</p> <ul style="list-style-type: none"> • LTU has upgraded to over 40,000 energy efficient LED lighting fittings across all campuses. • LTU has built electrification pilot program which is the HHS1 Building at Bendigo. • LTU created the La Trobe Energy Analytics Platform (LEAP). <p>Clean Transportation</p> <ul style="list-style-type: none"> • LTU is transitioning passenger fleet to zero emissions vehicles. • Installing and maintaining infrastructure for greater uptake of sustainable transport options such as EV charging stations, bicycle hubs and shared pathways. <p>Pollution Prevention and Control</p> <ul style="list-style-type: none"> • LTU has installed on-site composting units. • LTU increased the procurement of recycled materials and products in both operational and capital expenditures. • Developed and implemented strategies for waste avoidance, resource recovery, and reuse. • Engaged with an approved e-waste recycling contractor. • Promoted a re-usable revolution by providing reusable crockery and cutlery.

Ref.	Criteria	Requirements	DNV Findings
			<ul style="list-style-type: none"> In August 2022, LTU successfully obtained a \$64,500 grant from Sustainability Victoria as part of the reuse pilot fund, to conduct a reusable crockery pilot program for 2023 in the Agora, Melbourne Campus. The project commenced in 2023 with total cost of over \$104K, with potential savings of 600,000 single-use crockery and containers. <p>Sustainable Water and Waste Management</p> <ul style="list-style-type: none"> LTU focused on providing sustainable infrastructure for clean and/or drinking water for distribution. LTU also prioritised water conservation projects, water and wastewater treatment and recycling facilities. LTU also looked at sustainable urban drainage systems, river training and other forms of flood mitigation. <p>Terrestrial and Aquatic Biodiversity Conservation</p> <ul style="list-style-type: none"> LTU collaborated on the revegetation of the Darebin Creek frontage involving a partnership among Melbourne Water, the Darebin Creek Management Committee, the Wurundjeri Woi-wurrung Cultural Heritage Aboriginal Corporation (WWCHAC), Darebin City Council, and La Trobe University. Notable projects include Nangak Tamboree Wildlife Sanctuary Revegetation and Native Fish. <p>Overall, DNV considers criteria benchmarked and projects selected by LTU can reasonably be expected to deliver real and tangible environmental benefits through the Use of Proceeds categories associated with improvements in, energy efficiency through renewable energy, clean transportation, green buildings, pollution control and prevention, terrestrial and aquatic biodiversity conservation and sustainable water and waste management. DNV concludes that the nominated projects are well aligned with the GBP.</p>
1d	Refinancing Share	In the event that a proportion of the proceeds may be used for refinancing, it is recommended that issuers provide an estimate of the share of financing vs. re-financing, and where appropriate, also clarify	<p>DNV notes that the issuance under the Framework is for the financing and refinancing of the nominated projects.</p> <p>From the Framework</p> <p><i>The net proceeds raised through use of proceeds Sustainable Finance Instruments will be earmarked to finance or refinance new or existing eligible green projects and/or eligible social projects that deliver positive</i></p>

Ref.	Criteria	Requirements	DNV Findings
		which investments or project portfolios may be refinanced.	<i>environmental and/or social outcomes, align with and contribute towards meeting the UN SDGs.</i>

2. Process for Project Selection and Evaluation

Ref.	Criteria	Requirements	DNV Findings
2a	Investment-decision process	<p>The Issuer of a Green Bond should outline the decision-making process it follows to determine the eligibility of projects using Green Bond proceeds. This includes, without limitation:</p> <ul style="list-style-type: none"> • A process to determine how the projects fit within the eligible Green Projects categories identified in the Principles; • The criteria making the projects eligible for using the Green Bond proceeds; and • The environmental sustainability objectives 	<p>As per the Framework, the Sustainability Financing Working Group (SFWG), which has been created and had their inaugural meeting in December 2023, will oversee the implementation and execution of the Framework and screen projects by conducting environmental and social due diligence, assessing financial viability and sustainability impacts. The SFWG also maintains a Project Register listing for all approved projects.</p> <p>Decision-making process to determine the eligibility of projects are well explained in the Framework. The Treasurer of Victoria holds the authority to approve the LTU's debt cap, while the La Trobe University Finance and Resources Committee and/or Council will authorize all debt-raising endeavours, including those issued under this Framework.</p> <p>DNV concludes that the Framework appropriately describes the process of project evaluation and selection and is consistent with the criteria set out in the GBP.</p>
2b	Issuer's environmental and social and governance framework	In addition to information disclosed by an issuer on its Green Bond process, criteria and assurances, Green Bond investors may also take into consideration the quality of the issuer's overall framework and performance regarding environmental sustainability.	<p>The Framework describes LTU's commitment towards sustainability and how their mission, vision and values all align towards making sustainability central to everything they do. The Framework also highlights their Climate Change Statement, March 2020. LTU acknowledges that sustainability encompasses economic, social, and environmental aspects and they will integrate sustainability across all operations, curriculum, and research. LTU is committed to attain Climate Active certification as an institution by 2029. Substantial strides have already been taken towards this goal, with all four of their regional campuses achieving Climate Active certification for the year 2022.</p> <p>Under the Framework, LTU will finance eligible social and environmental projects, with key areas of emphasis including:</p>

Ref.	Criteria	Requirements	DNV Findings
			<ul style="list-style-type: none"> Investing in the expansion of renewable energy sources to reduce their carbon footprint and shift towards cleaner energy alternatives. The implementation of energy-efficient technologies to minimise consumption and lower greenhouse gas emissions. Funding the development and enhancement of environmentally conscious infrastructure and sustainable buildings. Implementing sustainable water and waste management practices. Supporting terrestrial and aquatic biodiversity through conservation initiatives. <p>It is DNV's conclusion that the LTU has adopted ESG principles throughout the University as an organisation and educational and research institution from the materials, strategy and background information provided to DNV and has a clear and defined focus on sustainability. The Framework and Green Bond under the Framework are well aligned with the broader LTU strategy and position on sustainability.</p>

3. Management of Proceeds

Ref.	Criteria	Requirements	DNV Findings
3a	Tracking procedure	The net proceeds of Green Bond 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 Projects.	<p>The evidence reviewed shows how the net proceeds from the Green Bond will be listed in the Sustainability Financing Projects Register which will contain relevant information including details of the Green Bond such as principal amount of proceeds, maturity date, ISIN, and interest coupon. It will also include information on the amount of proceeds earmarked for each eligible green project category and information on any unallocated proceeds yet to be earmarked.</p> <p>From the Framework <i>To manage the net proceeds of each Green Bond, Social Bond, Sustainability Bond, Green Loan and Social Loan /UoPT, we will establish a Sustainability Financing Projects Register.</i></p>
3b	Tracking procedure	So long as the Green Bond is outstanding, the balance of the tracked proceeds should be	As long as Green Bonds remain outstanding, the balance of the tracked net proceeds will be periodically adjusted to align with allocations to eligible Green Projects during that time. Any unallocated net proceeds will be temporarily held

Ref.	Criteria	Requirements	DNV Findings
		periodically reduced by amounts matching eligible green investments made during that period.	<p>in cash or cash equivalents or invested in accordance with La Trobe University's Investment Policy. LTU is committed to directing the net proceeds of Green Bond to Eligible Green Projects or Eligible Social Projects within 24 months after receiving them.</p> <p>With opening balance of AUD 175m, AUD 74.6m was allocated to Eligible Assets: AUD 50m La Trobe Sports Stadium and AUD 24.6m Net Zero Projects. With the remaining AUD 100.4m, AUD 33m is earmarked towards future Net Zero Projects including the Urban Solar Farm (announced on 26th October 2023) allowing for AUD 67.4m balance being available for eligible projects.</p> <p>DNV confirms that the total cost of eligible assets being AUD 274.4m is greater than the amount raised by the Green Bond (AUD 175m).</p>
3c	Temporary holdings	Pending such investments or disbursements to eligible Green Projects, the Issuer should make known to investors the intended types of temporary investment instruments for the balance of unallocated proceeds.	The Framework highlights that unallocated net proceeds will be temporarily placed into cash or cash equivalents or invested according to the La Trobe University Investment Policy.

4. Reporting

Ref.	Criteria	Requirements	DNV Findings
4a	Periodical reporting	Issuers should make and keep readily available up to date information on the use of proceeds to be renewed annually until fully drawn, and as necessary thereafter in the event of material developments. This should include a	<p>LTU has confirmed that they will make their Annual Financial Report available on their website which will disclose the use of proceeds of its Green Bond. The Annual Report will contain information such as:</p> <ul style="list-style-type: none"> • Summary of each transaction of the Green Bond • Transaction Date • Principal amount of proceeds

Ref.	Criteria	Requirements	DNV Findings
		<p>list of the Green projects to which the Green Bond proceeds have been allocated and a brief description of the projects and 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 information is presented in generic terms or on an aggregated project portfolio basis.</p> <p>In addition to reporting on the use of proceeds and the temporary investment of unallocated proceeds, Issuers should provide at least annually a list of projects to which Green Bond proceeds have been allocated including - when possible with regards to confidentiality and/or competitive considerations - a brief description of the projects and the amounts disbursed, as well as the expected environmentally sustainable impact.</p>	<ul style="list-style-type: none"> • Maturity date • ISIN • Coupon rate <p>LTU has issued an Allocation Report for its Green Bond with a list of eligible green projects, amount of proceeds allocated towards it along with any remaining balance of unallocated proceeds. LTU also has issued an Impact Report for the Green Bond. The Impact Report dated December 2023 highlights the completed projects and its impact to the environment. It also mentions future project with their proposed allocated amounts and impact.</p>



About DNV

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