Second-Party Opinion

SONDA S.A. Green Bond Framework

Evaluation Summary

Sustainalytics is of the opinion that the SONDA S.A. ("SONDA") Green Bond Framework is credible and impactful and aligns with the four core components of the Green Bond Principles 2018. This assessment is based on the following:

USE OF PROCEEDS The eligible categories for the use of proceeds under the Investments in Energy Efficient IT Infrastructure (Data Centers) – (i) Green Buildings, (ii) Energy Efficiency, and (iii) Renewable Energy – are aligned with those recognized by the Green Bond Principles 2018. Sustainalytics considers the eligible categories to have positive environmental impacts and to advance the UN Sustainable Development Goals, specifically 7 (Affordable and Clean Energy), and 9 (Industry, Innovation and Infrastructure).

PROJECT EVALUATION / SELECTION SONDA's Investment Committee reviewed and selected Eligible Green Projects. The Investment Committee is comprised of cross-functional team members, including SONDA's CEO, the CFO, and the Senior VP of the IT Services Division, with relevant Business Units ensuring/facilitating compliance, documentation and external audit. Sustainalytics considers this to be in line with the market best practice.

MANAGEMENT OF PROCEEDS SONDA's Treasury will track the net proceeds through its internal (traceability) system based the Enterprise Resource Planning (ERP) used by the Company. Pending allocation, the net proceeds may be invested in cash or cash equivalents and/or other short-term liquid instruments. This is in line with market practice.

REPORTING SONDA intends to publish annual information within its Integrated Report, until full allocation. It will include the list, description and amounts allocated to each Eligible Green Project, and the unallocated amounts, as well as relevant impact metrics, where feasible. SONDA will additionally pursue an external audit for its allocation reporting. Sustainalytics considers this in line with market best practice.

Evaluation date	October 2019
Issuer Location	Santiago, Chile

Report Sections

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Introduction

SONDA S.A. ("SONDA", the "Company", or the "Issuer") is one of the leading providers of IT services and solutions in the Latin American market. The Company provides comprehensive IT services that support organizations throughout the lifecycle of technology adoption, such as by developing and customizing software applications and hardware platforms, and providing IT consulting services. SONDA is headquartered in Santiago, Chile, and operates in 10 countries, including Brazil and Mexico.

SONDA has developed the SONDA Green Bond Framework (the "Framework") under which it intends to issue a green bond and use the proceeds to finance, in whole or in part, existing or new projects associated with the construction of new data centers. The Framework defines the eligibility criteria for the following:

- Investments in Energy Efficient IT Infrastructure (Data Centers)
    a. Green Buildings
    b. Energy Efficiency
    c. Renewable Energy

SONDA engaged Sustainalytics to review the SONDA Green Bond Framework, dated October 2019, and provide a second-party opinion on the Framework's environmental credentials and its alignment with the Green Bond Principles 2018 (GBP)[1]. This Framework will be published on SONDA's website.[2]

As part of this engagement, Sustainalytics held conversations with various members of SONDA's management team to understand the sustainability impact of their business processes and planned use of proceeds, as well as management of proceeds and reporting aspects of the SONDA Green Bond Framework. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics' opinion of the SONDA Green Bond Framework and should be read in conjunction with that Framework.

[1] The Green Bond Principles are administered by the International Capital Market Association and are available at https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/
[2] The SONDA Green Bond Framework will be available on SONDA's website at: https://www.sonda.com/en/investors/sustainability/

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the SONDA Green Bond Framework

Summary

Sustainalytics is of the opinion that the SONDA Green Bond Framework is credible and impactful, and aligns with the four core components of the Green Bond Principles 2018. Sustainalytics highlights the following elements of the Framework:

- Use of Proceeds:
  - SONDA intends to invest in new energy efficient data centers through following eligible categories:
    - Green Buildings category that includes construction, refurbishment/renovation, or improvements to (data center) buildings which will be certified with a recognized green building standard, i.e. LEED Silver for Data Centers. Sustainalytics notes that Green Buildings intend to achieve carbon intensity reduction (or energy performance) equivalent to LEED Gold (or Platinum) as a market practice. However, SONDA's net proceeds will be directed toward achieving LEED Silver standard along with the additional pursuit of other initiatives which will reduce the overall environmental footprint of its data centers. Sustainalytics has conducted an evaluation of the certification and considers such certification standard as having a positive impact (Appendix 1 provides additional details on LEED certification scheme in the context of Data Centers).
    - Energy Efficiency that includes energy efficient equipment and systems;
    - Renewable Energy that includes long-term power purchase agreement from new or existing solar, wind and/or hydropower.
  - SONDA has communicated to Sustainalytics that both of its data centers are estimated to achieve an annualized Power Usage Effectiveness (PUE) of 1.5 or less. Sustainalytics notes the Green Grid's PUE is a de facto ratio which measures infrastructure energy efficiency for data centers, and has an estimated global average of 1.58 in 2018.[3] Sustainalytics recognizes that there are only a few data centers with exemplary energy efficiency having PUE of 1.2 or less;[4] nevertheless, a data center with a PUE of 1.5 or less is considered "efficient" in the market.
  - SONDA is undertaking additional initiatives such as the following: (i) green built environment, including certification with LEED Silver; (ii) 100% renewable energy procurement under PPA for at least one of the two data centers; and (iii) energy efficient equipment, hardware and systems, including free cooling technology that takes advantage of cool ambient conditions and reduces the need for mechanical cooling and associated power. Sustainalytics believes that SONDA is intending to go beyond market practice through such initiatives and promoting investments in the critical infrastructure (data centers) with high performance[5] and reduced environmental footprint.
- Project Evaluation and Selection:
  - SONDA's Investment Committee reviewed and selected Eligible Green Projects. The Investment Committee includes cross-functional team members, including SONDA's CEO, CFO, and the Senior VP of the IT Services Division. SONDA's relevant Business Units will be responsible for ensuring compliance with the eligibility criteria for Eligible Green Projects, documentation and

[3] The Green Grid's PUE measures the ratio of the energy consumption of total facility and the energy consumption of IT equipment within that facility. PUE does not consider "the efficiency of IT or networking equipment (or software applications)," and was designed "only to benchmark efficiency gains over time at an individual site rather than to compare one facility against another." The global average of PUE ratio came from the Uptime Institute's survey of almost 900 data center operators, IT and facilities management, and executives. Most survey respondents (62%) were from large, mature data center markets, such as the US, Canada, and Europe, with a balance spread across a mix of emerging and smaller data center markets. Uptime Institute Global Data Center Survey: https://datacenter.com/wp-content/uploads/2018/11/2018-data-center-industry-survey.pdf

[4] NREL, High-Performance Computing Data Center Power Usage Effectiveness: https://www.nrel.gov/computational-science/measuring-efficiency-pue.html

[5] SONDA intends to certify its two new data centers with the Tier IV standard, i.e., the highest benchmark under the Uptime Institute's Tier Classification System for assessing the reliability of data centers. Tier Standard is a performance-based rating system for data center design solutions that meet the requirements for availability, redundancy and fault tolerance. It allows incorporation of wide variety of infrastructure and system solutions to meet organization's goals for IT operations, costs, sustainability, and uptime. Uptime Institute, Tier Certification Overview: https://uptimeinstitute.com/tier-certification

facilitation of the external audit process. Sustainalytics considers this to be in line with the market best practice.
  - SONDA has confirmed that net proceeds will only be allocated to eligible projects that are new (or not yet operational). Sustainalytics has a positive opinion on this approach and believes that it will lead to greater additionality in terms of timing and nature of impact of the underlying projects. Sustainalytics considers this to be in line with market best practice.
- Management of Proceeds:
  - SONDA's Treasury will track the net proceeds through its internal (traceability) system based the Enterprise Resource Planning (ERP) used by the Company. Pending allocation, the net proceeds may be invested in cash or cash equivalents and/or other short-term liquid instruments, or refinance existing debt[6]. This is in line with market practice.
- Reporting:
  - SONDA intends to publish annual information within its Integrated Report, until full allocation. SONDA will additionally pursue an external audit for its allocation reporting. Sustainalytics considers this in line with market best practice.
  - Allocation reporting will include the list, description and amounts allocated to each Eligible Green Project, and the unallocated amounts.
  - Impact reporting may include, where feasible, relevant qualitative and quantitative indicators, such as LEED certification details, PUE, and other energy or water efficiency metrics such as kWh per year or per tonne of refrigeration, and volume of water (m^3) per year or per tonne of refrigeration.

Alignment with Green Bond Principles 2018

Sustainalytics has determined that SONDA's green bond aligns to the four core components of the Green Bond Principles 2018. For detailed information please refer to Appendix 2: Green Bond/Green Bond Programme External Review Form.

Section 2: Sustainability Strategy of the Issuer

Contribution of the Framework to SONDA's sustainability strategy

SONDA has demonstrated its commitment towards "reducing its impact over the environment and society"[7] through solutions and services that allow customers to minimize their environmental footprint. Furthermore, SONDA has aligned its corporate strategy with the 2030 Agenda for Sustainable Development, by subscribing to the UN Global Compact in 2019 and creating an Ethics Committee to sustain these initiatives[8]. In support of meeting the SDGs, the Company has focused on decarbonizing its energy matrix, mandating that all of the energy consumed in Chile will come from renewable energy sources. As an IT service provider, SONDA's data centers consume most of its total electricity consumption of nearly 31,433 MWh in 2018. In order to build high performance and energy efficient data centers, the Company's 2019-2021 Strategic Plan,[9] shows that approximately USD110 million in organic capital expenditure (nearly 31% of its overall planned capital) has been allocated to the two new Tier IV data centers in Chile and Colombia.

Currently, only 47 companies worldwide, including four in Latin America, have achieved Tier IV compliance for the design and construction of data centers. Of these 47 companies, only 12 have certified operational compliance. Through its two new Tier IV data centers, SONDA will be joining this group of leading companies and will contribute to its sustainability strategy, while simultaneously supporting its customers' transformation and modernization processes to adapt to disruptive technologies such as Internet-of-Things (IoT), Big Data, Blockchain Technology, Artificial Intelligence/Machine Learning, Hybrid Cloud and XaaS (all "as a Service").[10]

SONDA created its first Sustainability Report in 2016, and has been reporting on sustainability data in its Integrated Report since 2017. The Company has also been a member of the Dow Jones Sustainability Index

[6] In case of refinancing existing debt, SONDA will earmark an equivalent amount for the allocation to eligible projects.
[7] SONDA, Leading Latin American IT Services Company: https://www.sonda.com/content/uploads/2019/01/SONDA-Corporate-Presentation-2018.pdf
[8] SONDA, SONDA subscribes to the UN Global Compact: https://www.sonda.com/en/news/sonda-se-suma-al-pacto-global-de-la-onu/
[9] SONDA, STRATEGIC PLAN 2019 – 2020: https://www.sonda.com/content/uploads/2019/01/Financials-ENG-vf.pdf
[10] SONDA, SONDA Kudos Data Center inaugurates Tier IV era in Chile and Latin America: https://www.sonda.com/en/news/sonda-kudos-data-center-inaugurates-tier-iv-era-in-chile-and-latin-america/

(DJSI) Chile and DJSI MILA since 2017. The Company's also has additional projects aimed at addressing climate change include that related to smart lighting, smart forest fire safety, smart farming, and developing smart grids.[11]

SONDA's Board of Directors ("the Board") also plays a key role in the Company's sustainability agenda by monitoring and managing the sustainability programs and offering recommendations to senior management to ensure the incorporation of ethical, financial, environmental and social factors in their decision-making. In the Company's latest materiality assessment, SONDA identified the most pressing issues that would impact its 2019-2021 Strategic Plan. Some of the key issues identified were sustainable and profitable business growth, digital transformation for sustainable societies, and environmental management (including climate change, energy efficiency, and electronic waste). The analysis was conducted through conversations and interviews with multiple internal, including senior management, and external stakeholders.[11]

Considering the above, Sustainalytics is of the opinion that SONDA's sustainability strategy and action demonstrate the significance it places on achieving positive environmental impacts and believes that SONDA's Green Bond Framework is aligned with the Company's overall sustainability efforts.

Well positioned to address common environmental and social risks associated with the projects

While Sustainalytics recognizes that the net proceeds from SONDA's Framework will be directed towards eligible categories that are recognized by the GBP 2018 to have positive environmental impacts, Sustainalytics is aware that such projects could also lead to negative environmental and social outcomes, such as those related to worker health and safety, and a lack of pollution control in construction and development of projects.

SONDA has implemented various policies and processes to address social and/or environmental risks that may arise. After evaluating its internal control mechanisms in 2018, the Company created a Roadmap based on the COSO Standard[12] to implement stricter internal control measures in order to address gaps and establish action plans. The Roadmap covers "Code of Ethics for suppliers, selection procedure for critical suppliers, risk assessment in suppliers, and identification of critical suppliers"[11]. The Company also has an Internal Control, Risks and Corporate Governance Department that is responsible for "monitoring and coordinating the corporate risk identification and assessment process, including sustainability risks, and for reviewing compliance with the action plans established to mitigate or prevent them" [11]. Moreover, the Company underwent an external audit to identify material risks, including environmental and social risks. These risks are assessed and updated every month on an internal dashboard and are further reviewed by the Board and corporate managers at each of the Company's subsidiaries.

Ultimately, the Board is responsible for establishing proper controls and for securing appropriate risk identification and management systems to prevent and mitigate risks. In this regard, SONDA has integrated ISO 14001:2015 ("Environmental Management System"), and OHSAS 18001:2007 ("Occupational Health & Safety Management") across all of its operations and holds these certifications in Chile and Colombia. The Company is also working towards certification under ISO 20000-1 ("Information Technology") for the entire company to cover claims and incident management, among other processes.[11] In addition, SONDA has expanded its Code of Conduct and Ethics[13] which applies to all of its executives, employees and subsidiaries, and also serves to guide third party service providers to conduct business with integrity and in full compliance of applicable laws and regulations.

Based on the above-mentioned policies, systems and processes, Sustainalytics believes that SONDA is well positioned to address the environmental and social risks commonly associated with the Eligible Green Projects.

Section 3: Impact of Use of Proceeds

The eligible categories are recognized as impactful by the GBP 2018. The section below describes some of the anticipated impacts that are particularly relevant in the context of data centers.

The importance of energy efficiency, clean energy and green built environment for data center facilities

[11] SONDA, Integrated Report 2018 : https://www.sonda.com/memorias/2018/en/Reporte_integrado.pdf
[12] The Committee of Sponsoring Organizations of the Treadway Commission (COSO) designed an Integrated Framework to help businesses establish, assess and enhance their internal control. COSO, Internal Control – Integrated Framework: https://www.coso.org/Documents/990025P-Executive-Summary-final-may20.pdf
[13] SONDA, Código de Ética y Conducta de SONDA: https://www.sonda.com/content/uploads/2019/01/CodigodeEticaSONDAFinal.pdf

Data centers are by their very nature energy-intensive facilities; it is estimated that data centers (along with data transmission networks) consumed almost 1% of the world's energy in 2018, at approximately 198 terawatt hours (TWh) of electricity.[14] Despite these high global energy demands, recent technological developments have allowed data centers to operate more efficiently. The most common measure of energy efficiency in a data center is the PUE, which is the ratio of total energy consumed (including lighting and cooling) to the power consumed by IT systems/equipment. Although this metric is just one indicator to assess energy performance of data centers,[15] it is generally accepted as an industry standard metric. Over time, the PUE values have trended downwards across the data center industry due to both technological improvements as well as a greater focus on environmental sustainability.[16]

Sustainalytics also recognizes that data centers are unique structures and face different environmental challenges than other building types. The majority of a data center's energy demand relates to IT process load, (including the operation of servers and data networks), and cooling load (due to the high amount of heat generated by the computer equipment). For example, one European study notes that the power used for cooling accounts for nearly 40% of energy use in data centers, and may be as high as 61% at some inefficient facilities.[16] On the other hand, a global study suggests that in an average data center, 56% of power is consumed by server racks, 30% allotted to cooling, and the balance to power networks, lighting, security, and other loads.[17] Facilities using water-cooling technology may also have environmental impacts related to water management. Compared to the typical building type, a lower portion of the environmental impact is due to conventional factors such as building structure and envelope, construction materials, fixtures, waste generation, and indoor environments.

In order to address the energy-intensive nature of data centers, SONDA has publicly committed to "increasing the energy efficiency" of its facilities and improving its PUE.[11] In 2018, the Company demonstrated its ongoing commitment to decarbonization and offsetting the high energy demands of its operations by signing a power purchase agreement (PPA) for renewables with a utility company, Colbún. Such agreements ensure that renewable energy is used to power the Company's Chilean operations, including its Tier IV Data Center in Chile, where electricity will be sourced from solar, wind and/or hydropower.[11] To further address the unique demands as outlined above, notable certification schemes have issued additional criteria for data centers. Specifically, SONDA has undertaken the LEED (Silver) certification scheme which has prerequisites and additional energy performance requirements, outlining specific improvements that the data centers should or must attain.

Sustainalytics is of the opinion that SONDA's consideration of energy efficient measures, renewable energy procurement, and LEED Silver certification will significantly reduce the environmental footprint associated with operations of data centers, leading to an overall positive environmental impact

Alignment with/contribution to SDGs
The Sustainable Development Goals (SDGs) were set in September 2015 and form an agenda for achieving sustainable development by the year 2030. This green bond advances the following SDG goals and targets:

Use of Proceeds Category	SDG	SDG target
Energy Efficiency Renewable Energy Green Buildings	7. Affordable and Clean Energy 9. Industry, Innovation and Infrastructure	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix. 7.3 By 2030, double the global rate of improvement in energy efficiency. 9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all. 9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all

[14] International Energy Agency, Data centers and data transmission networks: https://www.iea.org/tcep/buildings/datacentres/
[15] Science Direct, Power usage effectiveness in data centers: overload and underachieving: https://www.sciencedirect.com/science/article/pii/S1040619016300446
[16] Energies, Trends in Data Centre Energy Consumption: http://www.mdpi.com/1996-1073/10/10/1470/pdf
[17] CIFE, A Critical Analysis of Power Usage Effectiveness: https://stacks.stanford.edu/file/druid:yz143cs2917/WP131_0.pdf

		countries taking action in accordance with their respective capabilities.

Conclusion

SONDA S.A. ("SONDA") has developed a Green Bond Framework to finance Eligible Green Projects associated with the construction of new data centers that intend to deliver positive environmental outcomes. Sustainalytics believes that SONDA's Framework is aligned with the Company's overall sustainability strategy and that the eligible categories will advance the UN Sustainable Development Goals 7 (Affordable and Clean Energy), and 9 (Industry, Innovation and Infrastructure). Additionally, Sustainalytics believes that SONDA has sufficient measures in place to manage and mitigate environmental and social risks commonly associated with the Eligible Green Projects funded by the use of proceeds.

Overall, Sustainalytics is of the opinion that the SONDA S.A. ("SONDA") Green Bond Framework is robust, transparent, and in alignment with the four core components of the Green Bond Principles 2018.

Appendices

Appendix 1: LEED Certification Scheme

	LEED[18]
Background	Leadership in Energy and Environmental Design (LEED) is a US Certification System for residential and commercial buildings used worldwide. LEED was developed by the non-profit U.S. Green Building Council (USGBC) and covers the design, construction, maintenance and operation of buildings.
Certification levels	Certified Silver Gold Platinum
Areas of Assessment	• Energy and atmosphere • Sustainable Sites • Location and Transportation • Materials and resources • Water efficiency • Indoor environmental quality • Innovation in Design • Regional Priority
Requirements	Prerequisites (independent of level of certification) + Credits with associated points These points are then added together to obtain the LEED level of certification There are several different rating systems within LEED. Each rating system is designed to apply to a specific sector (e.g. New Construction, Major Renovation, Core and Shell Development, Schools-/Retail-/Healthcare New Construction and Major Renovations, Existing Buildings: Operation and Maintenance). For example, LEED-certified data centers must state the PUE value of the proposed infrastructure.[19] In order to meet this prerequisite, a minimum of 2% of the 5% of total energy savings must be derived from building power and cooling infrastructure. The project must also demonstrate a 5% improvement in the proposed performance rating over the baseline performance rating.
Specific Requirements for Data Center Energy Performance	In order to obtain LEED certification, data centers must meet the following prerequisites and apply an altered calculation methodology in the Energy & Atmosphere category. The data centers can obtain additional credits and earn points once the minimum prerequisites have been met: • Prerequisite - Fundamental commissioning and verification: – Completing the activities within the commissioning process in accordance with the ASHRAE Guidelines 0-2005 (“The Commissioning Process”) and ASHRAE Guidelines 1.1-2007 for HVAC&R Systems (“Technical Requirements for the Commissioning Process”). • Credit - Enhanced Commissioning: – Implementing additional commissioning process activities, in addition to those required under Prerequisite Fundamental Commissioning and Verification and in accordance with ASHRAE Guidelines 0-2005 and ASHRAE Guidelines 1.1-2007 for HVAC&R Systems. • Prerequisite - Minimum energy performance: – Determining the PUE value of the proposed design and demonstrate a 5% improvement in the proposed performance rating over the baseline performance rating. – Creating two models - one for building energy cost and the other for IT equipment energy cost, in order to determine total energy cost savings. – Using a simulation model for the whole building and data center modeling guidelines and calculating the baseline building performance according to ANSI/ASHRAE/IESNA Standard 90.1-2010. A minimum of 2% of the 5% of total energy savings must be derived from building power and cooling infrastructure. The proposed design must meet the following criteria: i) compliance with the mandatory provisions of ANSI/ASHRAE/IESNA Standard 90.1-2010, with

[18] USGBC, LEED: www.usgbc.org/LEED
[19] USGBC, LEED BD+C: Data Centers | v4 – LEED v4, Minimum energy performance: https://www.usgbc.org/node/2613360?return=/credits/data-centers--new-construction/v4

	errata; ii) inclusion of all energy consumption and costs regarding the building project; iii) comparison against a baseline building that is in compliance with ANSI/ASHRAE/IESNA Standard 90.1-2010 and data center modeling guidelines. It should include both the unregulated load and the IT equipment load in the process loads. It should also develop two sets of IT loads using two scenarios.[20] • EA Credit – Optimize Energy Performance: – Analyzing efficiency measures specifically on IT load reduction and HVAC-related strategies and projecting the potential energy savings and cost implications for all the affected systems. – Following the criteria outlined in Prerequisite Minimum Energy Performance to show a percentage improvement in the proposed performance rating compared with the baseline. – Calculating energy cost savings from both the building and IT to determine the total percentage reduction.
Performance display	

[20] For data centers, regulated energy includes the "cooling units for computer and data processing rooms, critical power conditioning equipment, critical distribution equipment, heat rejection plants, and mechanical and electrical support rooms." The "critical systems and electrical power transformation" such as "servers, storage and networking power use, and operations affecting monthly server CPU utilization percentages" are part of the IT load.

Appendix 2: Green Bond / Green Bond Programme - External Review Form

Section 1. Basic Information

Issuer name:	SONDA S.A. (SONDA)
Green Bond ISIN or Issuer Green Bond Framework Name, if applicable*: [specify as appropriate]*	SONDA Green Bond Framework
Review provider's name:	Sustainalytics
Completion date of this form:	October 2019
Publication date of review publication: *[where appropriate, specify if it is an update and add reference to earlier relevant review]*	

Section 2. Review overview

SCOPE OF REVIEW

The following may be used or adapted, where appropriate, to summarise the scope of the review.

The review assessed the following elements and confirmed their alignment with the GBPs:

☒	Use of Proceeds	☒	Process for Project Evaluation and Selection
☒	Management of Proceeds	☒	Reporting

ROLE(S) OF REVIEW PROVIDER

☒	Consultancy (incl. 2nd opinion)	☐	Certification
☐	Verification	☐	Rating
☐	Other *(please specify)*:		

Note: In case of multiple reviews / different providers, please provide separate forms for each review.

EXECUTIVE SUMMARY OF REVIEW and/or LINK TO FULL REVIEW *(if applicable)*

Please refer to Evaluation Summary above.

Section 3. Detailed review

Reviewers are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.

1. USE OF PROCEEDS

Overall comment on section *(if applicable)*:

The eligible categories for the use of proceeds under the Investments in Energy Efficient IT Infrastructure (Data Centers) – (i) Green Buildings, (ii) Energy Efficiency, and (iii) Renewable Energy – are aligned with those recognized by the Green Bond Principles 2018. Sustainalytics considers the eligible categories to have positive environmental impacts and to advance the UN Sustainable Development Goals, specifically 7 (Affordable and Clean Energy), and 9 (Industry, Innovation and Infrastructure).

Use of proceeds categories as per GBP:

☒	Renewable energy	☒	Energy efficiency
☐	Pollution prevention and control	☐	Environmentally sustainable management of living natural resources and land use
☐	Terrestrial and aquatic biodiversity conservation	☐	Clean transportation
☐	Sustainable water and wastewater management	☐	Climate change adaptation
☐	Eco-efficient and/or circular economy adapted products, production technologies and processes	☒	Green buildings
☐	Unknown at issuance but currently expected to conform with GBP categories, or other eligible areas not yet stated in GBPs	☐	Other *(please specify)*:

If applicable please specify the environmental taxonomy, if other than GBPs:

2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Overall comment on section (if applicable):

SONDA's Investment Committee reviewed and selected Eligible Green Projects. The Investment Committee comprised of cross-functional team members, including SONDA's CEO, the CFO, and the Senior VP of the IT Services Division, with relevant Business Units ensuring/facilitating compliance, documentation and external audit. Sustainalytics considers this to be in line with the market best practice.

Evaluation and selection

☒	Credentials on the issuer's environmental sustainability objectives	☒	Documented process to determine that projects fit within defined categories

☒ Defined and transparent criteria for projects eligible for Green Bond proceeds

☒ Documented process to identify and manage potential ESG risks associated with the project

☒ Summary criteria for project evaluation and selection publicly available

☐ Other *(please specify):*

Information on Responsibilities and Accountability

☒ Evaluation / Selection criteria subject to external advice or verification

☒ In-house assessment

☒ Other (please specify): Data centers to be certified with the Uptime Institute's Tier IV Standard

3. MANAGEMENT OF PROCEEDS

Overall comment on section *(if applicable)*:

SONDA's Treasury will track the net proceeds through its internal (traceability) system based the Enterprise Resource Planning (ERP) used by the Company. Pending allocation, the net proceeds may be invested in cash or cash equivalents and/or other short-term liquid instruments. This is in line with market practice.

Tracking of proceeds:

☒ Green Bond proceeds segregated or tracked by the issuer in an appropriate manner

☒ Disclosure of intended types of temporary investment instruments for unallocated proceeds

☐ Other *(please specify)*:

Additional disclosure:

☐ Allocations to future investments only

☒ Allocations to both existing and future investments

☒ Allocation to individual disbursements

☐ Allocation to a portfolio of disbursements

☒ Disclosure of portfolio balance of unallocated proceeds

☐ Other *(please specify)*:

4. REPORTING

Overall comment on section (if applicable):

SONDA intends to publish annual information within its Integrated Report, until full allocation. It will include the list, description and amounts allocated to each Eligible Green Project, and the unallocated amounts, as well as relevant impact metrics, where feasible. SONDA will additionally pursue an external audit for its allocation reporting. Sustainalytics considers this in line with market best practice.

Use of proceeds reporting:

☒ Project-by-project
☐ On a project portfolio basis
☐ Linkage to individual bond(s)
☐ Other *(please specify):*

Information reported:

☒ Allocated amounts
☐ Green Bond financed share of total investment
☒ Other *(please specify):* list and description of Eligible Green Projects

Frequency:

☒ Annual
☐ Semi-annual
☐ Other (please specify):

Impact reporting:

☒ Project-by-project
☐ On a project portfolio basis
☐ Linkage to individual bond(s)
☐ Other (please specify):

Frequency:

☒ Annual
☐ Semi-annual
☐ Other (please specify):

Information reported (expected or ex-post):

☐ GHG Emissions / Savings
☐ Energy Savings
☐ Decrease in water use
☒ Other ESG indicators (please specify): LEED certification details, PUE, and energy efficiency metrics such as kWh per year or per tonne of refrigeration, and m3 per year or per tonne of refrigeration.

Means of Disclosure

☐ Information published in financial report
☐ Information published in sustainability report
☐ Information published in ad hoc documents
☒ Other (please specify): Integrated Report
☐ Reporting reviewed (if yes, please specify which parts of the reporting are subject to external review):

Where appropriate, please specify name and date of publication in the useful links section.

USEFUL LINKS (e.g. to review provider methodology or credentials, to issuer's documentation, etc.)

SONDA's Integrated Report will be available at www.sonda.com/inversionistas/
(English version will be available at: https://www.sonda.com/en/investors/)

SPECIFY OTHER EXTERNAL REVIEWS AVAILABLE, IF APPROPRIATE

Type(s) of Review provided:

☐ Consultancy (incl. 2nd opinion)
☐ Certification
☒ Verification / Audit: SONDA will pursue external audit for its allocation reporting.
☐ Rating
☐ Other *(please specify):*

Review provider(s): **Date of publication:**

ABOUT ROLE(S) OF INDEPENDENT REVIEW PROVIDERS AS DEFINED BY THE GBP

i. Second Party Opinion: An institution with environmental expertise, that is independent from the issuer may issue a Second Party Opinion. The institution should be independent from the issuer's adviser for its Green Bond framework, or appropriate procedures, such as information barriers, will have been implemented within the institution to ensure the independence of the Second Party Opinion. It normally entails an assessment of the alignment with the Green Bond Principles. In particular, it can include an assessment of the issuer's overarching objectives, strategy, policy and/or processes relating to environmental sustainability, and an evaluation of the environmental features of the type of projects intended for the Use of Proceeds.

ii. Verification: An issuer can obtain independent verification against a designated set of criteria, typically pertaining to business processes and/or environmental criteria. Verification may focus on alignment with internal or external standards or claims made by the issuer. Also, evaluation of the environmentally sustainable features of underlying assets may be termed verification and may reference external criteria. Assurance or attestation regarding an issuer's internal tracking method for use of proceeds, allocation of funds from Green Bond proceeds, statement of environmental impact or alignment of reporting with the GBP, may also be termed verification.

iii. Certification: An issuer can have its Green Bond or associated Green Bond framework or Use of Proceeds certified against a recognised external green standard or label. A standard or label defines specific criteria, and alignment with such criteria is normally tested by qualified, accredited third parties, which may verify consistency with the certification criteria.

iv. Green Bond Scoring/Rating: An issuer can have its Green Bond, associated Green Bond framework or a key feature such as Use of Proceeds evaluated or assessed by qualified third parties, such as specialised research providers or rating agencies, according to an established scoring/rating methodology. The output may include a focus on environmental performance data, the process relative to the GBP, or another benchmark, such as a 2-degree climate change scenario. Such scoring/rating is distinct from credit ratings, which may nonetheless reflect material environmental risks.

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Sustainalytics is a leading independent ESG and corporate governance research, ratings and analytics firm that supports investors around the world with the development and implementation of responsible investment strategies. With 13 offices globally, the firm partners with institutional investors who integrate ESG information and assessments into their investment processes. Spanning 30 countries, the world's leading issuers, from multinational corporations to financial institutions to governments, turn to Sustainalytics for second-party opinions on green and sustainable bond frameworks. Sustainalytics has been certified by the Climate Bonds Standard Board as a verifier organization, and supports various stakeholders in the development and verification of their frameworks. In 2015, Global Capital awarded Sustainalytics "Best SRI or Green Bond Research or Ratings Firm" and in 2018 and 2019, named Sustainalytics the "Most Impressive Second Party Opinion Provider. The firm was recognized as the "Largest External Reviewer" by the Climate Bonds Initiative as well as Environmental Finance in 2018, and in 2019 was named the "Largest Approved Verifier for Certified Climate Bonds" by the Climate Bonds Initiative. In addition, Sustainalytics received a Special Mention Sustainable Finance Award in 2018 from The Research Institute for Environmental Finance Japan and the Minister of the Environment Award in the Japan Green Contributor category of the Japan Green Bond Awards in 2019.

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