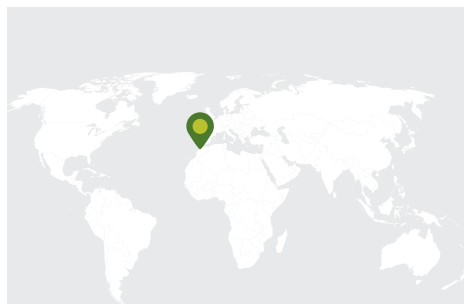


Executive summary

UK Green Investment Bank Limited (“GIB”) has been engaged by Banque Centrale Populaire (“BCP”) to prepare this report in connection with the bond to be issued by BCP (the “BCP Green Bond”). The proceeds of the BCP Green Bond (expected to amount to €135m in total) are due to be used by BCP to refinance its investments in selected renewable energy projects in Morocco (the “Projects”). GIB has assessed the emissions to air and fossil fuels consumption avoided (“Green Impact”) of the Projects and is pleased to set out its assessments in this Report, as summarised below.



Green Bond summary

Proceeds are to be used to refinance BCP’s investments in selected renewable energy assets.

Technology:	Onshore wind energy
Location:	Morocco
Design life:	20 years
Total generation capacity:	401.5 MW
Remaining lifetime generation:	28,783 GWh
Total forecast average annual generation:	1,555 GWh

Green Projects

- The Projects are forecast by GIB to have positive Green Impact (as defined above) that will contribute to environmental sustainability objectives that are recognised within GIB’s Green Impact assessment criteria and the Green Bond Principles 2016 of the International Capital Markets Association (the “GBP”)
- GIB has prepared quantified Green Impact forecasts for these Projects, as set out below

Green Impact forecasts

GIB’s Green Impact forecasts for the Projects, taken together, are:

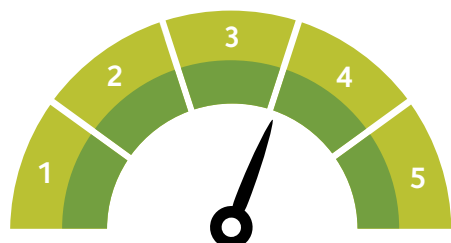
- Average annual greenhouse gas savings of 938 kt CO₂e over the Projects’ remaining lifetimes
- A total of 17,360 kt CO₂e of greenhouse gas savings over their remaining lifetimes
- The further Green Impact metrics set out in the table below and subsequent pages of this Report

Green Impact Forecast Accuracy: GIB has assessed at Level 4 (High) its level of confidence in the accuracy of these Green Impact forecasts. Further details of this assessment are provided on page 3.

Alignment with Green Bond Principles

- The selected Projects are within one of the Green Project categories (renewable energy) recognised by the GBP
- GIB therefore considers that the BCP Green Bond will meet the cornerstone requirement of a Green Bond under the GBP, being a bond instrument where the proceeds are due to be applied to refinance a Green Project aiming to provide recognised and quantifiable environmental benefits
- Further details of the scope and basis of GIB’s External Review for the purpose of the GBP, and of the assumptions on which it is based, are set out on page 4

Green Impact Forecast Accuracy: Level 4 (High)



Green Impact forecast metrics

Greenhouse gas emissions avoided (carbon dioxide equivalent)	
Remaining lifetime	17,360 kt CO ₂ e
Average annual	937.8 kt CO ₂ e / yr
Fossil fuels consumption avoided (oil equivalent)	
Remaining lifetime	6,545 ktoe
Average annual	353.6 ktoe / yr
Other emissions to air avoided (oxides of nitrogen)	
Remaining lifetime	57,360 t NO _x
Average annual	3,099 t NO _x / yr

Full details of the Project’s Green Impact forecasts and our opinion on the Green Impact Forecast Accuracy can be found on subsequent pages of this Report. Data is presented on an anonymised basis derived from selected assets within BCP’s current investments in Green Projects as defined in the GBP.

Important note: This Report has been prepared by GIB on the basis of, and should be read in conjunction with, the methodology v1.0, assumptions, limitations and other terms set out in the terms and conditions referred to in Appendices 2 and 3. This is not a due diligence report and should not be relied upon as such. If appropriate, recipients and users of this report should conduct their own separate environmental, social and governance enquiries and assessments.

Green Impact forecasts: Emissions to air and fossil fuels avoided

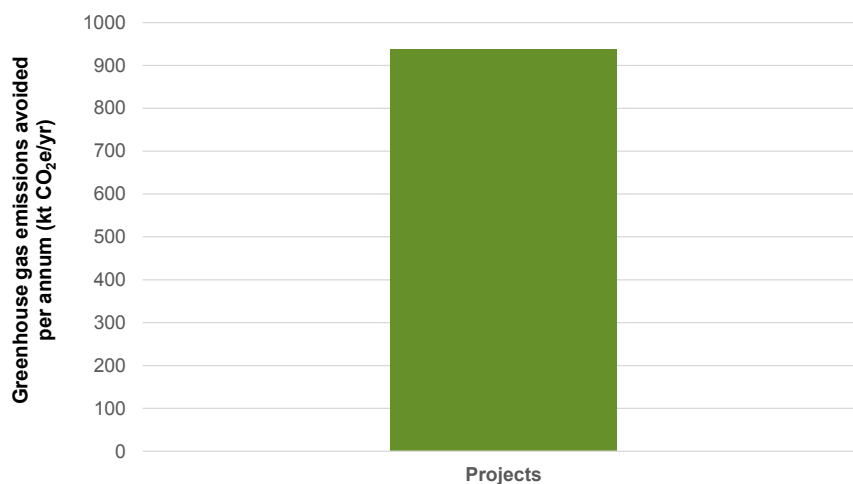
In this Report, we use the term “Green Impact” to refer to the avoided greenhouse gas emissions, other emissions to air and fossil fuels consumption estimated to be achievable by the Projects. Green Impact as a broader term is expanded further in Appendix 2. Green Impact is calculated based on forecast energy generation figures provided to us by BCP and its independent advisers. The actual Green Impact is likely to vary annually once all of the Projects are fully operational. Each of the Green Impact forecasts set out below is based on project data provided by BCP and its independent advisers (please see Appendix 1) and is subject to GIB’s assessment of Green Impact Forecast Accuracy (as set out on page 3). The Green Impact forecasts and Green Impact Forecast Accuracy are subject to the assumptions, limitations and methods set out in Appendices 2 and 3.

Green Impact forecast: Greenhouse gas emissions avoided

The Projects are forecast to avoid emissions of 938 kt CO₂e annually

Avoidance of greenhouse gas (GHG) emissions (measured in carbon dioxide equivalent – CO₂e), both actual and forecast, is derived by comparing the emissions associated with the Projects to a counterfactual (alternative) method of energy generation, e.g. Moroccan marginal grid electricity generation.

GIB has assessed the Projects, taken together, as having the potential to avoid emissions amounting in aggregate to 17.4 million tonnes CO₂e over their remaining lifetimes, resulting in an average annual avoidance of 938 thousand tonnes CO₂e for each year of operation.



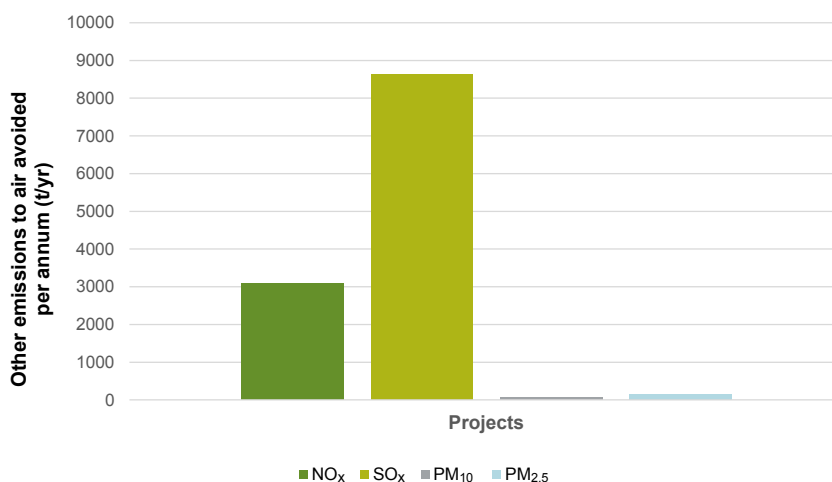
Measure	Total GHG emissions avoided
Remaining lifetime GHG emissions avoided	17,360 kt CO ₂ e
Average annual GHG emissions avoided	937.8 kt CO ₂ e / yr

Green Impact forecast: Other emissions to air avoided

The Projects are forecast to avoid emissions of NO_x, SO_x and particulates

Other emissions to air avoided is a measure of net air pollutant emissions compared to the counterfactual method of energy generation. Quantified air pollutant emissions include oxides of nitrogen (NO_x), oxides of sulphur (SO_x), particulates 10 micrometres in diameter (PM₁₀) and particulates 2.5 micrometres in diameter (PM_{2.5}).

GIB has assessed the Projects, taken together, as having the potential to avoid emissions amounting in aggregate to the equivalent of 3,100 tonnes NO_x, 8,600 tonnes SO_x and 209 tonnes of particulates annually.



Measure	Total emissions to air avoided
Nitrogen oxides emissions avoided	3,099 t NO _x / yr
Sulphur oxides emissions avoided	8,636 t SO _x / yr
Particulate matter 10µm emissions avoided	68 t PM ₁₀ / yr
Particulate matter 2.5µm emissions avoided	141 t PM _{2.5} / yr

Green Impact Report: Emissions to air and fossil fuels avoided

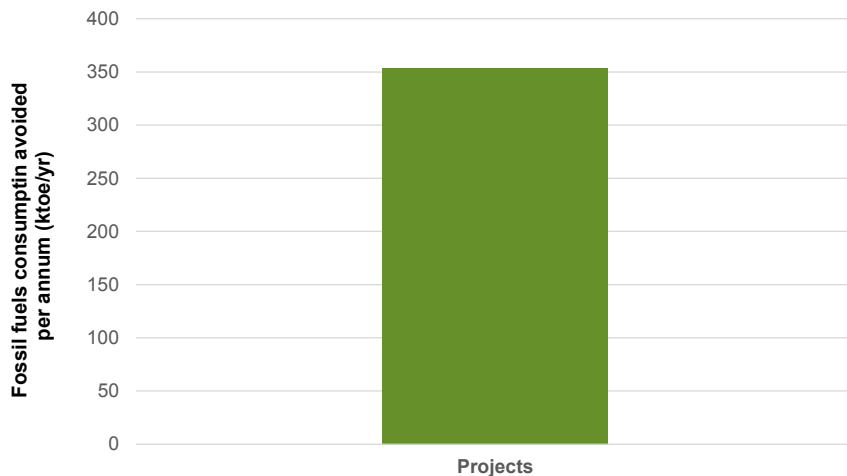
External review of Green Bond to be issued by Banque Centrale Populaire

Green Impact forecast: Fossil fuels consumption avoided

The Projects are forecast to avoid the consumption of 354 kt oil equivalent each year

Fossil fuels consumption avoided is a measure of the net consumption of natural resources compared to the counterfactual method of energy generation, and is normalised to tonnes of oil equivalent (toe) as a proxy measure.

GIB has assessed the Projects, taken together, as having the potential to avoid the consumption of 6.5 million tonnes of oil equivalent over their remaining lifetimes, resulting in an average annual avoidance of 354 thousand tonnes of oil equivalent for each year of operation.



Measure	Total fossil fuels consumption avoided
Remaining lifetime fossil fuels consumption avoided	6,545 ktoe
Average annual fossil fuels consumption avoided	353.6 ktoe / yr

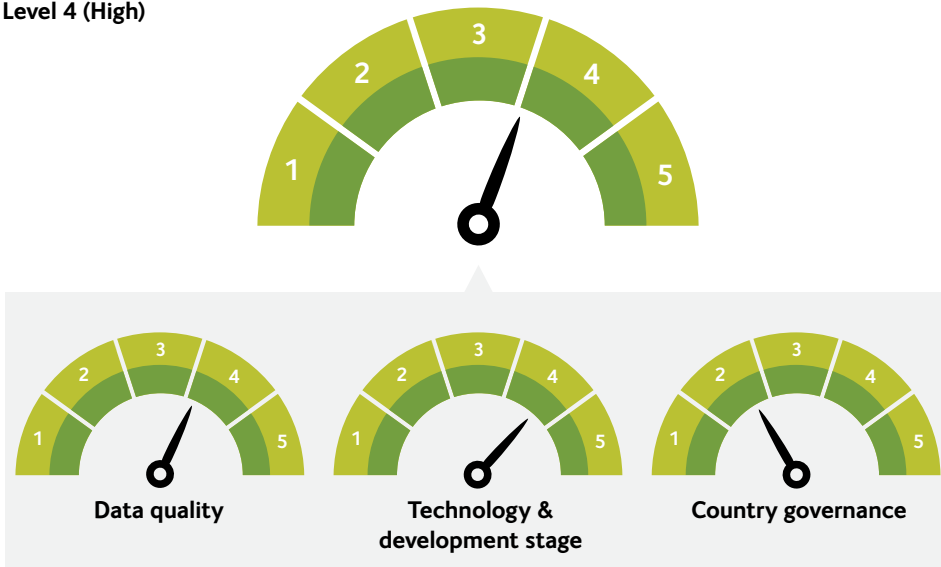
Green Impact Forecast Accuracy

Green Impact Forecast Accuracy is GIB's assessment of the level of confidence that can, in its opinion, reasonably be placed on the accuracy of any quantified Green Impact forecast. The assessment is based on information provided by BCP and its independent advisers, and has been undertaken according to the methodology referred to in Appendix 2.

GIB assesses Green Impact Forecast Accuracy at levels ranging from Level 1 (Low) to Level 5 (Very High), which represent the combined and weighted average of a series of factors as presented on the right.

GIB has assessed the Green Impact Forecast Accuracy of the Green Impact forecasts set out in this Report at Level 4 (High). This reflects the current status of the Projects' stages of development.

Green Impact Forecast Accuracy: Level 4 (High)



Alignment with the Green Bond Principles

This report constitutes a partial External Review of the extent of the alignment of the BCP Green Bond with the definition of a “Green Bond” and the four components of the Green Bond Principles¹ (the “GBP”).

Use of Proceeds

The cornerstone of a Green Bond is the utilisation of the proceeds of the bond exclusively for one or more Green Projects that are within the project categories recognised by the GBP as aiming to provide clear environmental benefits that are capable of being quantified.

On the assumption that the proceeds of the BCP Green Bond will be duly applied by BCP exclusively in refinancing the Projects, GIB is of the opinion that the BCP Green Bond will be aligned with this component of the GBP on the basis that:

- Green Projects: the Projects are within at least one of the Green Project categories (renewable energy) that are recognised by the GBP; and
- Quantified environmental benefits: the forecast environmental benefits of the Projects can be assessed and quantified as shown in GIB’s Green Impact forecasts set out in this Report.

Process for Project Evaluation and Selection

The GBP require the issuer of a Green Bond to outline a process to determine how projects fit within an eligible Green Project category, the related eligibility criteria and environmental sustainability objectives.

GIB is of the opinion that the BCP Green Bond will be aligned with this component of the GBP on the basis that:

- Process for project selection: the Projects as at the date of this Report have already been identified and selected for refinancing by BCP from the proceeds of the BCP Green Bond;
- Project eligibility criteria: Each of the identified Projects is an onshore wind farm project for the production of renewable energy, which is explicitly recognised by the GBP as a category of eligibility for designation as a Green Project; and
- Environmental sustainability objectives: The Projects as at the date of this Report are forecast to have Green Impact that will contribute to a number of environmental sustainability objectives (including avoidance of greenhouse gas emissions, other emissions to air and fossil fuels consumption) which are recognised within GIB’s Green Impact assessment criteria.

GIB has not conducted any audit or review of the process for selection by BCP of any future investment in Green Projects.

Management of Proceeds

The GBP require the net proceeds of Green Bonds to be tracked in an appropriate manner and attested to by a formal internal process linked to the issuer’s lending and investment operations for Green Projects. The GBP also require issuers to make arrangements to secure that the amount of outstanding Green Bonds is matched at all times by the outstanding amount of financings allocated to eligible Green Projects (and to disclose to investors any arrangements for the temporary placement of unallocated proceeds).

BCP has confirmed to GIB that in line with these requirements of the GBP:

- the entire net proceeds of the BCP Green Bond will be immediately applied in repaying, reducing or otherwise refinancing the sources of funding utilised by BCP to make cash advances that have been exclusively used to finance the Projects as at the date of this Report;
- BCP will ensure that the balance outstanding under the BCP Green Bond is at all times equal to or exceeded by outstanding amounts lent or invested by BCP into the Projects and/or other eligible Green Projects recognised by the GBP (or in any temporary placements of a type that has been disclosed to bond investors); and
- BCP’s implementation of these arrangements will be controlled and attested to by BCP internal governance and compliance procedures within its lending and investment operations, and will be subject to verification by its external auditors.

On the assumption that the above arrangements will duly be implemented by BCP, GIB is of the opinion that the Green Bond would be aligned with this component of the GBP. GIB has not conducted any audit or other review of BCP’s internal tracking methods or other arrangements for the allocation of funds into Green Projects (or other temporary placements) in accordance with the above requirements, for which BCP and/or its auditors will be solely responsible.

Reporting

The GBP require issuers to make available and renew annually up-to-date information about the projects to which Green Bond proceeds have been allocated, including transparent reporting on the expected impact of the projects, based on specified performance indicators and quantified performance measures.

To assist BCP to align its initial reporting with this component of the GBP, GIB has prepared the Green Impact Forecasts based on the performance indicators and measures, and on the methodology, referred to in this report. BCP has also confirmed to GIB that it intends to prepare and make available formal annual reports on the allocation of the BCP Green Bond proceeds to renewable energy infrastructure and other eligible Green projects in Morocco, in line with the requirements in the GBP.

On the assumption that these reporting arrangements will be duly implemented by BCP, GIB is of the opinion that the Green Bond would be aligned with this component of the GBP. GIB has not conducted any audit or other review of BCP’s reporting framework in connection with its allocation of funds and expected impact of Green Projects in accordance with the above requirements, for which BCP will be solely responsible.

¹ www.icmagroup.org/Regulatory-Policy-and-Market-Practice/green-bonds/green-bond-principles/

Alignment with the Sustainable Development Goals

The United Nations Sustainable Development Goals² are a set of 17 goals for sustainable development adopted by the UN in 2015, each with associated targets to be achieved by 2030.

The BCP Green Bond, and the Projects for which its proceeds will be used, will contribute to the following Sustainable Development Goals:



Avoided emissions of NO_x, SO_x and particulate matter by the Projects will result in human health benefits.



The Projects will generate clean, renewable electricity.



The BCP Green Bond demonstrates innovative climate finance investment and supports the development of renewable energy infrastructure.



The renewable electricity generated by the Projects will avoid the consumption of fossil fuels to generate electricity.



The BCP Green Bond issuer and investors will be supporting action to tackle climate change through investment into infrastructure which avoids greenhouse gas emissions.

² <http://sustainabledevelopment.un.org/sdgs>

Appendix 1

User input: Project data

Project Information*		Unit
Technology	Onshore wind energy	
Country	Morocco	
Stage	Operational and under construction	Pre-construction, under construction, or operational
Design life	20	yrs
Electrical Output**		
Capacity	401.5	MWe
Generation	1,555	GWhe/yr
Data type	P75 forecast data – checked against actual operational data where applicable	Forecast or actual data

*Source: Data provided by BCP. ** Source: Lenders' Technical Adviser's reports

Appendix 2

Terms and Conditions: Terminology and Methodology

Terminology

Green Impact

The Green Impact metrics covered by this Report are identified in the header and executive summary. "Green Impact" is a collective term referring to the environmental benefits which have been calculated in accordance with GIB's methodology to be, or to be reasonably likely to be, delivered by the project(s) to which this Report refers. The collective term can include defined metrics such as tonnes carbon dioxide equivalent avoided (t CO₂e), tonnes oil equivalent avoided (toe), and tonnes (t) of other air pollutant emissions avoided.

Green Impact Forecast Accuracy

"Green Impact Forecast Accuracy" is an expression of the level of confidence that, in the opinion of GIB, can reasonably be placed on the accuracy of any quantified Green Impact forecast. This assessment of forecast accuracy is described in levels as follows: Level 1 (Low), Level 2 (Moderate), Level 3 (Good), Level 4 (High), and Level 5 (Very High).

Methodology v 1.0

The Green Impact and Green Impact Forecast Accuracy assessments presented in this Report are based on GIB's approach to assessing Green Impact using the methodologies set out within its proprietary green investment principles, policies and the associated processes of the Green Investment Handbook¹. The Green Impact assessment has applied proprietary modelling techniques and comparative data developed and owned by GIB, or by third party owners and made available under licence to GIB.

Green Impact calculation

GIB's initial calculation of the Green Impact of each project is produced by comparing relevant information and data derived from that project against relevant counterfactual (or baseline) data for the assumed environmental impacts that would occur if the project did not take place, based on GIB's proprietary reference sources or provided to GIB by relevant third parties or obtained from publicly available sources. The resultant estimated Green Impact is then subject to further qualitative evaluation before production of GIB's formal Green Impact Report.

For grid-connected projects that generate electricity, the counterfactual is assumed to be marginal electricity generated from the national grid in that country, which includes resources consumed to supply grid electricity. GIB's methodology calculates the net Green Impact of the project by comparing its likely emissions to those of a marginal grid electricity mix, using the methodology set out in the *International Financial Institutions (IFI) approach to GHG accounting for renewable energy projects*² and the *IFI approach to GHG accounting for energy efficiency projects*³.

GIB's methodology calculates results for likely Green Impact on an annual and lifetime basis. The Green Impact reported is 100% of the Green Impact of the underlying project(s). There is no proportionate allocation of Green Impact to any particular project investment or to particular investors, all of whom may report the same Green Impact from the underlying project(s).

Exclusions

The counterfactual of marginal grid electricity does not include the total quantifiable lifecycle environmental burdens (e.g. resources consumed during construction, or indirect emissions during operations such as those from associated transport vehicles) associated with energy generation. Therefore, to produce a valid

comparison, the calculation of Green Impact for the project(s) assessed in this Report is based solely on the operational phase of the relevant project(s), and does not include a full lifecycle assessment of the project(s) unless specifically stated otherwise. This approach is aligned with the Greenhouse Gas Project Protocol⁴.

GIB's assessment does not include a review of any underlying project's environmental and/or social, permitting, licencing or other compliance status.

Green Impact Forecast Accuracy

Green Impact Forecast Accuracy is determined from a number of project parameters that include the project technology, stage of project development, and country in which the project is located, together with GIB's opinion of the input data quality. These parameters have been assigned values that represent the degree to which they affect the accuracy of the forecast Green Impact, and are used to produce Forecast Accuracy scores for three elements: Data quality, Technology & development stage, and Country governance⁵. The Forecast Accuracy scores for the three elements are weighted according to GIB's in-house experience of the sensitivity of each element and combined to derive an overall level of Green Impact Forecast Accuracy.

Green Bond External Review

This Report is a partial External Review aligned with the guidance provided in the Green Bond Principles 2016⁶.

The scope of GIB's assessment included the consideration of the Green Impact associated with the proposed bond's initial underlying assets. GIB has assumed that all of the future use of proceeds will be allocated to the refinancing of the relevant assets. No audit of either the proposed tracking of the use of proceeds or allocation of funds has been conducted by GIB. No assessment of the issuer's performance regarding environmental sustainability or consideration of internal policies, processes or capability has been conducted.

1 www.greeninvestmentbank.com/green-impact

2 <http://documents.worldbank.org/curated/en/2015/12/25514886/ifi-approach-ghg-accounting-renewable-energy-projects>

3 <http://documents.worldbank.org/curated/en/2015/12/25514884/ifi-approach-ghg-accounting-energy-efficiency-projects>

4 www.ghgprotocol.org/standards/project-protocol

5 Country governance scores are determined from datasets of indicators from the World Bank, Transparency International, and United Nations University Institute for Environment and Human Security.

6 www.icmagroup.org/Regulatory-Policy-and-Market-Practice/green-bonds/green-bond-principles/

Appendix 3

Terms and Conditions: Assumptions, Limitations and other terms

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UK Green Investment Bank Limited ("GIB") has prepared this document (the "Report") for the exclusive use of the person with whom GIB has contracted to produce it (together with its subsidiaries and affiliates (the "Recipient")) in connection with the project or projects identified on page 1.

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Furthermore, this Report is not, and shall not be interpreted or construed as, an assessment of the economic performance or creditworthiness of any person or project.

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Project data

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GIB may, at its discretion, conduct limited validation of the data and information provided by original Recipient, based on a high-level telephone interview with the Recipient's representative(s). GIB has not conducted, and shall not be responsible for conducting, any audit or detailed review or assurance or any other verification exercise of any such data (including data related to allocation of the use of proceeds).

Furthermore, no site-specific environmental or social due diligence has been, or is required to be, conducted by GIB, and GIB does not express any opinion on whether local site-specific environmental and/or social impact have been mitigated appropriately. GIB has not undertaken any review of any underlying project's environmental and/or social, permitting, licencing or other compliance status.

Reference data

In preparing this Report, GIB has relied upon various sources of data and information provided to GIB by relevant third parties or obtained through public information sources, the content of which no GIB Party has verified or controls.

GIB calculates Green Impact using reference data obtained from, among others, by the Ecoinvent life cycle inventory datasets for the calculation of environmental impacts. Green Impact is also calculated based on data supplied by the International Energy Agency (IEA), specifically from the 2015 editions of the World Energy Statistics and Balances dataset and the CO2 Emissions from Fuel Combustion dataset.

Any limitations and caveats that are applicable to the Ecoinvent and IEA datasets, as published on their websites, are also applicable to the results presented in this Report.

GIB's method is designed to work with a limited number of key inputs and to create results for over 200 different countries and makes some simplifying assumptions in order to achieve this degree of flexibility.

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- (c) providing investment or financial advice, making investment decisions or recommendations or evaluating financial performance of any person or financial instrument;
- (d) valuing financial instruments;
- (e) verifying the accuracy or completeness of any information, data, documents or representations provided to GIB by the Issuer by any third party;
- (f) verifying the accuracy or completeness of any publicly available information, data, documents or representations; or
- (g) providing or obtaining advice on legal, regulatory, environmental, accounting or taxation matters.

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