



Second Party Opinion

EXECUTIVE SUMMARY

ISSUER

Capital Trust Agency

BORROWER

The Marie Selby Botanical Gardens, Inc.

OPINION ON

Revenue Bonds (The Marie Selby Botanical Gardens, Inc. Project) Series 2021 (Sustainability Bonds)

SUSTAINABILITY STANDARD



GREEN STANDARD AND CATEGORIES



- Terrestrial and Aquatic Biodiversity
- Green Buildings

SOCIAL STANDARD AND CATEGORIES



- Preservation of Natural Histories
- Access to Essential Services (Science Education for the General Public)

TARGET POPULATION(S)

General Public

KEYWORDS

Biodiversity, renewable energy, climate risk, transition, science education, research, green building, botany, Florida ecosystems, endangered species, resilience

EVALUATION DATE

November 22, 2021

SUMMARY

Kestrel Verifiers is of the opinion that the Revenue Bonds (The Marie Selby Botanical Gardens, Inc. Project) Series 2021 (Sustainability Bonds) ("Series 2021 Bonds") conform with the four core components of the Sustainability Bond Guidelines 2021 as follows:

▪ Use of Proceeds

The Series 2021 Bonds will be used to finance and refinance the design and construction of a new plant research center, a new visitor welcome center, a new Living Energy Access Facility ("LEAF"), and other capital improvements which integrate regenerative green building features and increase resilience to climate change (collectively, the "Project"). The facilities will provide expanded visitor access to world-renowned plant collections and directly advance biodiversity conservation goals through education and research.

▪ Process for Project Evaluation and Selection

Selby Gardens' mission, strategic priorities, the adopted Master Plan for the Downtown Sarasota Campus, and the Diversity and Inclusion Plan guided and shaped the Project. The expanded access to science

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education for underrepresented audiences and integration of green building technologies directly advance Selby Gardens' mission and strategic priorities established in these plans.

- **Management of Proceeds**

Proceeds from the Series 2021 Bonds will be allocated to the Project and used to pay the costs of issuances. The Capital Trust Agency will loan the proceeds directly to Marie Selby and proceeds will be deposited in a separately managed Project Fund. Marie Selby's Chief Financial Officer is responsible for tracking expenditure of bond proceeds on the Project.

- **Reporting**

Until the Project is complete, Construction Reports will be posted each month to the Electronic Municipal Market Access ("EMMA") system and include updates to project status and expenditures. As part of the Continuing Disclosure Agreement, Selby Gardens intends to report the following biodiversity impact metrics through annual reports on EMMA: total number of specimens in collections, annual number of visitors, number of expeditions, number of live plant exchanges, number of preserved plant exchanges.

- **Impact and Alignment with United Nations Sustainable Development Goals**

By financing the Project that expands visitor access to world-renowned plant collections and directly advances biodiversity conservation goals through education and research, the Series 2021 Bonds support multiple UN SDGs, including Goals 4: *Quality Education*, 6: *Clean Water and Sanitation*, 7: *Affordable and Clean Energy*, 11: *Sustainable Cities and Communities*, 12: *Responsible Consumption and Production*, 15: *Life on Land*, and 17: *Partnerships for the Goals*.



Second Party Opinion

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|---------------------------------|---|
| Issuer: | Capital Trust Agency |
| Borrower: | The Marie Selby Botanical Gardens, Inc. |
| Issue Description: | Revenue Bonds (The Marie Selby Botanical Gardens, Inc. Project) Series 2021 (Sustainability Bonds) |
| Project: | The Marie Selby Botanical Gardens, Inc. Project |
| Sustainability Standard: | Sustainability Bond Guidelines |
| Green Standard: | Green Bond Principles |
| Green Categories: | Terrestrial and Aquatic Biodiversity Green Buildings |
| Social Standard: | Social Bond Principles |
| Social Bond Categories: | Preservation of Natural Histories Access to Essential Services (Science Education for the General Public) |
| Target Population: | General Public |
| Keywords: | Biodiversity, renewable energy, climate risk, transition, science education, research, green building, botany, Florida ecosystems, endangered species, resilience |
| Par: | \$31,195,000* |
| Evaluation Date: | November 22, 2021 |

*Preliminary, subject to change

SUSTAINABILITY BONDS DESIGNATION

Kestrel Verifiers, an Approved Verifier accredited by the Climate Bonds Initiative, conducted an independent external review of these bonds to evaluate conformance with the Sustainability Bond Guidelines (June 2021) established by the International Capital Market Association.

This Second Party Opinion reflects our review of the uses of proceeds and conformance of the bonds with the Sustainability Bond Guidelines. In our opinion, the Revenue Bonds (The Marie Selby Botanical Gardens, Inc. Project) Series 2021 (Sustainability Bonds) (“Series 2021 Bonds”) are aligned with the four core components of both the Green Bond Principles and the Social Bond Principles and therefore qualify for Sustainability Bonds designation.

ABOUT THE ISSUER & BORROWER

Capital Trust Agency (“Issuer”), a legal entity and public agency created under the State of Florida, is a conduit issuer for the Borrower, The Marie Selby Botanical Gardens, Inc. (“Marie Selby Botanical Gardens” or “Selby Gardens”). Founded in 1973, Marie Selby Botanical Gardens, an accredited institution with the American Alliance of Museums and a Smithsonian Affiliate, is a not-for-profit corporation and organization that owns and operates public botanical gardens in Sarasota, Florida.

Selby Gardens operates two campuses: the Downtown Sarasota Campus (“Downtown Campus”) and the Historic Spanish Point Campus. The 15-acre Downtown Campus on Sarasota Bay is Marie Selby’s flagship botanical garden with buildings and structures (including conservatories, museums and historical homes) and is the only botanical garden in the world dedicated to the display and study of epiphytic orchids, bromeliads, gesneriads and ferns, and other tropical plants. The Downtown Campus supports a Living Plant Collection of over 5,000 species; a Spirit Collection of approximately 35,000 jarred specimens suspended in liquid; an open-study Herbarium with over 100,000 specialized collections of tropical and neotropical flora; a state-of-the-art horticultural research library with rare books; a Botany Department for species taxonomy and conserving plant diversity; and a molecular lab for the study of epiphyte evolutionary genetics. Selby Gardens acquired the 30-acre Historic Spanish Point Campus, located approximately 10 miles south of the original campus, as an initiative to preserve native Florida plants and celebrate an archaeological record of Florida’s natural histories dating back thousands of years. Both campuses:

- Focus on conservation research of plant species across the world and preservation of subtropical and tropical ecosystems in the Florida region.
- Support *Selbyana*, Selby Gardens’ peer-reviewed research journal that publishes original research on canopy biology and tropical plants, including: floristic treatments, anatomy, biogeography, cytology, ecology, phylogeny, physiology, and systematics.
- Sustain and maintain permanent and temporary exhibits.
- Offer a variety of programs, events, tours, and memberships to visitors.
- Sponsor and organize botanical research expeditions to study and conserve plants.



ALIGNMENT TO SUSTAINABILITY STANDARDS

Sustainability Bonds are bonds in which the proceeds will be exclusively applied to finance or refinance a combination of both Green and Social Projects. Sustainability Bonds are aligned with the four core components of both the Green Bond Principles and Social Bond Principles which include: Use of Proceeds, Process for Project Evaluation and Selection, Management of Proceeds, and Reporting (International Capital Market Association definition).

Use of Proceeds

The Series 2021 Bonds will be used to finance and refinance the acquisition, design, construction, installation, improvement and equipping of a new plant research center, a new visitor welcome center, a new Living Energy Access Facility (“LEAF”) with a solar array and innovative stormwater management system, a gift shop, a restaurant, visitor parking and certain other capital improvements to the facilities at the Downtown Campus (collectively, the “Project”). The Project integrates regenerative green building features and increases resilience to climate change. The Project is part of Phase 1 of Selby Gardens’ three-phase Master Plan for the Downtown Sarasota Campus, and the facilities will provide expanded visitor access to world-renowned plant collections and directly advance biodiversity conservation goals by protecting collections and through education and research.

The Project is an eligible green project as defined by the Green Bond Principles in the project categories of *Terrestrial and Aquatic Biodiversity* and *Green Buildings*. The Project is also an eligible social project as defined by the Social Bond Principles in the project categories of *Preservation of Natural Histories* and *Access to Essential Services (Science Education for the General Public)*. By supporting both environmental and social impact goals, the Project conforms with the Sustainability Bond Guidelines, and advances the transition to a low-carbon, resilient economy.

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| Green Standard |
| <div style="text-align: center;">  <p>The Green Bond Principles</p> </div> <p>Eligible Project Categories:</p> <ul style="list-style-type: none"> ▪ Terrestrial and Aquatic Biodiversity ▪ Green Buildings |
| Social Standard |
| <div style="text-align: center;">  <p>The Social Bond Principles</p> </div> <p>Eligible Project Categories:</p> <ul style="list-style-type: none"> ▪ Preservation of Natural Histories ▪ Access to Essential Services (Science Education for the General Public) |

Conservation of Biodiversity

The Project supports direct conservation of biodiversity. Ecosystems are undergoing rapid change as a result of climate change, extreme weather events, pollution, habitat loss, invasive species, and shifts in land use. The pace of loss is rapid and requires urgent action. More than half of plant and animal species on Earth may be lost by 2070.¹ In September 2021, the US Fish and Wildlife Service proposed removing 23 species from the Endangered Species Act due to extinction.² While loss of biodiversity continues, researchers estimate that even today, 94% of plant species have not been evaluated or may be unknown to science.³ Therefore, the risk is twofold: potentially losing the historical record of extinct species as well as overlooking the existing baseline. The extensive one-of-a-kind taxonomies and collections maintained by Selby Gardens record the current state of plant biodiversity for future generations to come. Selby Gardens has the world's best scientifically documented collection of orchids and bromeliads. The Project financed by the Series 2021 Bonds increases the accessibility and longevity of these records and improves capacity for research and preservation.

At Selby Gardens, biodiversity conservation is the primary focus in its collections, research, fieldwork, and education programs. In the 1970s, founders consulted with other botanical gardens worldwide to identify research gaps within studies of plant biodiversity. Through this effort, the specific need for epiphyte research and taxonomies was identified. Selby Gardens was founded to fill this gap and has continued to produce unique work and maintain an unparalleled collection and taxonomic records. Staff scientists have discovered or described over 2,000 species and led over 200 expeditions. The majority of research focuses on subtropical and tropical climates but also spans the world. Within Florida, research emphasizes the unique Florida biomes and critical conservation concerns, especially those pertaining to orchids and bromeliads.

Florida is home to nearly 800 globally imperiled species, and is one of the most biodiverse states in the US.⁴ Botanically complex, many of Florida's plant species exist only in a few places. As an area with very high biodiversity and a rapidly growing human population, worldwide extinction patterns show that Florida's plant communities are especially at risk. Ten of Florida's 16 native bromeliad species are listed as threatened or endangered. "Threatened" means they are at risk of becoming endangered. "Endangered" means they are in danger of extinction. Plant extinctions can lead to a whole cascade of extinctions in other organisms that rely on them, and plant extinction is happening.

Loss of habitat, illegal collecting of plants from natural areas, and a highly destructive non-native Mexican bromeliad weevil are the greatest threats to Florida's bromeliads. The invasive weevil attacks and swiftly kills certain species of Florida bromeliads, sometimes wiping out all of the plants in an area. The species it targets are those with "tanks" - centers that fill with water and, in a natural state act as tiny reservoirs of biodiversity. Similar to the way that coral heads provide structure for many life forms, these bromeliads support communities of aquatic and terrestrial species maintaining local biodiversity and structure of plant and animal communities, as well as nutrient cycling, and food and water. For these reasons, the loss is especially devastating, and the need for conservation and research is acute. By constructing a new plant research facility and expanding facilities for collections, the Series 2021 Bonds advance critical research that informs worldwide conservation. Kestrel values biodiversity research because the more society understands the relationship between human systems and the natural environment, the better equipped society is to sustain life on Earth in the wake of climate change. In Kestrel's opinion, Selby Gardens not only displays a robust commitment to cataloguing and protecting biodiversity records, but also decisively brings this work into the public consciousness. Because of this, Kestrel understands Selby Gardens to be a leader in conservation.

¹ Cristian Román-Palacios and John J. Wiens, "Recent responses to climate change reveal the drivers of species extinction and survival," *Proceedings of the National Academy of Sciences*, February 2020, 117 (8), <https://doi.org/10.1073/pnas.1913007117>.

² "Press Release: US Fish and Wildlife Service Proposes Delisting 23 Species from Endangered Species Act Due to Extinction," US Fish and Wildlife Service, September 2021, https://www.fws.gov/news/ShowNews.cfm?_ID=37017.

³ Richard T. Cortlett, "Plant diversity in a changing world: Status, trends, and conservation needs," *Plant Diversity*, February 2016, <http://dx.doi.org/10.1016/j.pld.2016.01.001>.

⁴ "Species Diversity," US Department of Agriculture, Forest Service, accessed October 29, 2021, <https://www.fs.usda.gov/detail/florida/learning/nature-science/?cid=STELPRDB5274354>.

Preservation of Natural Histories and Science Education for the General Public

Kestrel Verifiers regards places and projects that promote the *Preservation of Natural History* as having significant social impact on the general public. Places like Marie Selby Botanical Gardens remind us that, despite our passive comfort in increased urbanism and industrialized agriculture, humanity has depended and still fundamentally depends upon plants for food, air, shelter, medicine, and more. Since bond proceeds directly contribute to the preservation of unique horticultural practices and histories, the Series 2021 Bonds support the *Preservation of Natural History* project category.

Selby Gardens' philosophy is engrained in a reverence for nature and society's responsibility to protect it through worldwide conservation efforts, and as such, visitors learn about and share in the wonder of the natural world. Selby Gardens maintains a living collection of over 20,000 plants—each one linked to human history in a different way. Moreover, in the wake of climate change and the related biodiversity emergency, preserving biodiversity is one of the most urgent imperatives facing humanity. All life on Earth depends on plants, which provide oxygen, food and other ecosystem services. Since Selby Gardens not only preserves biodiversity but also shares this important work with the public, Kestrel Verifiers views Selby Gardens as a steward of human health and planetary well-being.

In financing projects that support the conservation of natural histories that are shared with the general public, the Series 2021 Bonds increase access to unique educational experiences for people of all ages and backgrounds. The Project at the Downtown Sarasota Campus will support expansion of several education programs and public engagement efforts by accommodating more visitors, including:

- **Sarasota-Manatee EcoFlora Project**, a citizens science project that encourages the general public to document regional plants using a geo-reference smartphone application.
- **K-12 student activities**, including virtual explorations, in-person tours, summer camps, scholarships, and classroom curricula on rainforests, native Florida plants, and more.
- **Classes for all ages**, offered through Selby Gardens' Education Department with course options in art, science, health and fitness, and interdisciplinary studies.
- **Little Sprouts Club**, an interactive program designed for preschoolers and caregivers to stimulate curiosity and love of nature.
- **Fellowships and internship programs**, offered in partnership with the Honors College of Florida.

Additionally, Selby Gardens maintains research facilities, laboratories, and libraries, some of which are open to the public for observation. For example, the Downtown Sarasota Campus has a Research Library with rare books containing hand-colored botanical illustrations dating back to the 18th century. Disseminating scientific research about epiphytes, and historical record of epiphytes, is crucial to understanding the importance of biodiversity and changing ecosystems.

In Kestrel Verifiers' view, the Series 2021 Bonds will connect more visitors with a hands-on experience of natural histories and will create opportunities to increase scientific literacy regarding biodiversity.

Green Buildings and Renewable Energy

The Project financed by the Series 2021 Bonds is expected to achieve a Petal Certification through the Living Building Challenge. Living Building Petal Certification is a sustainability certification administered by the International Living Future Institute ("ILFI"). The organization's mission is "to lead the transformation toward a civilization that is socially just, culturally rich, and ecologically restorative." Selby Gardens' three-phase Master Plan for the Downtown Sarasota Campus has already received certification from ILFI. The Project is pursuing both the Living Community Petal Certification for the entire Phase 1 Development Site, as well as Living Building Petal Certification for the two main buildings. Upon construction completion and after a twelve-month auditing period that ensures building performance aligns with design intent, the Project will receive the Living Community and two Living Building certifications.

To achieve these Petal Certifications, the Project will adhere to specific metrics in the following categories, or "petals" as they are known within the ILFI framework: Place, Energy, Health & Happiness, and Beauty. The most notable requirement within these categories is for the entire Project to be designed for Net Positive Energy, a goal that exceeds Zero Net Energy. As such, no fossil fuels can be used on-site and

the buildings are required to produce more power than they consume with the surplus providing carbon-free energy to other buildings.⁵ In addition, both the anticipated certification and the intentional implementation of Biophilic Design Principles throughout the Project, align with Selby Gardens' commitment to creating a place of health, healing and joy for the general public and sustaining a hub for community connectivity, education, and inspiration.

The Project will include a 50,000 square foot solar array with a capacity of nearly 1 MW on the LEAF facility building. Once operational, the generated renewable energy is expected to meet or exceed the demands of the entire campus, making it the first net-positive botanical garden complex in the world. Exemplary stormwater management features will also be incorporated that mimic local Florida ecology. All buildings have stormwater collection systems that direct runoff to an underground vault to be reused for irrigation. The stormwater will be routed through a series of rain gardens that filter water to reduce pollutants before it flows into Sarasota Bay. The comprehensive stormwater management features are especially noteworthy due to the location of Selby Gardens and the ongoing challenges of nutrient pollution from runoff in Sarasota Bay associated with harmful red tides.⁶

Situated on the west coast of Florida, coastal inundation and hurricane resilience are core considerations for Selby Gardens. The Project includes replacing outdated facilities with hurricane resilient designs and elevating these above flood zones. The risk of flood-related damage or loss to invaluable collections underscored the urgency of the Project. Significant portions of collections have been moved offsite for protection until the Project is completed. Selby Gardens has also duplicated collections of certain rare plants and sent these to other research organizations in diverse weather zones for safekeeping. The risk of coastal inundation linked to climate change led Selby Gardens to propose mangrove restoration to the US Army Corps of Engineers ("USACE"). As of November 2021, USACE has not approved implementation of a mangrove project.

To magnify the Project's impact, the campus is designed as a demonstration site to educate visitors about biomimicry, stormwater management, and renewable energy. Interpretive components such as a real-time display of energy generation will be included. The facilities are innovative examples of sustainable urban design and will present a model for others to follow in addressing climate risk and the transition to a low-carbon resilient economy.

Process for Project Evaluation and Selection

Selby Gardens' mission "to provide bayfront sanctuaries connecting people with air plants of the world, native nature and regional histories" guided and shaped the Project design. The integration of innovative green building technologies that mimic native ecosystem characteristics, facility improvements to preserve precious biodiversity records, and expansion of services to inspire more human connections and better access to local ecosystems, are a direct result of this mission.

Selby Gardens' 2016-2021 Strategic Plan, which incorporates staff-identified priorities, also shaped the Project. The five priorities are advanced by the bond-financed Project and include: Stewarding and expanding collections; building visitor engagement; diversifying the revenue model; securing Selby Gardens' brand and global position; and creating sustainable infrastructure for the future. The Strategic Plan also informed the development of a three-phase Master Plan for the Downtown Sarasota Campus ("Master Plan") to accommodate increased visitor base and safeguard a world-class collection of epiphytes, and the Series 2021 Bonds finance the first phase of this Master Plan.

Selby Gardens' new strategic plan for 2022 - 2025 builds upon the priorities in the previous plan and includes the addition of a sixth priority of fostering diversity and inclusion. The Project is integral to advancing Selby Gardens' Diversity and Inclusion Plan ("DEI Plan") that aims to expand access for underserved families in the local region.⁷ The DEI Plan commits to ensuring 20% of Trustees, employees, and volunteers are racially and ethnically diverse by 2025. The new visitor center and educational spaces will increase the availability of resources for underrepresented audiences. Selby Gardens also has targeted outreach programs for

⁵ The vision of the Living Future Institute is for buildings to exceed standard green building practices and be regenerative to society at large.

⁶ Sarasota Bay Estuary Program website, accessed October 29, 2021, <https://sarasotabay.org/programs/water-quality/>.

⁷ "Diversity and Inclusion Plan," Marie Selby Botanical Gardens, accessed October 29, 2021, <https://selby.org/about/diversity-and-inclusion-plan/>.

economically disadvantaged and at-risk populations throughout Manatee and Sarasota counties, including the Family Togetherness program and the My Garden free membership program.⁸

Management of Proceeds

Proceeds from the Series 2021 Bonds will be allocated to the Project that consists of activities in Phase I of the Master Plan and to pay the costs of issuances. The Capital Trust Agency will loan the proceeds directly to Marie Selby and proceeds will be deposited in a separately managed Project Fund. Marie Selby’s Chief Financial Officer is responsible for tracking expenditure of bond proceeds on the Project. Proceeds may be temporary held in allowable investments as defined by the Indenture.

Reporting

Selby Gardens will submit continuing disclosures to the Municipal Securities Rulemaking Board (“MSRB”) so long as the Series 2021 Bonds are outstanding. Selby Gardens will also provide reports in the event of material developments. This reporting will be done annually on the Electronic Municipal Market Access (“EMMA”) system operated by the MSRB. Construction Reports will be posted each month to EMMA and include to the estimated occupancy date, the percent completion, and the percent and dollar amount of the expended Series 2021 Bond proceeds. Exhibit D of the Continuing Disclosure Agreement in the Official Statement shows the planned form of the Construction Reports.

As part of the Continuing Disclosure Agreement to report on the impact of the Project, Selby Gardens will produce a one-time update report on the completion of the project, spending of the Series 2021 Bond proceeds, and confirmation of the Petal Certification for the campus. Selby Gardens also recognizes the importance of reporting on the beneficial impact of the project, and intends to share the following metrics through annual reports on EMMA so long as the Series 2021 Bonds are outstanding: total number of specimens in collections, annual number of visitors, number of expeditions, number of live plant exchanges, number of preserved plant exchanges.

IMPACT AND ALIGNMENT WITH UN SDGS

By financing the Project that expands visitor access to world-renowned plant collections and directly advances biodiversity conservation goals through education and research, the Series 2021 Bonds help to address UN SDGs 4, 6, 7, 11, 12, 15, and 17. By financing the installation of raingardens that mimic ecosystem functions to reduce pollutants in runoff and building infrastructure to reuse stormwater for irrigation, the Project supports Targets 6.5 and 12.2. By financing the installation of a solar array which could make Selby Gardens the first net-positive botanical garden complex in the world, the Series 2021 Bonds advance Target 7.2. Expansion of infrastructure to accommodate more visitors and increase educational space advances Target 4.3. The Series 2021 Bonds also support Targets 17.16 and 17.17 by supporting an institution and activities that encourage and promote partnerships with civil society for the sake of environmental stewardship and sustainable practices. The Project helps provide education about climate change and loss of epiphyte species, sustainable urban design, and makes conservation research accessible to general audiences, thereby aligning with Targets 4.7 and 12.8. Improving the resilience of plant collections and taxonomic records to climate risks and supporting biodiversity research advances Targets 11.4, 15.5, 15.8, and 15.a.

Full text of the Targets for Goals 4, 6, 7, 11, 12, 15, and 17 is available in Appendix A, with additional information available on the United Nations website: www.un.org/sustainabledevelopment



Quality Education (Target 4.3, 4.7)

Possible Indicators

- Number of visitors
- Number of K-12 students from underserved communities (e.g., Title I schools, qualify for free or reduced-price lunch, etc.)

⁸ Selby Gardens defines underserved children using similar criteria as Title I schools, a federally funded program available to select schools based on the percentage of students eligible for free and reduced lunch.

- Number of participants in internships, courses, and other professional programs



Clean Water and Sanitation (Target 6.5)

Possible Indicators

- Percent of collected stormwater reused on-site
- Expanded stormwater treatment capacity



Affordable and Clean Energy (Target 7.2)

Possible Indicators

- Avoided GHG emissions (CO₂-eq) from renewable generation
- Generated energy from solar array (MWh/year)



Sustainable Cities and Communities (Target 11.4)

Possible Indicators

- Number of visitors
- Additions to library and archive collections



Responsible Consumption and Production (Target 12.2, 12.8)

Possible Indicators

- Percent of stormwater reused
- Number of visitors
- Number of participants in citizen science programs



Life on Land (Target 15.5, 15.8, 15.a)

Possible Indicators

- Revenue generated and finance mobilized from biodiversity-relevant economic instruments (Series 2021 Bond proceeds)
- Research and solutions related to invasive species risks
- Number of new species discovered or described



Partnerships for the Goals (Target 17.16, 17.17)

Possible Indicators

- Number of exhibits, collections, education resources, and active research dedicated to biodiversity
- Number of visitors
- Outcome of civil society partnerships

CONCLUSION

Based on our independent external review, the Series 2021 Bonds conform, in all material respects, with the Sustainability Bond Guidelines (2021). The Project aligns with the *Terrestrial and Aquatic Biodiversity* and *Green Buildings* project categories of the Green Bond Principles, and to the *Access to Essential Services (Science Education for the General Public)* and *Preservation of Natural Histories* project categories of the Social Bond Principles. By financing resiliency improvements to one of the world’s critical collections and records of biodiversity, and expanding accessibility and education about these collections, the Series 2021 Bonds help confront the urgency of biodiversity loss and support conservation efforts. The bond-financed activities are 100% aligned with a just transition to a low-carbon, resilient economy.

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ABOUT KESTREL VERIFIERS



For over 20 years Kestrel has been a trusted consultant in sustainable finance. Kestrel Verifiers, a division of Kestrel 360, Inc. is a Climate Bonds Initiative Approved Verifier qualified to verify transactions in all asset classes worldwide. Kestrel is a US-based certified Women's Business Enterprise.

For more information, visit www.kestrelverifiers.com

DISCLAIMER

This Opinion aims to explain how and why the discussed financing meets the ICMA Sustainability Bond Guidelines based on the information which was available to us during the time of this engagement (October – November 2021) only. By providing this Opinion, Kestrel Verifiers is not certifying the materiality of the projects financed by the Sustainability Bonds. It was beyond Kestrel Verifiers' scope of work to review for regulatory compliance and no surveys or site visits were conducted. Furthermore, we are not responsible for surveillance on the project or use of proceeds. Kestrel Verifiers relied on information provided by Selby Gardens and publicly available information. The Opinion delivered by Kestrel Verifiers does not address financial performance of the Sustainability Bonds or the effectiveness of allocation of its proceeds. This Opinion does not make any assessment of the creditworthiness of Selby Gardens, or its ability to pay principal and interest when due. This is not a recommendation to buy, sell or hold the Bonds. Kestrel Verifiers is not liable for consequences when third parties use this Opinion either to make investment decisions or to undertake any other business transactions. This Opinion may not be altered without the written consent of Kestrel Verifiers. Kestrel Verifiers reserves the right to revoke or withdraw this Opinion at any time. Kestrel Verifiers certifies that there is no affiliation, involvement, financial or non-financial interest in Selby Gardens or the projects discussed. Language in the offering disclosure supersedes any language included in this Second Party Opinion.

Use of the United Nations Sustainable Development Goal (SDG) logo and icons does not imply United Nations endorsement of the products, services or bond-financed activities. The logo and icons are not being used for promotion or financial gain. Rather, use of the logo and icons is primarily illustrative, to communicate SDG-related activities.

Appendix A.

UN SDG TARGET DEFINITIONS

Target 4.3

By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university

Target 4.7

By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development

Target 6.5

By 2030, implement integrated water resources management at all levels, including through transboundary cooperation as appropriate

Target 7.2

By 2030, increase substantially the share of renewable energy in the global energy mix

Target 11.4

Strengthen efforts to protect and safeguard the world's cultural and natural heritage

Target 12.2

By 2030, achieve the sustainable management and efficient use of natural resources

Target 12.8

By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature

Target 15.5

Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species

Target 15.8

By 2020, introduce measures to prevent the introduction and significantly reduce the impact of invasive alien species on land and water ecosystems and control or eradicate the priority species

Target 15.a

Mobilize and significantly increase financial resources from all sources to conserve and sustainably use biodiversity and ecosystems

Target 17.16

Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries, in particular developing countries

Target 17.17

Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships