

Great Lakes Impact Investment Platform and BLX Group Announce Collaboration

CHICAGO/LOS ANGELES: OCTOBER 8, 2021: The Great Lakes Impact Investment Platform is pleased to announce its collaboration with the BLX Group LLC (BLX), a Registered Observer of the International Capital Market Association's Green and Social Bond Principles, a Climate Bonds Initiative Approved Verifier and a subsidiary of global law firm Orrick, Herrington & Sutcliffe LLP. Protecting the world's largest system of surface fresh water while growing the surrounding economy is a mandate that requires engagement and enduring credibility with the investment community. The collaboration will encourage sustainable financings in the region and help issuers and borrowers achieve the highest level of transparency with investors seeking climate well-being integrity.

Craig Underwood, President of BLX:

“While we await a regulatory framework in the U.S., voluntary impact reporting has emerged as an interim solution to bridge the gap with investors. In the long haul, borrowers taking a proactive approach to ESG reporting will find an easier path to lowering their borrowing costs. Institutional investors are seeking ESG leaders, and the Great Lakes Impact Investment Platform, by requiring participants to self-report on their projects’ environmental impacts, provides a unique opportunity for issuers in the region to report on the positive outcomes of their initiatives.”

The Platform’s impact reporting structure, using metrics developed by The Nature Conservancy, enables the environmental performance of these projects to be tracked over time.

The collaboration embodies a mutual commitment to further the advancement of the sustainable bond market in the U.S. and Canada by highlighting investable projects in the Great Lakes St. Lawrence States and Provinces that aim to provide both a return on investment and positive environmental outcomes. BLX will assist by providing educational and informational resources related to ESG financing solutions.

David Naftzger, Executive Director of the Conference of Great Lakes St. Lawrence Governors & Premiers:

“Since its inception, the Great Lakes Impact Investment Platform has helped to highlight successful projects that seek to create both financial returns and environmental improvements in our region. By collaborating with BLX, the Platform will be in an even stronger position to highlight organizations looking to achieve this double bottom line.”

The collaboration will take advantage of both organizations’ strengths. Near-term actions include providing outreach and education to prospective issuers about the broad range of labeled bonds and the value such bonds can generate to stakeholders. Recent research by the University of Michigan faculty identified a green premium or “greenium” of up to 23 basis points on green bonds relative to standard bonds in the region, depending on tenor, size and use of proceeds.

The Great Lakes Impact Investment Platform and BLX will collaborate on additional research and educational activities in coming months. Longer-term goals include BLX supporting the development of sustainable debt issuances by providing technical assistance, showcasing successful issuances, and building multi-stakeholder collaborations focused on disclosure.

For more information:

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About BLX: For over 30 years, BLX has developed streamlined processes and software applications to deliver various regulatory compliance solutions. As the sustainable finance market continues to shift towards greater accountability, BLX leverages a history of post-issuance compliance monitoring and continuing disclosure expertise to deliver an ESG program geared towards helping issuers and borrowers meet investors' disclosure expectations with "surveillance" services seamlessly layered onto its Second Party Opinions. BLX advises clients in the municipal and non-profit sectors, including state and local governments and a variety of debt issuers and conduit borrowers. Its practice areas include ESG / Sustainable Finance Consulting, Arbitrage Rebate, Post-Issuance Compliance, Continuing Disclosure, Debt Advisory, Swap Advisory, Swap Monitoring: Valuation and GASB 53/72, Structured Investment Product Bidding, Escrow Bidding, and Program Administration. BLX is registered with the Securities and Exchange Commission (SEC) and Municipal Securities Rulemaking Board (MSRB) as a municipal advisor.

Having completed over 80,000 post-issuance monitoring projects for more than 2,500 clients seeking to comply with various SEC and U.S. Treasury requirements, BLX is establishing new standards in a self-regulated ESG market, including a commitment to follow through on projects labeled "green" or "social". The firm brings a unique perspective to the foundational ICMA pillars used in the bond designation process, including Use of Proceeds, Process for Project Evaluation and Selection, Management of Proceeds, and Reporting. BLX's Surveillance URLs track use of proceeds and certain key performance indicators throughout the life of a project as a safeguard against greenwashing for investors.

BLX's ESG services include program design consultation, second party opinions, management of proceeds surveillance, impact reporting, and voluntary disclosure.

About the Great Lakes Impact Investment Platform: The Conference of Great Lakes St. Lawrence Governors & Premiers launched the Great Lakes Impact Investment Platform in 2020 with The Nature Conservancy, the Center for Smart Infrastructure Finance and the School for Environment and Sustainability at the University of Michigan, and ECT. The Platform showcases regional projects that aim to deliver environmental benefits and financial returns. It is working to position

the Great Lakes St. Lawrence region as a global destination for investments that boost climate resilience, reduce emissions and create other environmental benefits.

Since its launch, the Platform has attracted more than 30 projects totaling about \$4 billion in value from across the region. Environmental outcomes include the saving of 14 million kilowatts of power and 45,000 gallons of water, among other benefits. The impacts delivered by projects align with ten different United Nations Sustainable Development Goals.

Disclaimers: The information contained in this communication does not constitute investment advice in any form. BLX is not an investment advisor and is not advising on the financial merits of any debt instrument referenced in this communication, nor should any information in this document be relied upon in making any investment decision.

Developers and sponsors of investment products and strategies participating in the Great Lakes Impact Investment Platform are not affiliated in any way with the Conference of Great Lakes and St. Lawrence Governors and Premiers, the States, or Provinces. Developers and sponsors are responsible for the management of those investments.