ASSESSMENT
8 September 2026

Bromford Flagship LiveWest Limited

Second Party Opinion – Sustainable Finance Framework Assigned SQS1 Sustainability Quality Score

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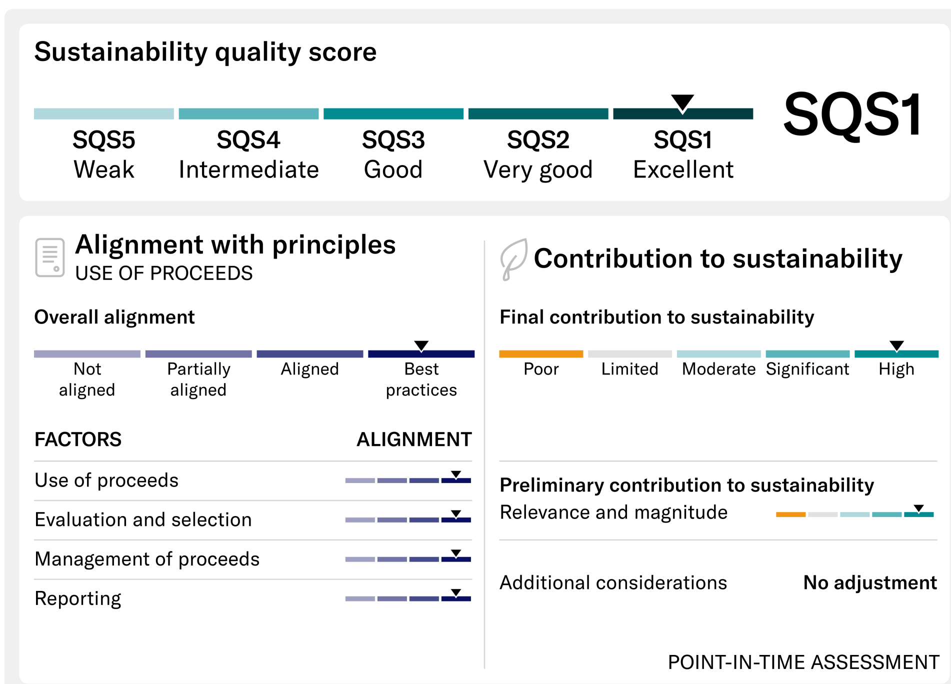
Summary

We have assigned an SQS1 Sustainability Quality Score (excellent) to Bromford Flagship Live West's (BFL) sustainable finance framework dated September 2026. BFL has established a use-of-proceeds framework with the aim of financing projects across two eligible green categories and one social category. The framework is aligned with the four core components of the International Capital Market Association's (ICMA) Green Bond Principles (GBP) 2025, Social Bond Principles (SBP) 2025, and Sustainability Bond Guidelines (SBG) 2021, as well as the Loan Market Association, the Asia Pacific Loan Market Association and Loan Syndications & Trading Association's (LMA/APLMA/LSTA) Green Loan Principles (GLP) 2025 and Social Loan Principles (SLP) 2025 and incorporates all Moody's Ratings identified best practices. The framework demonstrates a high contribution to sustainability.



Scope

We have provided a second party opinion (SPO) on the sustainability credentials of BFL's sustainable finance framework, including the alignment with the ICMA's GBP 2025, SBP 2025, and SBG 2021, as well as the LMA/APLMA/LSTA's GLP 2025 and SLP 2025. Under its use-of-proceeds framework, the issuer plans to finance projects across two eligible green categories and one social category, as outlined in Appendix 3 of this report.

Our assessment is based on the last updated version of the framework dated September 2026 and received on 12 August 2026, and our opinion reflects our point-in-time assessment[1] of the details contained in this version of the framework, as well as other public and non-public information provided by the company.

We produced this SPO based on our Assessment Framework: Second Party Opinions on Sustainable Debt, published in October 2025.

Issuer profile

Bromford Flagship LiveWest (BFL) is a large housing association operating in the South West, the West Midlands and the East of England. It manages approximately 120,000 units, and it serves approximately 300,000 customers across the west, southwest, central and east regions of England. It focuses predominantly on low-risk social housing lettings with a moderate exposure to market sales.

BFL has material exposure to environmental risks related to retrofitting needs to meet the government's requirement to bring social housing stock to EPC C by 2030. BFL still needs to retrofit 18% of its housing stock to meet the required energy efficiency standards. BFL has material exposure to social risks through sector-wide legislative requirements to improve the safety and quality of existing stock (responsible production risks) and the vulnerability of the sector to tenant affordability considerations through the government's social rent policy. BFL has limited governance risks given its strong financial management policies and processes and detailed reporting. The regulatory framework also supports good governance in the sector.

Strengths

» Eligible affordable housing projects are strongly aligned with the issuer's core activities and support a sustainability objective that is highly relevant in the local context.

» The eligibility and exclusion criteria associated with eligible projects are clearly defined.

» Comprehensive and transparent project evaluation and selection processes are in place and include relevant expertise.

Challenges

» The issuer does not commit to conducting a full lifecycle carbon assessment of the constructed buildings, which limits the environmental impact that can be attributed to projects within the Green Buildings category.

Alignment with principles

BFL's sustainable finance framework is aligned with the four core components of the ICMA's GBP 2025, SBP 2025, and SBG 2021, as well as the LMA/APLMA/LSTA's GLP 2025 and SLP 2025 and incorporates all Moody's Ratings identified best practices. For a summary alignment with principles scorecard, please see Appendix 1.

- ☑ Green Bond Principles (GBP)
- ☑ Green Loan Principles (GLP)
- ☑ Social Bond Principles (SBP)
- ☑ Social Loan Principles (SLP)
- ○ Sustainability-Linked Bond Principles (SLBP)
- ○ Sustainability Linked Loan Principles (SLLP)

Use of proceeds

Not aligned	Partially aligned	Aligned	Best practices ▼

Clarity of the eligible categories – BEST PRACTICES

BFL has clearly communicated the nature of expenditure and the eligibility and exclusion criteria for the eligible categories. The eligibility criteria for all the project categories have been defined in the framework. The issuer has specified the location of the eligible projects as England, United Kingdom (UK).

Clarity of the environmental or social objectives – BEST PRACTICES

The issuer has clearly defined the relevant environmental and social objectives associated with the eligible categories, focusing on climate change mitigation for the green categories and access to affordable housing for the social category. The issuer has referenced the United Nations' (UN) Sustainable Development Goals (SDGs) in articulating the objectives of the eligible categories, and the objectives are coherent with these recognized international standards.

Clarity of expected benefits – BEST PRACTICES

BFL has identified relevant expected environmental and social benefits for all eligible categories. The benefits identified are measurable and will be quantified in the impact reporting. The issuer has committed to transparently communicate the estimated share of refinancing post issuance as part of its allocation reporting and prior to any issuance in the offer document. For capex and opex a look-back period of up to 36 months before each issuance applies, but BFL may also refinance capex without applying a defined look-back period.

Process for project evaluation and selection

Not aligned | Partially aligned | Aligned | Best practices

Transparency and clarity of the process for defining and monitoring eligible projects – BEST PRACTICES
BFL's decision-making process for the selection and evaluation of assets and projects is clearly structured and outlined in its framework, which will be publicly available. Eligible assets, projects and expenditures are initially identified and screened by relevant business functions, which assess whether the relevant asset, project or expenditure meets the eligibility criteria set out in the framework and aligns with BFL's sustainability strategy, internal policies and applicable regulatory requirements. Eligible projects are then reviewed by the sustainability group, which confirms whether the project meets the relevant framework category and criteria, whether the expected environmental or social benefit can be documented, and whether any material environmental or social risks have been identified and appropriately managed. In addition, the sustainability group is responsible for overseeing the implementation and management of the framework, including the evaluation, selection and monitoring of eligible projects, and is supported by relevant technical, finance, treasury, development, asset management, risk and operational teams.

The issuer will monitor the compliance of selected assets and projects with both eligibility and exclusion criteria at least annually, throughout the life of the bond or loan, with tracking taking place quarterly where proceeds from a funding transaction have not yet been allocated. If a project fails to meet the eligibility criteria, is sold or faces divestment, it will be removed from the portfolio and replaced with one or more eligible projects as soon as reasonably practicable. The process for identifying and managing environmental and social risks (E&S) is outlined in the framework.

Management of proceeds

Not aligned | Partially aligned | Aligned | Best practices

Allocation and tracking of proceeds – BEST PRACTICES
The issuer has defined a clear process for the management and allocation of proceeds in its framework, which will be publicly available. Proceeds of sustainable finance instruments will initially be paid into the general treasury account, and an amount equivalent to the net proceeds will be tracked through appropriate accounting, financial management and internal monitoring systems, with BFL's treasury team responsible for managing cash and liquidity and for tracking the allocation of proceeds to eligible projects. The allocation of net proceeds to eligible projects will be matched at least annually. Proceeds will be allocated within 24 months from issuance. Temporarily unallocated proceeds will be placed in accordance with BFL's Treasury Management Policy, which may include holding funds in cash or short-term liquidity instruments, as disclosed in the framework.

Reporting

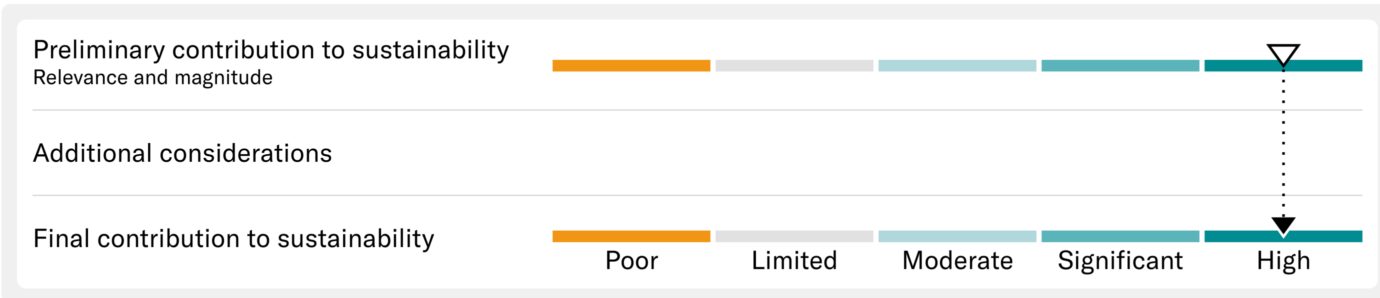
Not aligned | Partially aligned | Aligned | Best practices

Reporting transparency – BEST PRACTICES
BFL has committed to provide annual allocation and impact reports until full allocation, with allocation reports produced within 12 months of the receipt of proceeds from a Sustainable Financing Instrument and annually thereafter until the net proceeds have been fully allocated and thereafter in the event of any material reallocations. In addition, BFL will publish annual impact reporting through its Sustainability Reporting Standard (SRS) reporting, including impact metrics at project or category level. Impact reporting for individual use-of-proceeds bonds will continue until bond maturity. The report will be publicly available on the issuer's website, and will cover exhaustive information about the allocation of proceeds and impact reporting.

The expected sustainable benefits are clear and relevant for all eligible categories. The calculation methodologies and assumptions used to report on environmental and social benefits will be disclosed, made available at least to bondholders or lenders. An external review provider will verify the allocation reporting through an assurance report, and an independent impact assessment of the environmental and social benefits will be conducted.

Contribution to sustainability

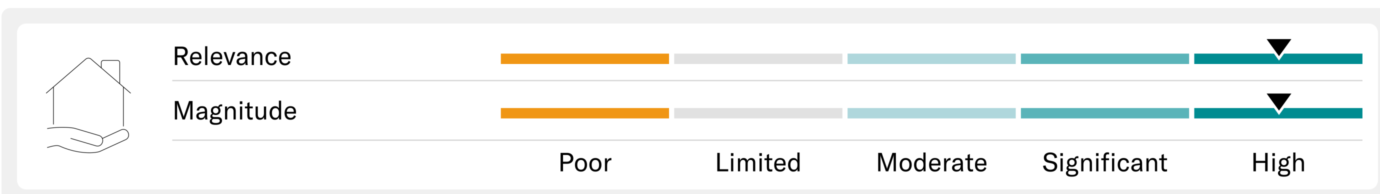
The framework demonstrates a high overall contribution to sustainability. This reflects a preliminary contribution to sustainability score of high, based on the relevance and magnitude of the eligible project categories, and we have not made an adjustment to the preliminary score based on additional contribution to sustainability considerations.



Preliminary contribution to sustainability

The preliminary contribution to sustainability is high, based on the relevance and magnitude of the eligible project categories. The issuer has indicated that the majority of the shares is allocated towards affordable housing, reflecting its core social mission and strategic objectives. A detailed assessment by eligible category has been provided below.

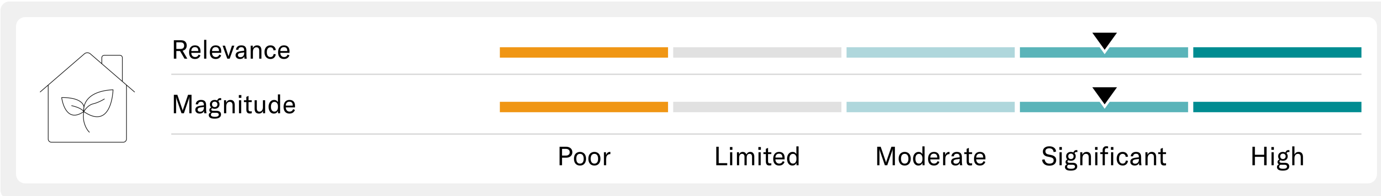
Affordable housing



The eligible projects address access to affordable housing, which is a highly relevant objective for the issuer, its sector and the local context. Financing affordable housing is central to BFL's core activities, which are primarily focused on the provision of affordable homes across the West, Southwest, Central and East regions of England. The category is highly material in the local context given the structural shortage of affordable housing in England, where housing affordability remains a significant challenge and housing cost pressures are particularly acute for vulnerable households. This need is reflected in high levels of unmet housing demand, with nearly 8 million people experiencing some form of housing need in England, and in affordability pressures that continue to exceed those observed in other parts of the UK.

Projects financed under this category are expected to highly contribute to increased access to affordable housing for low-income households. The target population primarily comprises low-income and financially disadvantaged households whose housing needs are not adequately met by the private housing market. The category is strongly targeted towards those most in need, with Social Rent and Affordable Rent representing 100% of the affordable housing developments financed through proceeds allocated to this category, and with Social Rent representing the majority of the allocation. Shared Ownership is not eligible for financing under this framework, further strengthening the project's social impact by targeting populations most in need of affordable housing. Affordability is further supported through below-market rents and a range of tenant-support measures, including debt support, income maximisation assistance and financial hardship interventions. In addition, the assessment of developments against connectivity and access to basic services, alongside BFL's focus on housing quality and compliance with the Decent Homes Standard, supports the overall social impact of the projects.

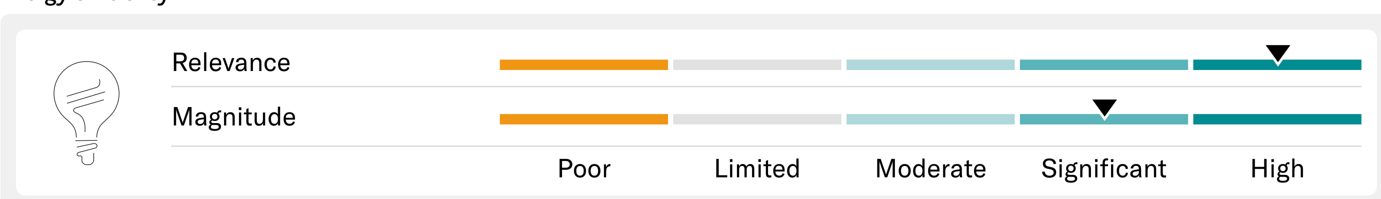
Green buildings



The relevance is considered significant. By investing in acquisition and construction of green building assets, the issuer addresses the objective of climate change mitigation by enhancing energy efficiency in the real estate sector. Real estate-related environmental issues are core to both BFL's activities and sustainability profile, given that the issuer operates as an affordable housing provider and that emissions from its housing stock represent its main source of greenhouse gas emissions. Improving the environmental performance of residential buildings is therefore closely linked to the issuer's decarbonization strategy and its ability to reduce operational emissions across its portfolio. The category is also relevant within the UK context, where buildings account for a material share of national greenhouse gas emissions and energy consumption, and where decarbonizing the built environment is essential to achieving the country's climate targets. In a mature housing market such as the UK, improving the performance of residential buildings remains a key pathway for reducing emissions from the existing building stock. However, the issuer will not allocate proceeds to renovation projects under this category, limiting its relevance compared with financing strategies that also target upgrades to existing homes, a critical challenge for emissions reduction in the UK housing sector.

Projects financed under the Green Buildings category are anticipated to significantly contribute to climate change mitigation. Buildings meeting the EPC A or B threshold perform within the top 15% of the UK building stock and are expected to achieve energy consumption levels that are substantially below long-term decarbonization pathways[2] for both single-family and multifamily residential buildings. The environmental benefits are expected to be long-lasting because the financed assets will incorporate these performance standards throughout their operational lifetimes. Developments expected to achieve at least a BREEAM Excellent certification provide assurance of environmental performance, although they do not necessarily ensure ambitious energy performance. The issuer has also indicated that future acquisitions would be subject to the same performance thresholds; however, based on the current development pipeline, proceeds are expected to be allocated entirely to new construction projects. BFL does not perform a full lifecycle carbon accounting assessment of the project, and does not commit to reducing embodied carbon emissions against a business-as-usual base-case, therefore limiting the overall impact of the project. Environmental and social risks are expected to be adequately managed through applicable building regulations and the issuer's environmental and social risk management processes.

Energy efficiency



Expenditures targeting the decarbonization of the real estate sector address climate change mitigation, which is highly relevant for the issuer, the real estate sector and the regional context. Energy efficiency is a material sustainability issue for the sector within the local context, given the significant energy consumption and associated greenhouse gas emissions of buildings, which contribute to approximately 22% of emissions in the UK.[3] It is also central to the issuer's activities, with improving the energy performance of homes remaining a strategic priority through retrofit programs, energy efficiency upgrades and the deployment of low-carbon technologies. In the UK, substantial variation in the energy efficiency performance of residential properties, combined with the country's legally binding net-zero emissions target for 2050, highlights the importance of improving housing energy performance as a key pathway to reducing emissions and energy consumption. In addition, higher energy-efficient homes can generate meaningful energy cost savings for households, supporting affordability objectives within the social housing sector.

Projects financed under this category are expected to significantly contribute to climate change mitigation. The category is expected to generate positive long-term environmental benefits through the renovation, retrofit, modernization and improvement of residential buildings. Criteria to achieve at least a 30% improvement in primary energy demand or a minimum two-notch improvement in EPC ratings to reach at least EPC C, is consistent with meaningful reductions in energy consumption and associated emissions. A minimum EPC C rating supports alignment with long-term decarbonization pathways for the residential sector, although it is less ambitious than achieving EPC B or EPC A ratings. Expenditures on technologies such as LED lighting, heat pumps, smart energy meters and battery storage systems are also expected to deliver material energy savings when combined with the applicable energy performance thresholds. In addition, the installation of onsite renewable energy systems, including rooftop solar photovoltaic and wind power systems with lifecycle emissions below 100 gCO_2e/kWh, is considered best available technology and further supports emissions reductions. Renewable electricity can be procured through power purchase agreements. No major environmental or social externalities have been identified, and the exclusion of fossil fuel-powered technologies further supports the category's positive climate outcomes.

Additional contribution to sustainability considerations

We have not made an adjustment to the preliminary contribution to sustainability score based on additional considerations.

BFL has established processes to manage environmental and social risks through the oversight of its Sustainability Group, which is responsible for assessing environmental and social risks, identifying appropriate mitigation measures, and ensuring that eligible projects continue to comply with the framework's eligibility criteria. Projects that no longer meet the eligibility requirements due to significant environmental or social issues may be removed or replaced, while relevant business and project teams are responsible for identifying and managing project-level risks in accordance with internal policies, procedures, and applicable legal and regulatory requirements. However, BFL has been subject to multiple Housing Ombudsman findings[4] [5] [6] [7] related to maladministration and service failures, including delays in repairs, inadequate communication with residents, poor contractor management, and concerns regarding service charges. BFL has acknowledged certain shortcomings, provided compensation or redress where appropriate, and implemented remedial actions, although operational challenges remain in ensuring consistent service delivery. Nevertheless, according to the Regulator of Social Housing, BFL meets viability requirements and has the financial capacity to deal with a wide range of adverse scenarios.

In addition, we consider that the eligible projects are coherent with BFL's sustainability strategy. The financed activities specifically target BFL's most material sustainability challenges, including the provision of affordable and sustainable housing, improvements in the environmental performance of its housing stock, and the decarbonisation of residential assets. These activities support BFL's strategic objectives of delivering more than 50,000 new homes, around half of which are expected to be for social rent, while also advancing its ambition for all feasible homes to achieve a minimum EPC C rating by 2030. The issuer's strategy combines environmental objectives with social outcomes through the delivery of affordable housing, investment in energy-efficient homes, and measures aimed at reducing emissions and improving housing quality for residents..

Appendix 1 - Alignment with principles scorecard for BFL's Sustainable finance framework

Factor	Sub-factor	Component	Component score	Sub-factor score	Factor score
Use of proceeds	Clarity of the eligible categories	Nature of expenditure	A	Best practices	Best practices
		Definition of content, eligibility and exclusion criteria for nearly all categories	A		
		Location	A		
		BP: Definition of content, eligibility and exclusion criteria for all categories	Yes		
	Clarity of the objectives	Relevance of objectives to project categories for nearly all categories	A	Best practices	
		Coherence of project category objectives with standards for nearly all categories	A		
		BP: Objectives are defined, relevant and coherent for all categories	Yes		
	Clarity of expected benefits	Identification and relevance of expected benefits for nearly all categories	A	Best practices	
		Measurability of expected benefits for nearly all categories	A		
		BP: Relevant benefits are identified for all categories	Yes		
		BP: Benefits are measurable for all categories	Yes		
		BP: Disclosure of refinancing prior to issuance and in post-allocation reporting	Yes		
		BP: Commitment to communicate refinancing look-back period prior to issuance	Yes		
Process for project evaluation and selection	Transparency and clarity of the process for defining and monitoring eligible projects	Clarity of the process	A	Best practices	Best practices
		Disclosure of the process	A		
		Transparency of the environmental and social risk mitigation process	A		
		BP: Monitoring of continued project compliance	Yes		
Management of proceeds	Allocation and tracking of proceeds	Tracking of proceeds	A	Best practices	Best practices
		Periodic adjustment of proceeds to match allocations	A		
		Disclosure of the intended types of temporary placements of unallocated proceeds	A		
		BP: Disclosure of the proceeds management process	Yes		
		BP: Allocation period is 24 months or less	Yes		
Reporting	Reporting transparency	Reporting frequency	A	Best practices	Best practices
		Reporting duration	A		
		Report disclosure	A		
		Reporting exhaustivity	A		
		BP: Allocation reporting at least until full allocation of proceeds, and impact reporting until full bond maturity or loan payback	Yes		
		BP: Clarity and relevance of the indicators on the sustainability benefits	Yes		
		BP: Disclosure of reporting methodology and calculation assumptions	Yes		
		BP: Independent external auditor, or other third party, to verify the tracking and allocation of funds	Yes		
		BP: Independent impact assessment on environmental and social benefits	Yes		
Overall alignment with principles score:					**Best practices**

Appendix 2 - Mapping eligible categories to the United Nations' Sustainable Development Goals

The three eligible categories included in BFL's Sustainable finance framework are likely to contribute to five of the United Nations' Sustainable Development Goals (SDGs), namely:

UN SDG 17 Goals	Eligible Category	SDG Targets
GOAL 1: No Poverty	*Affordable housing*	1.4: Ensure all have equal rights to economic resources, access to basic services, property ownership and finance
GOAL 7: Affordable and Clean Energy	*Green buildings, Energy efficiency*	7.3: Double the global rate of improvement in energy efficiency
GOAL 10: Reduced Inequality	*Affordable housing*	10.2: Empower and promote the social, economic and political inclusion of all
GOAL 11: Sustainable Cities and Communities	*Affordable housing*	11.1: Ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums
	Green buildings	11.6: Reduce the adverse per capita environmental impact of cities, with special attention to air quality and waste management
GOAL 13: Climate Action	*Green buildings, Energy efficiency*	13.2: Integrate climate change measures into national policies, strategies and planning

The United Nations' Sustainable Development Goals (SDGs) mapping in this SPO considers the eligible project categories and associated sustainability objectives/benefits documented in the issuer/borrower's financing framework, as well as resources and guidelines from public institutions, such as the ICMA SDG Mapping Guidance and the UN SDG targets and indicators.

Appendix 3 - Summary of eligible categories in BFL's Sustainable finance framework

Eligible Categories	Description	Sustainability Objectives	Impact Reporting Metrics
Affordable housing	- Housing which falls under the definition of affordable housing provided by the UK Government – specifically under the 2008 Housing and Regeneration Act's definition of "low cost rental accommodation" and "low cost home ownership accommodation". - Target population: low income households who cannot afford to own or rent on the open market	Access to affordable housing	- New properties built by category type (% breakdown by new and existing housing). - Number of existing affordable properties financed by category type of use (#). - Number of affordable homes under development or completed (#). - Average rent charged vs. market rent –actual/average and impact on (£).
Green buildings	Investments or expenditures relating to buildings which, on a combined basis, target or achieve one or more of: - EPC ratings of A and B. - Ranking within the top 15% of the national building stock , expressed with reference to the EPC/SAP score, PED or similar measure. - A rating of at least BREEAM Excellent.	Climate change mitigation	- Number and percentage of new built homes with EPC and EIR ratings of A or B, or meeting another of the eligibility criteria (%). - Number of existing homes in portfolio meeting the eligibility criteria (#). - Number of homes modernised or renovated which subsequently meet the eligibility criteria (#). - Avoided emissions (tCO_2).
Energy efficiency	Investments or expenditures relating to buildings that result in one or more of the following: - At least a 30% reduction in Primary Energy Demand (PED). - At least a two-notch improvement in the expected EPC rating following completion of works. - A reduction in energy use through: o LED lighting. o Heat pumps, including electric, ground source and absorption heat pumps. o Smart energy meters, including home monitoring devices. o Battery storage systems directly or indirectly connected to renewable energy sources or the UK interconnected electricity transmission or distribution network. - The installation of onsite renewable energy systems, including: o Rooftop solar PV systems. o Wind power systems operating at lifecycle emissions of less than $100gCO_2e/kWh$. - The procurement of certified renewable electricity through: o Power purchase agreements (PPAs) with a tenor of more than five years. o Renewable energy certificates. Exclusions - Technologies, products or systems primarily powered by fossil fuel-derived energy sources, including absorption heat pumps powered by natural gas or propane.	Climate change mitigation	- Installed capacity and energy generation (kWh). - Total energy generated from renewable sources (kWh). - Avoided emissions (tCO_2).

Endnotes

1 Point-in-time assessment is applicable only on date of assignment or update.

2 CRREM Pathways, accessed in July 2026

3 2025 UK greenhouse gas emissions:provisional figures-statistical release, Gov UK, April 2026

4 Housing Ombudsman Service, Bromford Flagship LiveWest Limited, 12 January 2026

5 Housing Ombudsman Service, Bromford Flagship LiveWest Limited, 27 January 2026

6 Housing Ombudsman Service, Bromford Flagship LiveWest Limited, 22 June 2026

7 Housing Ombudsman Service, Bromford Flagship LiveWest Limited, 17 April 2026

REPORT NUMBER 1492028