

SECOND PARTY OPINION (SPO)

Sustainability Quality of the Issuer and Green, Social and Sustainability Funding Framework

Banca di Cividale S.p.A.
22 February 2022

VERIFICATION PARAMETERS

Type(s) of instruments contemplated	<ul style="list-style-type: none">Green, Social and Sustainability Debt Instruments
Relevant standards	<ul style="list-style-type: none">Green Bond Principles (GBP, June 2021), Social Bond Principles (SBP, June 2021), and Sustainability Bond Guidelines (SBG, June 2021), as administered by the International Capital Market Association (ICMA)
Scope of verification	<ul style="list-style-type: none">CiviBank's Green, Social and Sustainability Funding Framework (as of 22.02.2022)CiviBank's selection criteria (as of 22.02.2022)
Lifecycle	<ul style="list-style-type: none">Pre-issuance verification
Validity	<ul style="list-style-type: none">As long as there is no material change to the framework

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SCOPE OF WORK

Banca di Cividale (“the issuer” or “CiviBank”) commissioned ISS ESG to assist with its green, social and sustainability debt instruments by assessing three core elements to determine the sustainability quality of the instruments:

1. Green, social and sustainability debt Instruments’ link to CiviBank’s sustainability strategy – drawing on CiviBank’s overall sustainability profile and issuance-specific Use of Proceeds categories.
2. CiviBank’s Green, Social and Sustainability Funding Framework (22.02.2022 version) – benchmarked against ICMA’s Green Bond Principles (GBP, June 2021), Social Bond Principles (SBP, June 2021), and Sustainability Bond Guidelines (SBG, June 2021).
3. The selection criteria – whether the projects contribute positively to the UN SDGs and perform against ISS ESG’s issue-specific key performance indicators (KPIs) (see annex 2).

CIVIBANK BUSINESS OVERVIEW

CiviBank operates as a regional bank in the North-East of Italy. It operates 64 branches with 581 employees and plans to expand to new regions (Emilia Romagna and Trentino Alto-Adige) in the near future. It offers services to private and corporate clients. It is active in the segments lending, mortgages, savings, asset management, and insurance.

ISS ESG ASSESSMENT SUMMARY

SPO SECTION	SUMMARY	EVALUATION ¹
Part 1: Green, social and sustainability debt instruments' link to issuer's sustainability strategy	<p>CiviBank operates across various banking segments ranging from corporate and retail lending, mortgages and savings to asset management and insurance. The bank's branch network consists of 64 branches in the regions of Friuli Venezia Giulia and Veneto in the North-East of Italy.</p> <p>The Use of Proceeds financed through these green, social and sustainability debt instruments are consistent with the issuer's sustainability strategy and material ESG topics for the issuer's industry. The rationale for issuing green, social and sustainability debt instruments is clearly described by the issuer.</p>	Consistent with issuer's sustainability strategy
Part 2: Alignment with GBP, SBP and SBG	<p>The issuer has defined a formal concept for its green, social and sustainability debt instruments regarding use of proceeds, processes for project evaluation and selection, management of proceeds and reporting. This concept is in line with the GBP, SBP, and SBG, as administered by ICMA.</p>	Aligned
Part 3: Sustainability quality of the selection criteria	<p>The overall sustainability quality of the selection criteria in terms of sustainability benefits, risk avoidance and minimization is good based upon the ISS ESG assessment. The green, social and sustainability debt instruments will (re-)finance eligible asset categories which include: renewable energy, green buildings, pollution prevention and control, clean transportation, energy efficiency, environmentally sustainable management of living natural resources, SME financing, third and public sector, social housing, and healthcare.</p> <p>Those use of proceeds categories have a significant contribution to SDGs 1 'No poverty', 3 'Good health and wellbeing', 5 'Gender equality', 7 'Affordable and clean energy', 8 'Decent work and economic growth', 11 'Sustainable cities and communities', 12 'Responsible consumption and production' and 13 'Climate action'. They also have a limited contribution to SDG 10 'Reduced inequalities'. The environmental and social risks associated with those use of proceeds categories have been well managed.</p>	Positive

¹ ISS ESG's evaluation is based on CiviBank's Green, Social and Sustainability Funding Framework (22 February 2022 version), and on the ISS ESG Indicative Corporate Rating applicable at the SPO delivery date.

ISS ESG SPO ASSESSMENT

PART I: GREEN, SOCIAL AND SUSTAINABILITY DEBT INSTRUMENTS' LINK TO CIVIBANK'S SUSTAINABILITY STRATEGY

A. ASSESSMENT OF CIVIBANK'S ESG PERFORMANCE

Methodological note: Please note that CiviBank is not part of the ISS ESG Corporate Rating Universe. Thus, the below sustainability profile is an assessment conducted by the analyst in charge of the Public & Regional Banks sector based on publicly available information exclusively. No direct communication between the issuer and the analyst has taken place during the process. The below is not based on an ISS ESG Corporate Rating but considers ISS ESG Research's methodology.

Industry classification:

Public & Regional Banks

Key Issues of the industry:

- Sustainability impacts of lending and other financial services/products
- Customer and product responsibility
- Sustainable investment criteria
- Labor standards and working conditions
- Business ethics

Indicative ESG risk and performance assessment

CiviBank operates across various banking segments ranging from corporate and retail lending, mortgages and savings to asset management and insurance. As at 31 December 2020, the bank's branch network consisted of 64 branches in the regions of Friuli Venezia Giulia and Veneto in the North East of Italy.

CiviBank has taken initial steps to integrate ESG considerations into its lending business. However, apart from a weapons sector policy, no detailed environmental and social guidelines for lending and asset management seem to have been implemented so far.

In the area of customer and product responsibility, the company faces risks regarding marketing, sales practices, and the treatment of clients with debt repayment problems. There are some commitments to uphold responsible sales and marketing practices. Furthermore, CiviBank has taken specific measures for the responsible treatment of clients with debt repayment problems in the context of Covid-19. However, the company does not demonstrate a comprehensive approach to ensure responsible sales practices by integrating ethical considerations into the calculation of bonus payments or refraining from setting sales targets and paying commissions.

Staff-related risks are mitigated to some extent by high labor standards applicable in Italy. CiviBank has established several activities to foster diversity and employees' work-life balance by providing flexible working options and dependent care benefits. All employees are covered by collective labor agreements. However, the company does not seem to address mental health, another crucial topic in the financial industry, e.g., through relevant prevention and alleviation measures.

To ensure compliance with business ethics, CiviBank has established a code of ethics and respective compliance structures.

Indicative product portfolio assessment

Social impact of the product portfolio

CiviBank tackles global social challenges such as the provision of basic services and alleviating poverty via a microcredit project set up in cooperation with Caritas Diocesana di Udine and the Friuli Foundation. The loans support covering expenses related to professional qualification or requalification courses or the achievement of licenses. Yet, the vast majority of the business portfolio does not seem to have a net positive or negative social impact.

Environmental impact of the product portfolio

CiviBank addresses global environmental challenges by financing renewable energy and energy efficiency projects. Yet, the vast majority of the business portfolio does not seem to have a net positive or negative environmental impact.

Controversy Assessment

Company Screening

The analyst in charge of producing this report conducted a high-level controversy assessment, based on publicly available information exclusively. There is no indication of CiviBank being involved in any of the below mentioned controversies.

Industry risks

Based on a review of controversies in the period of 1 January 2019 – 02 November 2021, the greatest risk reported against companies operating in the Public & Regional Banks industry relates to activities of labor rights and business malpractice. The top three issues that have been reported against companies within the industry are as follows: alleged failure to pay fair share of taxes, failure to respect the right to just and favorable conditions of work, failure to respect the right to privacy. This is closely followed by the alleged failure to prevent deforestation/illegal logging, failure to mitigate climate change impacts, and failure to conduct human rights' due diligence.

B. CONSISTENCY OF GREEN, SOCIAL AND SUSTAINABILITY DEBT INSTRUMENTS WITH CIVIBANK'S SUSTAINABILITY STRATEGY

Key sustainability objectives and priorities defined by the issuer

In 2021 CiviBank transformed its legal status into a “Benefit Company”. It decided to include “common benefit” goals with a positive impact on society and the environment in its corporate mission. It is also working towards obtaining the B Corp Certification. CiviBank intends to integrate environmental, social, and governance (ESG) factors in its business strategy; a specific internal committee is tasked to oversee the activities related to sustainability and coordinating corporate initiatives linked to the management of ESG risks. The bank also carries out a periodic monitoring on the impacts of its actions and contribution to generating shared value.

In the environmental dimension it is committed to:

- Manage its direct impacts (e.g.: reduce CO₂ emissions by switching to renewables or to an electric/hybrid corporate car fleet);
- Identify potential risks and find potential mitigation measures;
- Raise awareness with stakeholders on environmental issues; and
- Develop green financial products such as loans dedicated to energy efficiency projects for homes and enterprises.

From a social perspective CiviBank pledges to:

- Support local SMEs and suppliers;
- Finance non-profit organizations;
- Promote social and financial inclusion; and
- Do business ethically.

Rationale for issuance

CiviBank already offers some products with social and environmental benefits (e.g. micro-credit, renewable energy projects). In order to expand and advance its offer, it is adopting its first Green, Social, and Sustainability Funding Framework.

Contribution of Use of Proceeds categories to sustainability objectives and priorities

ISS ESG mapped the Use of Proceeds categories financed with these green, social and sustainability debt instruments with the sustainability objectives defined by the issuer, and with the key ESG industry challenges as defined in the ISS ESG Corporate Rating methodology for the Public & Regional Banks industry. Key ESG industry challenges are key issues that are highly relevant for a respective industry to tackle when it comes to sustainability, e.g. climate change and energy efficiency in the buildings sector. From this mapping, ISS ESG derived a level of contribution to the strategy of each Use of Proceeds category.

USE OF PROCEEDS CATEGORY	SUSTAINABILITY OBJECTIVES FOR THE ISSUER	KEY ESG INDUSTRY CHALLENGES	CONTRIBUTION
Renewable energy	✓	✓	Contribution to a material objective
Pollution and prevention control, eco-efficiency and/or circular economy adapted products	✓	✓	Contribution to a material objective
Green buildings	✓	✓	Contribution to a material objective
Clean transportation	✓	✓	Contribution to a material objective
Energy efficiency	✓	✓	Contribution to a material objective
Environmentally sustainable management of living natural resources	✓	✓	Contribution to a material objective
SME financing	✓	✓	Contribution to a material objective
Third and public sector	✓	✓	Contribution to a material objective
Social housing	✓	✓	Contribution to a material objective
Healthcare	✓	✓	Contribution to a material objective

Opinion: ISS ESG finds that the Use of Proceeds financed through these instruments are consistent with the issuer’s sustainability strategy and material ESG topics for the issuer’s industry. The rationale for issuing green, social and sustainability debt instruments is clearly described by the issuer.

PART II: ALIGNMENT WITH GBP, SBP, AND SBG

1. Use of Proceeds

FROM ISSUER'S FRAMEWORK

An amount equal to the net proceeds raised from any of CiviBank's Debt Instruments issued under this framework will be exclusively allocated to finance and or re-finance, in whole or in part, new and/or existing loans/projects ("Eligible Green Assets" and/or "Eligible Social Assets", together "Eligible Assets") as defined within the following list of eligible categories.

The green eligible categories are:

- Renewable energy
- Pollution and prevention Control / eco-efficient and/or circular economy-adapted products
- Green buildings
- Clean transportation
- Energy efficiency
- Environmentally sustainable management of living natural resources

The social eligible categories are:

- SME financing
- Third and public Sector
- Social housing
- Healthcare

The combination of all the Eligible Assets earmarked by CiviBank and booked on the issuer's own balance sheet will compose the eligible asset portfolio ("Portfolio").

CiviBank will strive to maintain, over time and on a best effort basis, an aggregate amount of the Portfolio which matches or exceeds the balance of net proceeds of all outstanding green, social and sustainability debt instruments issued under this framework.

Existing Eligible Assets to be selected from the issuer's Portfolio will be initiated up to two calendar years prior to the year of execution of any green, social, sustainability debt instrument issued under this framework.

CiviBank may, at any time, update the framework to expand the list of eligible categories and include new eligible categories in alignment with the issuer's lending and financing strategies.

Each CiviBank's green, social, sustainability debt instrument under this framework may focus on one or more or even all of the above-mentioned eligible categories.

Green Eligible Categories

Green eligible categories are defined as follows:

GREEN ELIGIBLE CATEGORIES	ELIGIBILITY CRITERIA	BENEFITS & TARGET POPULATIONS	ICMA GBP PROJECT CATEGORY
Renewable Energy	<ul style="list-style-type: none"> ▪ New and/or existing loans to finance and/or refinance the construction, acquisition, development, and maintenance of facilities generating and/or distributing energy from renewable sources such as: <ul style="list-style-type: none"> • Photovoltaic; • Biomethane² (methane produced by the fermentation of organic matter); • Cogeneration of heat and power from bioenergy (e.g. biomass heat generators)³; • Hydropower (acquisition, construction, upgrade and refurbishment of hydropower plants with a power density above 5W/m² or operating at life cycle emissions lower than 100g CO₂e/kWh)⁴. Only hydropower plants with a scale of power production below <100MW are eligible. 	<ul style="list-style-type: none"> ▪ Provide benefits for the environment through reduction of greenhouse gas (GHG) emissions and consequently global warming 	<ul style="list-style-type: none"> ▪ Climate Change Mitigation ▪ Renewable Energy
Pollution and Prevention Control / Eco-	<ul style="list-style-type: none"> ▪ New and/or existing loans to finance and/or refinance the construction and 	<ul style="list-style-type: none"> ▪ Contribute to the reduction of 	<ul style="list-style-type: none"> ▪ Pollution Prevention Control

² Technical Screening Criteria of Taxonomy Regulation delegated-act-2021-2800-annex-1 (Taxonomy Regulation and the EU Taxonomy Climate Delegated Act, formally adopted on 4 June) described in section 4.13 “Manufacture of biogas and biofuels for use in transport and of bioliquids”. (1. Agricultural biomass used in the activity complies with the criteria laid down in Article 29, paragraphs 2 to 5, of Directive (EU) 2018/2001. 2. The greenhouse gas emission savings from the manufacture of biofuels and biogas for use in transport and from the manufacture of bioliquids are at least 65% in relation to the GHG saving methodology and the relative fossil fuel comparator set out in Annex V of the Directive. 3. Where the manufacture of biogas relies on anaerobic digestion of organic material, the production of the digestate meets the criteria in Sections 5.6 and criteria 1 and 2 of Section 5.7 of this Annex, as applicable.)

³ Technical Screening Criteria of Taxonomy Regulation described in section 4.20 “Cogeneration of heat/cool and power from bioenergy”. (1. Agricultural biomass used in the activity complies with the criteria laid down in Article 29, paragraphs 2 to 5, of Directive (EU) 2018/2001. 2. GHG emission savings from the use of biomass are at least 80% in relation to the GHG saving methodology and the relative fossil fuel comparator set out in Annex VI of the Directive (EU) 2018/2001.)

⁴ Technical Screening Criteria described in sections 4.5 of the Taxonomy Regulation delegated-act-2021-2800-annex-1.

<p>Efficient and/or Circular Economy Adapted Products</p>	<p>maintenance of waste treatment systems, such as waste recycling, waste-to-energy facilities⁵, reuse maximization, and environmental remediation⁶.</p>	<p>environmental pollution</p> <ul style="list-style-type: none"> ▪ Contribute to the good health of communities and the population 	<ul style="list-style-type: none"> ▪ Environmentally Sustainable Management of Living Natural Resources and Land Use ▪ Eco-Efficient and/or Circular Economy Adapted Products, Production Technologies and Processes
<p>Green Buildings</p>	<p>New and/or existing loans to finance and/or refinance:</p> <p><u>Construction of new buildings (residential and commercial):</u></p> <ul style="list-style-type: none"> ▪ The primary energy demand (PED) is at least 10% lower than the nearly zero-energy building (NZEB) threshold. <p><u>Acquisition of new buildings (residential and commercial):</u></p> <ul style="list-style-type: none"> ▪ For buildings built before 31 December 2020, the building has at least Energy Performance Certificate (EPC) class A, or, as an alternative, the building is within the top 15% of the most carbon efficient buildings (kg CO₂e/sqm). Buildings (residential and commercial) that have received third-party sustainable certifications or verifications such as LEED Gold or Platinum, BREEAM very good, HQE – very good/excellent, CASBEE – A (very good) / S (excellent) or equivalent. ▪ For buildings built after 31 December 2020, the primary 	<ul style="list-style-type: none"> ▪ Contribute to the development of sustainable cities and efficient buildings, reducing GHG emissions and electricity consumption 	<ul style="list-style-type: none"> ▪ Green Buildings ▪ Climate Change Adaptation ▪ Climate Change Mitigation ▪ Renewable Energy

⁵ Biofuels generation from waste; first and second generation. Technical Screening Criteria described in sections 5.7 of Taxonomy Regulation delegated-act-2021-2800-annex-1.

⁶ “Reuse maximization” refers to projects/loans granted and aimed at financing, for example, waste collection services for municipalities; while “environmental remediation” refers to projects aimed at investing in soil remediation and water purification.

energy demand is at least 10 % lower than the NZEB threshold.

Renovation of existing buildings (residential and commercial):

- The building renovation complies with the applicable requirements for major renovations or, alternatively, leads to a reduction of PED of at least 30%.

Residential buildings:

- New and/or existing loans to finance and/or refinance acquisition of new or existing residential or commercial buildings aligned with current environmental regulation and belonging to the top 15% of the most carbon efficient buildings (kgCO₂e/sqm²).
- New and/or existing loans to finance and/or refinance the renovation of residential or commercial buildings if the renovation works produce the improvement of at least two energy classes, or a global non-renewable energy performance index (EPgl, nren) of at least 30% lower than that resulting from the pre-works EPC.

Commercial buildings:

- New and/or existing loans to finance and/or refinance the construction of new commercial buildings which have received at least one (or more) of the following classifications:
 - LEED “Gold” or above;

	<ul style="list-style-type: none"> • BREEAM “Very Good” or above; • HQE “Excellent” or above; or • Any other comparable international building certifications’ level <ul style="list-style-type: none"> ▪ New and/or existing loans to finance and/or refinance the renovation of commercial buildings to reach an energy efficiency improvement of at least 30% of energy savings. 		
Clean Transportation	<p>New and/or existing loans to finance and/or refinance:</p> <ul style="list-style-type: none"> ▪ Passenger public land transport to improve public electricity-based sustainable transportation (e.g. convert public bus fleets to alternative fuels: electric, biofuel, hybrid and electric bus fleets).⁷ ▪ Commercial and passenger vehicles (e.g. electric vehicles, hybrid, truck fleets, automobiles)⁸, charging stations and supporting electric infrastructure⁹ for electrification of public and private passenger transport. 	<ul style="list-style-type: none"> ▪ Provide benefits to the environment and support sustainable cities by contributing to the reduction of GHG emissions. ▪ Improve air quality by reducing air pollution. 	<ul style="list-style-type: none"> ▪ Clean Transportation ▪ Pollution Prevention and Control ▪ Climate Change Mitigation
Energy Efficiency	<ul style="list-style-type: none"> ▪ New and/or existing loans to finance and/or refinance the development and distribution of and/or upgrades to equipment or technology such as installation of: <ul style="list-style-type: none"> • smart meters; • smart thermostats¹⁰; and • efficient LED lighting appliances and systems. 	<ul style="list-style-type: none"> ▪ Provide benefits to the environment and support sustainable cities by reducing energy consumption. 	<ul style="list-style-type: none"> ▪ Climate Change Mitigation ▪ Energy Efficiency

⁷ Manufacturing and purchasing of light vehicles, personal cars and commercial vehicles with zero direct tailpipe CO2 emissions (electric) or specific emissions of CO2 lower than 50g CO2/km (hybrid, eligible until December 2025). Technical Screening Criteria described in sections 6.3 and 6.5 of the Taxonomy Regulation delegated-act-2021-2800-annex-1.

⁸ Manufacturing and purchasing of light vehicles, personal cars and commercial vehicles with zero direct tailpipe CO2 emissions (electric) or specific emissions of CO2 lower than 50g CO2/km (hybrid, eligible until December 2025).

⁹ Technical Screening Criteria described in sections 4.9 of the Taxonomy Regulation delegated-act-2021-2800-annex-1.

¹⁰ Technical Screening Criteria described in sections 3.5 of the Taxonomy Regulation delegated-act-2021-2800-annex-1.

<p>Environmentally Sustainable Management of Living Natural Resources</p>	<ul style="list-style-type: none"> ▪ New and/or existing loans to finance and/or refinance projects that promote sustainable management of natural resources in the agriculture, forestry, farming or fishing sectors such as: <ul style="list-style-type: none"> • use of systems for water irrigation savings (e.g. drip irrigation systems);¹¹ • purchase and use of efficient mechanical equipment; • reuse of agricultural waste;¹² • sustainable use of forests, contributing to enhancing biodiversity, halting or preventing the degradation of soils and other ecosystems, and deforestation;¹³ and • sustainable fishing.¹⁴ 	<ul style="list-style-type: none"> ▪ Provide benefits to the environment by sustainably managing consumption of living natural resources. 	<ul style="list-style-type: none"> ▪ Climate Change Adaptation ▪ Climate Change Mitigation ▪ Environmentally Sustainable Management of Living Natural Resources and Land Use ▪ Environmentally Sustainable Agriculture
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Social Eligible Categories

Social eligible categories are defined as follows:

SOCIAL ELIGIBLE CATEGORIES	ELIGIBILITY CRITERIA	BENEFITS & TARGET POPULATIONS	ICMA SBP PROJECT CATEGORY
<p>SME Financing</p>	<ul style="list-style-type: none"> ▪ New and/or existing loans to finance and/or refinance SMEs¹⁵ which include SMEs located in disadvantaged areas¹⁶ or in areas impacted by natural disasters¹⁷/health emergencies (such as 	<ul style="list-style-type: none"> ▪ SMEs and companies affected by the Covid-19 pandemic. ▪ Female entrepreneurship to promote gender equality and inclusion. 	<ul style="list-style-type: none"> ▪ Socioeconomic Advancement and Empowerment ▪ Employment Generation

¹¹ Technical Screening Criteria described in sections 5.1 and 5.2 of the Taxonomy Regulation delegated-act-2021-2800-annex-1.

¹² Ref. note 7

¹³ Certifications such as FSC and PEFC or any equivalent certificate.

¹⁴ Related certifications: MSC or any equivalent certificate.

¹⁵ SME definition according to EU, https://ec.europa.eu/growth/smes/sme-definition_en

¹⁶ Identification of disadvantaged areas based on per capita GDP vs national average.

¹⁷ Loans are granted for natural disasters (i.e. floods, storms, hail, landslides, earthquakes) to beneficiaries who fall within the affected areas which are always identified based on a declaration of emergency for natural calamities issued by a public authority.

	<p>Covid-19 pandemic¹⁸, etc.) and the related social and economic downturn.</p> <ul style="list-style-type: none"> ▪ Loans granted to SMEs run by female entrepreneurs.¹⁹ 		
Third and Public Sector	<ul style="list-style-type: none"> ▪ New and/or existing loans to finance and/or refinance companies partly state-owned (whose financial statements are included in the government budget) and to the third sector (associations, NGOs, social enterprises, social cooperatives, foundations etc.) dedicated to financing projects aiming at having a positive social impact on the society in the following sectors: <ul style="list-style-type: none"> • Education; • Art, culture and recreational activities (including also amateur sport, touristic activities of social and cultural interest, etc.); and 	<ul style="list-style-type: none"> ▪ Provide social benefits to communities and the population (e.g. improving social aggregation, especially to disadvantaged/vulnerable people [i.e. low-income population, young people, elderly people, people with disabilities] at risk of social exclusion). 	<ul style="list-style-type: none"> ▪ Access to Essential Services ▪ Socioeconomic Advancement and Empowerment ▪ Affordable Basic Infrastructure

¹⁸ When related to the Covid-19 crisis, these financings fall under the government's SME guarantee scheme, as per Law Decree no. 23 of 8 April 2020 (the "Decreto Liquidità") and Law no. 27 of 24 April 2020, the "Decreto Cura Italia").

¹⁹ SMEs selected on the basis of female leadership, specifically: a business in which the majority of shares are owned by women; a cooperative business in which the majority of partners are women; a sole proprietorship in which the owner is a woman; a limited partnership in which the general partner is a woman; and a general partnership in which the female partner is the legal representative of the company.

	<ul style="list-style-type: none"> • Solidarity and social activities.²⁰ 		
Social Housing	<ul style="list-style-type: none"> ▪ Loans to finance the construction, development and acquisition of social housing to provide decent housing to a low-income population. 	<ul style="list-style-type: none"> ▪ Increase the accessibility to affordable housing for disadvantaged/vulnerable people. 	<ul style="list-style-type: none"> ▪ Affordable Housing ▪ Affordable Basic Infrastructure
Healthcare		<ul style="list-style-type: none"> ▪ Contribute to facilitating access of the population to hospitals and healthcare facilities. ▪ Improvement and protection of public health. 	<ul style="list-style-type: none"> ▪ Access to Essential Services ▪ Socioeconomic Advancement and Empowerment

Excluded Categories and Limitations

CiviBank will not allocate proceeds received from the issuance of green, social and sustainability debt instruments under this framework to any kind of investment in the following sectors for which negative impacts on the environment or society have been demonstrated:

- Alcoholic beverages and tobacco;
- Environmental damage/deforestation;
- Mining of non-ferrous metal ores;
- Nuclear energy;
- Extraction and distribution of natural gas, crude oil and other products deriving from oil refining;
- Gambling and betting/sex industry;
- Explosives, weapons and ammunition;
- Chemicals;
- Fur industry and animal maltreatment;
- Plastic industry;
- Tires reconstruction industry;
- Intensive agro/hydro activity; and
- Coal.

Opinion: ISS ESG considers the Use of Proceeds description provided by CiviBank’s Green, Social and Sustainability Funding Framework as aligned with the GBP, SBP, and SBG, as administered by the ICMA. Environmental and social benefits are described and quantified. The exclusion of coal and fossil fuel projects is in line with best market practices.

²⁰ Loans will be granted to Non-Profit Organization of Social Utility (Onlus) in compliance with the requirements of Legislative Decree 460/1997 which will cease to exist following the entry into force of tax provisions, according to Title X of the “Codice Terzo Settore” (CTS) Legislative Decree No 117 of 3 July 2017. The main legislative reference will be the CTS together with the registration to the “Registro Unico Nazionale del Terzo Settore” (Runts).

2. Process for Project Evaluation and Selection

FROM ISSUER'S FRAMEWORK

In October 2021, CiviBank set up an internal committee (“the Committee”), in charge of, inter alia, overseeing the activities relating to sustainability and coordinating corporate initiatives linked to the management of ESG risks. The Committee manages the principles and guidelines, defining the selection and evaluation of the eligible projects.

The process for the evaluation and selection of projects is as follows:

- the credit and/or the corporate lending department of CiviBank carries out a pre-selection of potential Eligible Assets (as detailed in the Use of Proceeds and reporting sections of this framework);
- the potential eligible projects are collected by the Treasury and Funding office, which verifies the alignment of the pre-selected assets with the eligible project criteria;
- the Treasury and Funding office submits the eligible projects to the Committee which verifies the alignment of the pre-selected assets with the Eligible Assets’ criteria, confirming the correctness and compliance of the whole process.

The Committee, based on the information provided by Treasury and Funding and/or credit department, has also the responsibility to exclude financing in sectors with relevant negative impact on the environment and society, as defined in the “Excluded Categories and Limitations” section of this framework. If any eligible project is subject to an ESG controversy, the Committee will decide to exclude the asset from the Portfolio.

Opinion: ISS ESG considers the process for project evaluation and selection description provided by CiviBank’s Green, Social and Sustainability Funding Framework as aligned with the GBP, SBP and SBG as administered by ICMA. In addition, the issuer has a process in place should potential ESG controversies arise.

3. Management of Proceeds

FROM ISSUER'S FRAMEWORK

An amount equal to the net proceeds raised from any of CiviBank’s debt instruments issued under this framework will be exclusively allocated to finance and or re-finance, in whole or in part, new and/or existing loans/projects.

The proceeds from any green, social, sustainability debt instruments issued under this framework will be managed on a portfolio basis.

The Committee will be in charge of allocating the proceeds from the green, social and sustainability debt instruments issued under this framework to the identified loans/projects that meet the eligibility criteria.

Treasury and Funding will track the amount of net proceeds from the issuance of the green, social and sustainability debt instruments issued under this framework, allocated to Eligible Assets.

CiviBank will establish a register for all green, social, sustainability debt instruments issued under this framework and the Eligible Assets, enabling their recording and tracking, which will include a sub-register of green eligible projects and a sub-register of social eligible projects. The register will include the following information:

1. Green, social and sustainability debt instrument details: ISIN, pricing date, maturity date, etc.
2. Portfolio: eligible category utilized; aggregated amount of eligible loans outstanding per eligible category; country, nature and maturity of the eligible loans allocated to the Portfolio; and expected social and/or environmental benefits.

The proceeds of the green, social and sustainability debt instruments issued under this framework will be dedicated to green or social projects directly from CiviBank.

Until full allocation, any balance of issuance proceeds not allocated to fund Eligible Assets in the register will be held in accordance with CiviBank normal liquidity management, including treasury liquidity portfolio, cash, time deposits with banks or other forms of available short-term and medium/long-term funding sources with a preference for green or social bonds which do not include excluded categories as reported in this framework.

In case of divestment or if a loan/project no longer meets the eligibility criteria listed above, CiviBank intends to reallocate the funds to other Eligible Assets during the term of the relevant green, social and sustainability debt instrument.

Any payment of principal and interest on any green, social or sustainability debt instruments will be made from CiviBank's general corporate account and will not be linked to the performance of any Eligible Asset.

CiviBank will monitor the investments of the proceeds allocated to Eligible Assets with the review of an external auditor.

Opinion: ISS ESG finds that the management of proceeds proposed by CiviBank's Green, Social and Sustainability Funding Framework is well aligned with the GBP, SBP and SBG, as administered by ICMA. The provision of details on the management of unallocated proceeds or outstanding proceeds after divestment is in line with best market practices.

4. Reporting

FROM ISSUER'S FRAMEWORK

In accordance with the recommendation of ICMA Green Bond Principles 2021, Social Bond Principles 2021 and Sustainability Guidelines 2021, CiviBank will report annually on the allocation of the proceeds of the green, social and sustainability debt instruments issued under this framework and the relative impact of the projects at category level, in accordance with a portfolio approach.

Allocation reporting

CiviBank will report approximately one year from the date of issuance and annually thereafter, until full allocation, on the Use of Proceeds via a green, social and sustainability debt report (the "Report") which will be published on the company's website. (see annex 1)

The Report will be verified by an external auditor.

The allocation report will include:

- The total amount of green, social, sustainability debt instruments outstanding
- The total amount of the Portfolio broken down per eligible category
- Aggregate amounts of net proceeds allocated to each eligible category of the Portfolio
- The balance of unallocated proceeds at the time of reporting
- The amount or the percentage of new financing and refinancing.

Impact reporting

CiviBank also intends to report annually on the environmental and social benefits (see annex 2) resulting from the Portfolio, disbursed from the green, social and sustainability debt instruments issued, until full allocation.

The impact report may indicatively provide:

- a description of the Eligible Assets;
- the breakdown of green and social assets by nature of what is being financed (financial assets); and
- the environmental and social metrics, such as the ones described below:
Outputs: annual estimates and/or assessments of major outputs disclosed per eligible category at portfolio level
Impacts: annual estimates of ex-ante and/or ex-post impacts (where feasible) based on specific indicators developed by CiviBank, disclosed per eligible category at portfolio level.

On a best effort basis, CiviBank will align the impact reporting with the portfolio approach described in the ICMA Harmonized Framework for Impact Reporting dated December 2020. When reporting

on the identified outcomes, CiviBank may select alternative quantitative or qualitative key performance indicators to ensure relevance of these with the selected Eligible Assets, in line with the methodology of calculation adopted by the issuer.

For all Eligible Assets, CiviBank may integrate additional qualitative or quantitative indicators as considered appropriate to disclose relevant performances or details on loan management in line with the methodology of calculation adopted.

Annex 1: Reporting on funds’ allocation per eligible category

CRITERIA	INDICATIVE REPORTING INDICATORS AT CATEGORY LEVEL
Use of Proceeds	<ul style="list-style-type: none"> ▪ Number of loans ▪ Amount invested (in EUR) ▪ Loan maturity ▪ Direct or indirect funding ▪ Total allocated amount vs. total amount proceeds (in %) ▪ Balance of unallocated proceeds (in EUR and %) ▪ Description of the management of unallocated proceeds ▪ Overall refunding amount vs. new funding (in % of allocated amount and in % of total amount) ▪ Geographical distribution of the assets (at country level)

Opinion: ISS ESG finds that the reporting proposed by CiviBank’s Green, Social and Sustainability Funding Framework is aligned with the GBP, SBP and SBG as administered by ICMA. The issuer is also committed to publish comprehensive impact reports aligning, on a best effort basis, with the ICMA Harmonized Framework for Impact Reporting.

External review

FROM ISSUER’S FRAMEWORK

Second-Party Opinion

CiviBank will mandate a leading second party opinion provider to perform an evaluation of the framework’s validity and its general alignment with ICMA’s GBP, SBP and the SBG.

The Second Party Opinion on this Green, Social and Sustainability Funding Framework will be published as and when Civibank’s framework is updated. For the avoidance of doubt, green and/or social asset categories not reviewed by an independent second party opinion provider, either in whole or in part, would require an updated version of the Second Party Opinion on the Green, Social and Sustainability Funding Framework before their insertion in Civibank’s single common pool of Eligible Green and Social Assets.

Post issuance external verification of the reporting

Starting one year after issuance, a verification or assurance of the reporting may be released on an annual basis by a third party ESG agency or financial auditor, including the allocation of bond proceeds, the compliance of the allocated loans with the selection process, and the environmental and social benefits obtained.

CiviBank will, if and when appropriate, review and update the framework to incorporate new eligible categories or amend current categories.

PART III: SUSTAINABILITY QUALITY OF THE ISSUANCE









A. CONTRIBUTION OF THE GREEN, SOCIAL AND SUSTAINABILITY DEBT INSTRUMENTS TO THE UN SDGs

Based on the assessment of the sustainability quality of the green, social and sustainability debt instruments' selection criteria and using a proprietary methodology, ISS ESG assessed the contribution of CiviBank's green, social and sustainability debt instruments to the Sustainable Development Goals defined by the United Nations (UN SDGs).

This assessment is displayed on a five-point scale (see annex 2 for methodology):

Significant Obstruction	Limited Obstruction	No Net Impact	Limited Contribution	Significant Contribution
------------------------------------	--------------------------------	--------------------------	---------------------------------	-------------------------------------















Each of the green, social and sustainability debt instruments Use of Proceeds' category has been assessed for its contribution to, or obstruction of, the SDGs:

USE OF PROCEEDS	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
Photovoltaic energy generation and distribution	Significant contribution	<div style="display: flex; justify-content: space-around;"> <div style="background-color: #ff9900; color: white; padding: 5px; text-align: center;">7 AFFORDABLE AND CLEAN ENERGY </div> <div style="background-color: #009900; color: white; padding: 5px; text-align: center;">13 CLIMATE ACTION </div> </div>
Biomethane In line with the Technical Screening Criteria of the EU Taxonomy (June 2021) for activity 4.13	Significant contribution²¹	<div style="background-color: #009900; color: white; padding: 5px; text-align: center;">13 CLIMATE ACTION </div>
Cogeneration of heat and power from bioenergy /reuse of agricultural waste In line with the Technical Screening Criteria of the EU Taxonomy (June 2021) for activity 4.20	Significant contribution²²	<div style="background-color: #009900; color: white; padding: 5px; text-align: center;">13 CLIMATE ACTION </div>
Hydropower <10MW	Significant contribution	<div style="display: flex; justify-content: space-around;"> <div style="background-color: #ff9900; color: white; padding: 5px; text-align: center;">7 AFFORDABLE AND CLEAN ENERGY </div> <div style="background-color: #009900; color: white; padding: 5px; text-align: center;">13 CLIMATE ACTION </div> </div>
Hydropower up to 100MW	Significant contribution²³	<div style="background-color: #009900; color: white; padding: 5px; text-align: center;">13 CLIMATE ACTION </div>
	Limited contribution	<div style="background-color: #ff9900; color: white; padding: 5px; text-align: center;">7 AFFORDABLE AND CLEAN ENERGY </div>

²¹ This assessment differs from the ISS ESG SDG Solutions Assessment (SDGA) proprietary methodology designed to assess the impact of an issuer's product and services portfolio on the SDGs. For the projects to be financed under Use of Proceeds categories which are based on the Technical Screening Criteria defined by the EU Taxonomy Technical Annex, a significant contribution to climate change mitigation is attested. Assets' compliance with the EU taxonomy is not evaluated by the SPO.

²² Ibid.

²³ Ibid.

<p>Waste-to-energy Biofuels based on waste in line with the Technical Screening Criteria of the EU Taxonomy (June 2021) for activity 5.7</p>	<p>Significant contribution²⁴ Limited contribution</p>	  
<p>Waste recycling</p>	<p>Significant Contribution</p>	
<p>Reuse maximization Waste collection services for municipalities</p>	<p>Significant Contribution</p>	
<p>Environmental remediation water remediation products/services</p>	<p>Significant Contribution</p>	
<p>Environmental remediation soil remediation services</p>	<p>Limited contribution</p>	
<p>Green buildings The primary energy demand (PED) is at least 10% lower than the nearly zero-energy building (NZEB) threshold</p>	<p>Significant contribution²⁵ Limited Contribution²⁶</p>	 
<p>Green buildings Top 15% of the most carbon-efficient buildings (kg CO2e/sqm)² or at least Energy Performance Certificate (EPC) class A</p>	<p>Limited Contribution²⁷</p>	
<p>Green buildings The improvement of at least two energy classes, or a global non-renewable energy performance index (EP gl, nren) at least 30% lower than that resulting from the pre-works' EPC</p>	<p>Limited Contribution²⁸</p>	  
<p>Green buildings LEED "Gold" or above; BREAM "Very Good" or above; HQE "Excellent" or above; or any other comparable international building certifications level</p>	<p>Significant contribution</p>	











²⁴ Ibid.

²⁵ Ibid.

²⁶ This project category is assessed as having a significant contribution to SDG 11, beyond the SDGA proprietary methodology.

²⁷ Ibid.

²⁸ Ibid.

<p>Green buildings Energy efficiency improvements of at least 30% of energy savings or building renovations comply with the applicable requirements for major renovations</p>	<p>Significant contribution²⁹</p>	
	<p>Limited contribution³⁰</p>	
<p>Clean transportation Passenger public land transportation in line with the Technical Screening Criteria of the EU Taxonomy (June 2021) for activities 6.3 and 6.5</p>	<p>Limited contribution</p>	
	<p>Significant contribution³¹</p>	
<p>Clean transportation Electric infrastructure in line with the Technical Screening Criteria of the EU Taxonomy (June 2021) for activities 4.9</p>	<p>Significant contribution³²</p>	
	<p>Limited contribution</p>	
<p>Energy efficiency Equipment for buildings (e.g. smart meters, smart thermostats) in line with the Technical Screening Criteria of the EU Taxonomy (June 2021) for activity 3.5</p>	<p>Significant contribution³³</p>	
	<p>Limited contribution</p>	 
<p>Systems for water irrigation savings In line with the Technical Screening Criteria of the EU Taxonomy (June 2021) for activities 5.1 and 5.2</p>	<p>Significant contribution³⁴</p>	
	<p>No Net Impact</p>	
<p>Sustainable use of forests, contributing to enhancing biodiversity, halting or preventing the degradation of soils and other ecosystems, and deforestation</p>	<p>No Net Impact</p>	

²⁹ This assessment differs from the ISS ESG SDG Solutions Assessment (SDGA) proprietary methodology designed to assess the impact of an issuer's product and services portfolio on the SDGs. For the projects to be financed under Use of Proceeds categories which are based on the Technical Screening Criteria defined by the EU Taxonomy Technical Annex, a significant contribution to climate change mitigation is attested. Assets' compliance with the EU taxonomy is not evaluated by the SPO.




³⁰ This project category is assessed as having a significant contribution to SDG 11, beyond the SDGA proprietary methodology.

³¹ This assessment differs from the ISS ESG SDG Solutions Assessment (SDGA) proprietary methodology designed to assess the impact of an issuer's product and services portfolio on the SDGs. For the projects to be financed under Use of Proceeds categories which are based on the Technical Screening Criteria defined by the EU Taxonomy Technical Annex, a significant contribution to climate change mitigation is attested. Assets' compliance with the EU taxonomy is not evaluated by the SPO.

³² Ibid.

³³ This assessment differs from the ISS ESG SDG Solutions Assessment (SDGA) proprietary methodology designed to assess the impact of an issuer's product and services portfolio on the SDGs. For the projects to be financed under Use of Proceeds categories which are based on the Technical Screening Criteria defined by the EU Taxonomy Technical Annex, a significant contribution to climate change mitigation is attested. Assets' compliance with the EU taxonomy is not evaluated by the SPO.

³⁴ Ibid.

Sustainable fishing	Limited contribution ³⁵	
SME financing Covid loans	Significant contribution ³⁶	
SMEs affected by natural disasters or located in disadvantaged areas	Limited contribution ³⁷	
SME financing Female entrepreneurship	Significant contribution ³⁸	 
Loans to finance to Non-Profit Organizations	Limited contribution ³⁹	
Loans to finance companies partly state-owned	No Net Impact	
Social housing Decent housing for low-income populations	Significant contribution	
Healthcare Construction and development of hospitals, healthcare facilities, medical equipment, and technologies (e.g. medical diagnostic devices, software for diagnostic purposes)	Limited contribution	
Healthcare Maintenance and renovation of hospitals and healthcare facilities	No Net Impact	

³⁵ This project category is assessed as having a significant contribution to SDG 8, beyond the SDGA proprietary methodology.

³⁶ Ibid.

³⁷ Ibid.

³⁸ Ibid.

³⁹ This project category is assessed as having a significant contribution to SDG 10, beyond the SDGA proprietary methodology.

B. MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS ASSOCIATED WITH THE SELECTION CRITERIA

Key performance indicators (KPIs) covering both green and social risks

ASSESSMENT AGAINST ISS ESG KPI⁴⁰

Green KPIs

Biodiversity

- ✓ The issuer has ensured that potential impacts on biodiversity from the financing under this framework have been mitigated and reduced, as it aligns with the European Union standard in terms of performing environmental impact assessments (evaluation and acquisition of land rights, site permitting, and engagement with stakeholders).

Circular economy/waste management

- The issuer will only grant loans to entities based in Italy which, as such, must comply with the Italian regulation on waste management. However, no or limited information is available on whether waste-related risks have been actively reduced and policies or measures are in place to promote a circular economy.

Water management

- No or limited information is available on whether water-related risks have been reduced and policies or measures are in place to ensure good management of water. However, some building projects to be financed by the issuer will be certified to e.g. BREEAM standards, which covers water reduction and good management issues.

Site Selection for green buildings

- ✓ The issuer has ensured that potential impacts on biodiversity from the financing under this framework have been mitigated and reduced, as it aligns with the European Union standard in terms of performing environmental impact assessments (evaluation and acquisition of land rights, site permitting, and engagement with stakeholders).
- In order to acquire a permit to construct or renovate healthcare facilities, proximity to public transport is required. However, it remains unclear whether all buildings financed will be located within a maximum of 1km from one or more modalities of public transport (or within 250 meters in case of healthcare infrastructure). The issuer does not verify this criteria when awarding loans.

Energy efficiency for buildings

- ✓ The issuer considers energy efficiency, e.g., it is selecting assets which are holding an EPC label.

⁴⁰ ISS ESG relies on the geographical location of the projects/loans to assess the E&S management risk system in place through national regulation. CiviBank confirms that loans are granted according to the Italian law and are subject to the Italian regulation. To the best of its knowledge, the bank confirms that there are no examples of loans granted in Italy for projects abroad.

Sustainability labels for green buildings

- Some buildings have/will have comprehensive sustainability labels (BREEAM “Very Good” or similar). However, limited information is available regarding sustainability labels for the entirety of the buildings financed.

Social KPIs

Inclusion

- CiviBank states that services provided by non-profit organizations financed through this framework will be accessible without discrimination by members of the target population. However, it remains unclear whether all services will be provided for free.

Safety of users

- ✓ Under this framework, the issuer is selecting buildings located in Italy where health and safety standards are in place for users of the relevant infrastructure.

Quality management

- The issuer does not systematically check whether the companies to be financed with the proceeds of its green bond framework have a quality management system (e.g. ISO 9001) in place.

Labor and health & safety

- ✓ According to the issuer, all assets to be financed under this framework provide for high labour and health and safety standards for construction and maintenance work in line with the European Union mandatory social standards.

Dialogue with local communities

- ✓ Community dialogue features as part of the planning process for all assets issued under this framework as European Union standard in terms of social impact assessments (evaluation and acquisition of land rights, site permitting, and engagement with stakeholders).

Green and social KPI

Exclusion of sectors and activities that have a detrimental impact on environment or society

- ✓ The issuer is not financing the production and commercialization of weapons. In addition, under the Green, Social and Sustainability Framework, investments connected to fossil fuels, nuclear energy, alcohol, animal mistreatment, tobacco, and gambling are excluded.

DISCLAIMER

1. Validity of the SPO: As long as there is no material change to the framework.
2. ISS ESG uses a scientifically based rating concept to analyze and evaluate the environmental and social performance of companies and countries. In doing so, we adhere to the highest quality standards which are customary in responsibility research worldwide. In addition, we create a Second Party Opinion (SPO) on bonds based on data from the issuer.
3. We would, however, point out that we do not warrant that the information presented in this SPO is complete, accurate or up to date. Any liability on the part of ISS ESG in connection with the use of these SPO, the information provided in them and the use thereof shall be excluded. In particular, we point out that the verification of the compliance with the selection criteria is based solely on random samples and documents submitted by the issuer.
4. All statements of opinion and value judgements given by us do not in any way constitute purchase or investment recommendations. In particular, the SPO is no assessment of the economic profitability and credit worthiness of a bond but refers exclusively to the social and environmental criteria mentioned above.
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ANNEX 1: Methodology

ISS ESG green and social KPIs

The ISS ESG Green and Social Bond KPIs serve as a structure for evaluating the sustainability quality – i.e. the social and environmental added value – of the use of proceeds of CiviBank’s Green, Social and Sustainability Debt Instruments.

It comprises firstly the definition of the use of proceeds category offering added social and/or environmental value, and secondly the specific sustainability criteria by means of which this added value and therefore the sustainability performance of the assets can be clearly identified and described.

The sustainability criteria are complemented by specific indicators, which enable quantitative measurement of the sustainability performance of the assets and which can also be used for reporting. If a majority of assets fulfill the requirement of an indicator, this indicator is then assessed positively. Those indicators may be tailor-made to capture the context-specific environmental and social risks.

Environmental and social risks assessment methodology

ISS ESG evaluates whether the assets included in the asset pool match the eligible project category and criteria listed in the Green and Social Bond KPIs.

All percentages refer to the amount of assets within one category (e.g. wind power). Additionally, the assessment “no or limited information is available” either indicates that no information was made available to ISS ESG or that the information provided did not fulfil the requirements of the ISS ESG Green and Social Bond KPIs.

The evaluation was carried out using information and documents provided to ISS ESG on a confidential basis by CiviBank (e.g. due diligence reports). Further, national legislation and standards, depending on the asset location, were drawn on to complement the information provided by the issuer.

Assessment of the contribution and association to the SDG

The 17 Sustainable Development Goals (SDGs) were endorsed in September 2015 by the United Nations and provide a benchmark for key opportunities and challenges toward a more sustainable future. Using a proprietary method, ISS ESG identifies the extent to which CiviBank’s Green, Social and Sustainability Debt Instruments contributes to related SDGs.

ANNEX 2: Quality management processes

SCOPE

CiviBank commissioned ISS ESG to compile a Green, Social and Sustainability Debt Instruments SPO. The Second Party Opinion process includes verifying whether the Green, Social and Sustainability Funding Framework aligns with the Green Bond Principles (GBP), Social Bond Principles (SBP), and Sustainability Bond Guidelines (SBG) as administered by the International Capital Market Association (ICMA), June 2021 version and to assess the sustainability credentials of its Green, Social and Sustainability Debt Instruments, as well as the issuer's sustainability strategy.

CRITERIA

Relevant Standards for this Second Party Opinion

- ICMA Green Bond Principles (GBP), Social Bond Principles (SBP), and Sustainability Bond Guidelines (SBG) as administered by the International Capital Market Association (ICMA), June 2021 version
- ISS ESG Key Performance Indicators relevant for Use of Proceeds categories selected by the issuer

ISSUER'S RESPONSIBILITY

CiviBank's responsibility was to provide information and documentation on:

- Framework
- Eligibility criteria
- Documentation of ESG risks management

ISS ESG'S VERIFICATION PROCESS

ISS ESG is one of the world's leading independent environmental, social and governance (ESG) research, analysis and rating houses. The company has been actively involved in the sustainable capital markets for over 25 years. Since 2014, ISS ESG has built up a reputation as a highly-reputed thought leader in the green and social bond market and has become one of the first CBI approved verifiers.

ISS ESG has conducted this independent Second Party Opinion of the Green, Social and Sustainability Debt Instruments to be issued by CiviBank based on ISS ESG methodology and in line with the ICMA Green Bond Principles (GBP), Social Bond Principles (SBP), and Sustainability Bond Guidelines (SBG) as administered by the International Capital Market Association (ICMA), June 2021 version.

The engagement with CiviBank took place in December 2021, and January 2022.

ISS ESG'S BUSINESS PRACTICES

ISS has conducted this verification in strict compliance with the ISS Code of Ethics, which lays out detailed requirements in integrity, transparency, professional competence and due care, professional behavior and objectivity for the ISS business and team members. It is designed to ensure that the verification is conducted independently and without any conflicts of interest with other parts of the ISS Group.

About ISS ESG SPO

ISS ESG is one of the world's leading rating agencies in the field of sustainable investment. The agency analyses companies and countries regarding their environmental and social performance.

As part of our Sustainable (Green & Social) Bond Services, we provide support for companies and institutions issuing sustainable bonds, advise them on the selection of categories of projects to be financed and help them to define ambitious criteria.

We assess alignment with external principles (e.g. the ICMA Green / Social Bond Principles), analyse the sustainability quality of the assets and review the sustainability performance of the issuer themselves. Following these three steps, we draw up an independent SPO so that investors are as well informed as possible about the quality of the bond / loan from a sustainability perspective.

Learn more: <https://www.isscorporatesolutions.com/solutions/esg-solutions/green-bond-services/>

For information about SPO services, please contact: SPOsales@isscorporatesolutions.com

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