

SECOND PARTY OPINION (SPO)

Sustainability Quality of the Issuer and Green, Social and Sustainability (GSS) Bond Framework

Banque Cantonale de Genève

May 7 2024

VERIFICATION PARAMETERS

Type(s) of instruments contemplated

- Green, Social, and Sustainability Bonds

Relevant standards

- Green Bond Principles (GBP) (as of June 2021 with June 2022 Appendix 1), Social Bond Principles (SBP) (as of June 2023), Sustainability Bond Guidelines (SBG) (as of June 2021), as administered by the International Capital Market Association (ICMA)

Scope of verification

- Banque Cantonale De Genève Green, Social and Sustainability (GSS) Bond Framework (as of May 1, 2024)
- Banque Cantonale De Genève Eligibility Criteria (as of May 1, 2024)

Lifecycle

- Pre-issuance verification

Validity

- Valid as long as the cited Framework remains unchanged

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SCOPE OF WORK

Banque Cantonale de Genève (“the Issuer”, “the Company”, or “BCGE”) commissioned ISS Corporate Solutions (ISS-Corporate) to assist with its Green, Social, and Sustainability Bonds by assessing three core elements to determine the sustainability quality of the instruments:

1. BCGE’s Green, Social and Sustainability (GSS) Bond Framework (as of May 1, 2024) – benchmarked against the International Capital Market Association’s (ICMA) GBP, SBP, SBG.
2. The Eligibility Criteria – whether the project categories contribute positively to the United Nations Sustainable Development Goals (UN SDGs) and how they perform against proprietary issuance-specific key performance indicators (KPIs) (See Annex 1).
3. Linking the transactions to BCGE’s overall Environmental, Social, and Governance (ESG) profile – drawing on the issuance-specific Use of Proceeds (UoP) categories.

BANQUE CANTONALE DE GENÈVE BUSINESS OVERVIEW

Banque Cantonale de Genève engages in the provision of commercial banking solutions to private and institutional customers. It provides everyday banking facilities, private banking and asset management, pension planning, mortgages, lending to the private and public sectors, trading, financial engineering, corporate finance, and global commodity finance services. The company was founded in 1816 and is headquartered in Geneva, Switzerland.


ESG risks associated with the Issuer Industry

BCGE is classified in the Regional Banks industry, as per ISS ESG's sector classification. Key sustainability issues faced by companies¹ in this industry are: Business ethics, Labor standards and working conditions, Sustainable investment criteria, Customer and product responsibility, Sustainability impacts of lending and other financial services/products.

This report focuses on the sustainability credentials of the issuance. Part III. of this report assesses the consistency between the issuance and the Issuer's overall sustainability strategy.

¹ Please note, that this is not a company specific assessment but areas that are of particular relevance for companies within that industry.

ASSESSMENT SUMMARY

SPO SECTION	SUMMARY	EVALUATION ²
<p>Part 1:</p> <p>Alignment with GBP/SBP/SBG</p>	<p>The Issuer has defined a formal concept for its Green, Social, and Sustainability Bonds regarding use of proceeds, processes for project evaluation and selection, management of proceeds and reporting. This concept is in line with the ICMA Green Bonds and Social Bond Principles, and the Sustainability Bond Guidelines.</p>	<p>Aligned</p>
<p>Part 2:</p> <p>Sustainability quality of the Eligibility Criteria</p>	<p>The Green, Social, and Sustainability Bonds will (re)finance eligible asset categories which include:</p> <p>Green categories: Green Buildings.</p> <p>Social categories: Affordable Housing, Access to Essential Services, and Socioeconomic Empowerment.</p> <p>Product and/or service-related use of proceeds categories³ individually contribute to one or more of the following SDGs:</p>  <p>Process-related use of proceeds categories⁴ individually improve (i) the Issuer's/Borrower's operational impacts and (ii) mitigate potential negative externalities of the Issuer's/Borrower's sector on one or more of the following SDGs:</p>	<p>Moderate</p>

² The evaluation is based on the BCGE's Green, Social and Sustainability (GSS) Bond Framework (November 2023 version), and on the analysed Eligibility Criteria as received on the May 1, 2024

³ Green Buildings, Affordable Housing, Access to Essential Services, Socioeconomic Empowerment.

⁴ Green Buildings, Affordable Housing, Access to Essential Services, Socioeconomic Empowerment.

	 <p>The environmental and social risks associated with those use of proceeds categories are managed.</p>	
<p>Part 3: Linking the transaction(s) to BCGE's ESG profile</p>	<p>The key sustainability objectives and the rationale for issuing Green, Social, and Sustainability Bonds are clearly described by the Issuer. The majority of the project categories considered are in line with the sustainability objectives of the Issuer.</p> <p>At the date of publication of the report and leveraging ISS ESG Research, no severe controversies have been identified.</p>	<p>Consistent with Issuer's sustainability strategy</p>

SPO ASSESSMENT

PART I: ALIGNMENT WITH THE ICMA GBP, SBP, SBG

This section evaluates the alignment of the BCGE’s Green, Social and Sustainability Bonds Framework (as of May 1, 2024) with the ICMA GBP, SBP, SBG.

GBP, SBP AND SBG	ALIGNMENT	OPINION
<p>1. Use of Proceeds</p>	<p>✓</p>	<p>The Use of Proceeds description provided by BCGE’s Green, Social, and Sustainability Bonds Framework is aligned with the ICMA GBP, SBP and SBG.</p> <p>The Issuer’s green and social categories align with the project categories as proposed by the ICMA GBP, SBP and SBG. Criteria are defined in a clear and transparent manner. Disclosure of an allocation period and commitment to report by project category has been provided and environmental and social benefits are described.</p>
<p>2. Process for Project Evaluation and Selection</p>	<p>✓</p>	<p>The Process for Project Evaluation and Selection description provided by BCGE’s Green, Social, and Sustainability Bonds Framework is aligned with the ICMA GBP, SBP and SBG.</p> <p>The project selection process is defined and structured in a congruous manner. ESG risks associated with the project categories are identified and managed through an appropriate process. Moreover, the projects selected show alignment with the sustainability strategy of the Issuer and clearly show the intended benefit to the relevant population.</p> <p>The Issuer involves various stakeholders in the process for project evaluation and selection, clearly defines responsibilities and is transparent about it, which is in line with best market practices.</p>
<p>3. Management of Proceeds</p>	<p>✓</p>	<p>The Management of Proceeds provided by BCGE’s Green, Social, and Sustainability Bonds</p>

		<p>Framework is aligned with the ICMA GBP, SBP and SBG.</p> <p>The net proceeds collected will be equal to the amount allocated to eligible projects, with no exceptions. The net proceeds are tracked in an appropriate manner. The net proceeds are managed per bond (bond-by-bond approach). Moreover, the Issuer discloses the temporary investment instruments for unallocated proceeds and has defined an expected allocation period of 12 months, in line with best market practice.</p>
<p>4. Reporting</p>	<p>✓</p>	<p>The allocation and impact reporting provided by BCGE's Green, Social, and Sustainability Bonds Framework is aligned with the ICMA GBP, SBP and SBG.</p> <p>The Issuer commits to disclose the allocation of proceeds transparently and to report in an appropriate frequency. The reporting will be publicly available on the Issuer's website. BCGE explains that the level of expected reporting will be at project category level and the type of information that will be reported. Moreover, the Issuer commits to report annually, until the bond matures.</p> <p>The Issuer is transparent on the level and the information reported in the impact report, defines the frequency, scope and duration of impact reporting, in line with best market practices.</p> <p>Moreover, the Issuer commits to get the allocation report audited by an external party, in line with best market practice.</p>

PART II: SUSTAINABILITY QUALITY OF THE ELIGIBILITY CRITERIA

A. CONTRIBUTION OF THE GREEN, SOCIAL, AND SUSTAINABILITY BONDS TO THE UN SDGs⁵

Companies can contribute to the achievement of the SDGs by providing specific services/products which help address global sustainability challenges, and by being responsible corporate actors, working to minimize negative externalities in their operations along the entire value chain. The aim of this section is to assess the SDG impact of the UoP categories financed by the Issuer in two different ways, depending on whether the proceeds are used to (re)finance:

- specific products/services,
- improvements of operational performance.

1. Products and services


The assessment of UoP categories for (re)financing products and services is based on a variety of internal and external sources, such as the ISS ESG SDG Solutions Assessment (SDGA), a proprietary methodology designed to assess the impact of an Issuer's products or services on the UN SDGs, as well as other ESG benchmarks (the EU Taxonomy Climate Delegated Acts, the ICMA Green and/or Social Bond Principles and other regional taxonomies, standards and sustainability criteria).

The assessment of UoP categories for (re)financing specific products and services is displayed on a 3-point scale (see Annex 1 for methodology):



Each of the Green, Social, and Sustainability Bonds' Use of Proceeds categories has been assessed for its contribution to, or obstruction of, the SDGs:

SOCIAL CATEGORIES

USE OF PROCEEDS (PRODUCTS/SERVICES)	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
Affordable Housing ⁶	Contribution	

⁵ The impact of the UoP categories on UN Social Development Goals is assessed with proprietary methodology and may therefore differ from the Issuer's description in the framework.

⁶ Rent is aligned with Geneva's legal documentation and regulation. Such rents are considered low or controlled rent.

Public Utility Real Estate, engaged in the construction of affordable homes, eligible to municipal, cantonal and federal legislation.

Target Population: general public with focus on families, households with low income, people with disabilities and the elderly.

Access to Essential Services

Local authorities engaged in the provision of essential services as a public good, accessible to all, including loans to finance/refinancing of construction and activities related to health care and special care facilities such as:

- *Public hospitals*
- *Specialized establishment for the elderly (non-exhaustive examples include Établissement Médico-Social (EMS) and immeubles avec encadrement pour personnes âgées (IEPA) buildings)*

Target Population: general public with focus on general public who use the publicly accessible healthcare systems, elderly and people with special care needs.

Access to Essential Services

Local authorities engaged in the provision of essential services as a public good, accessible to all, including loans to finance/refinancing of construction and activities related to education and cultural facilities such as:

- *Public libraries*
- *Museums*

Target Population: general public.

Access to Essential Services

Local authorities engaged in the provision of essential services as a public good, accessible to all, including loans to finance/refinancing of construction and activities related to education and cultural facilities such as:

Contribution



Contribution



Contribution



- *Schools and universities*
- *Student housing*

Target Population: general public.

Socioeconomic advancement and empowerment

Finance/refinancing of construction and activities related to social infrastructure facilities, such as

- *Facilities for people suffering from addiction.*

Target Population: people with disabilities, people with addictions, children and adolescents, women, other vulnerable population groups.

Contribution



Socioeconomic advancement and empowerment

Finance/refinancing of construction and activities related to social infrastructure facilities, such as

- *Facilities for people with disabilities*

Target Population: people with disabilities, people with addictions, children and adolescents, women, other vulnerable population groups.

Contribution



GREEN CATEGORIES

Green Buildings⁷

Green buildings that comply with (very) high energy performance standards such as the certification of Minergie®, GEAK®, and 2000-Watt-Areal®.

Contribution

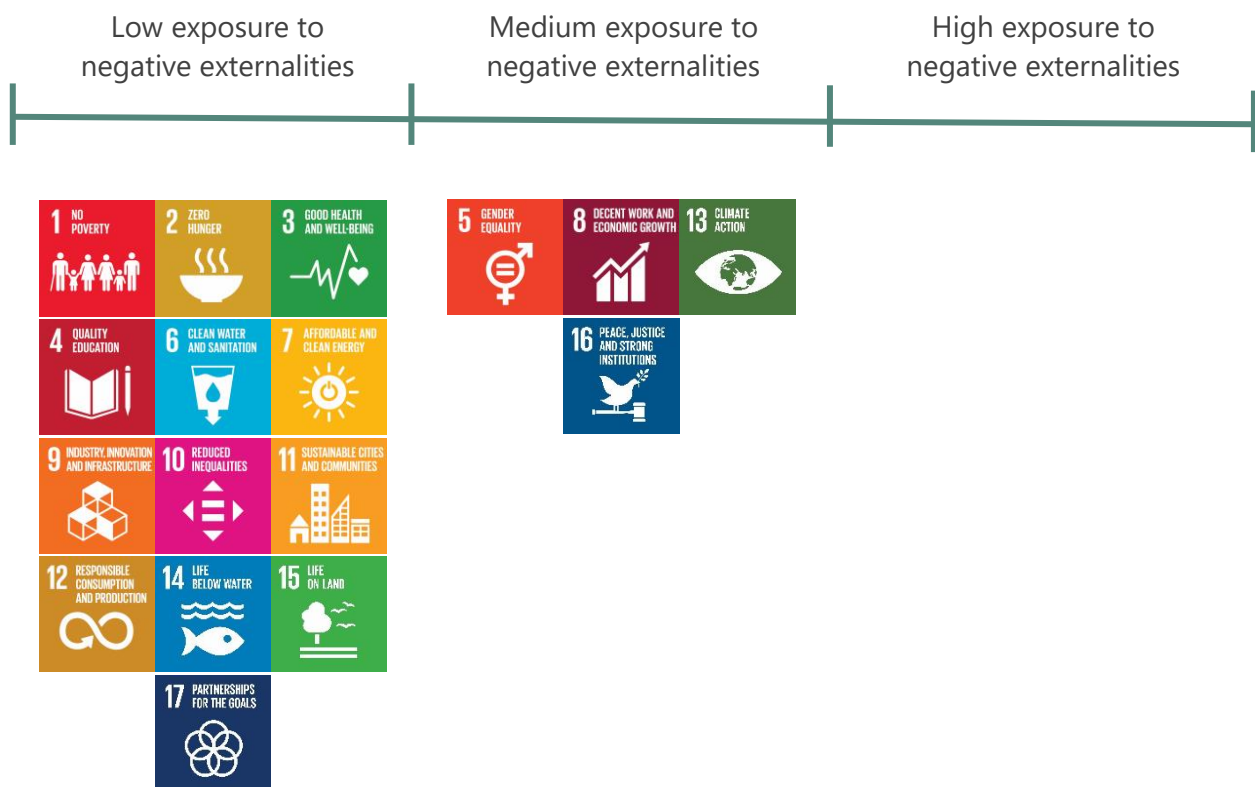


⁷ The review is limited to the certifications spelled out in the framework.

2. Improvements of operational performance (processes)

The below assessment aims at qualifying the direction of change (or “operational impact improvement”) resulting from the operational performance projects (re)financed by the UoP categories, as well as related UN SDGs impacted. The assessment displays how the UoP categories are mitigating the exposure to the negative externalities relevant to the business model and the sector of the Issuer.

According to ISS ESG SDG Impact Rating methodology, potential impacts on the SDGs related to negative operational externalities⁸ in the Regional Banks (to which BCGE belongs) are the following:



The table below aims at displaying the direction of change resulting from the operational performance improvement projects. The outcome displayed does not correspond to an absolute or net assessment of the operational performance.

⁸ Please, note that the impact of the Issuer’s products and services resulting from operations and processes is displayed in section 3 of the SPO.

USE OF PROCEEDS (PROCESSES)	OPERATIONAL IMPACT IMPROVEMENT ⁹	SUSTAINABLE DEVELOPMENT GOALS
<p>Affordable Housing</p> <p><i>Public Utility Real Estate, engaged in the renovation of affordable homes, eligible to municipal, cantonal and federal legislation. This category includes low and controlled rent projects.</i></p> <p><i>Target Population: general public with focus on families, households with low income, people with disabilities and the elderly.</i></p>	<p>✓</p>	
<p>Affordable Housing</p> <p><i>Public Utility Real Estate, engaged in the renovation of affordable homes, eligible to municipal, cantonal and federal legislation. This category includes projects where rent is not controlled nor low.</i></p> <p><i>Target Population: general public with focus on families, households with low income, people with disabilities and the elderly.</i></p>	<p>-</p>	
<p>Access to Essential Services</p> <p><i>Local authorities engaged in the provision of essential services as a public good, accessible to all, including loans to finance/refinancing of renovation related to health care and special care facilities such as:</i></p> <ul style="list-style-type: none"> ▪ <i>Public hospitals</i> ▪ <i>Specialized establishment for the elderly (non-exhaustive examples include Établissement Médico-Social (EMS) and immeubles avec encadrement pour personnes âgées (IEPA) buildings)</i> <p><i>Target Population: general public with focus on general public who use the</i></p>	<p>✓</p>	

⁹ Limited information is available on the scale of the improvement as no threshold is provided. Only the direction of change is displayed.

publicly accessible healthcare systems, elderly and people with special care needs.

Access to Essential Services

Local authorities engaged in the provision of essential services as a public good, accessible to all, including loans to finance/refinancing of renovation related to education and cultural facilities such as:

- *Public libraries*
- *Museums*

Target Population: general public.



Access to Essential Services

Local authorities engaged in the provision of essential services as a public good, accessible to all, including loans to finance/refinancing of renovation related to education and cultural facilities such as:

- *Schools and universities*
- *Student housing*

Target Population: general public.



Socioeconomic advancement and empowerment

Finance/refinancing of renovation related to social infrastructure facilities, such as

- *Facilities for people suffering from addiction.*

Target Population: people with disabilities, people with addictions, children and adolescents, women, other vulnerable population groups.



Socioeconomic advancement and empowerment

Finance/refinancing of renovation related to social infrastructure facilities, such as

- *Facilities for people with disabilities*

Target Population: people with disabilities, people with addictions, children and



adolescents, women, other vulnerable population groups.

Energy efficiency of existing buildings¹⁰

Renovation and restructuring of existing buildings that comply with (very) high energy performance standards such as the certification of Minergie®, GEAK®, and 2000-Watt-Areal®.



The extension of existing buildings that comply with high energy performance standards and their relative certification.

¹⁰ The review is limited to the certifications spelled out in the framework.

B. MANAGEMENT OF ENVIRONMENTAL & SOCIAL RISKS ASSOCIATED WITH THE FINANCIAL INSTITUTION AND THE ELIGIBILITY CRITERIA

The table below evaluates the Eligibility Criteria against issuance-specific KPIs. The entirety of the assets will be located in Switzerland.

ASSESSMENT AGAINST KPIs

ESG guidelines into financing process

Banque Cantonale de Genève is a commercial bank that provides a range of banking services to individuals, businesses (from SMEs to multinationals), and institutional clients. The Issuer offers a diversified range of services to its clients: global commodity finance, dealing room, corporate finance, financial engineering, day-to-day banking, pension planning, asset management, and financing (mortgages, loans, etc.). BCGE operates a network of 21 branches in Geneva and provides a range of specialized services in Lausanne, Zurich, Basel, Lyon, Annecy and Paris. For this specific transaction, all products and borrowers-investees are located in Geneva Canton.

BCGE does not currently have a formal ESG due diligence process applicable to its borrowers-investees included in a credit agreement, however the Bank has a competent risk management team which, supported by the real estate expert and with the approval of the GSS Bond Committee, selects transactions under this framework in line with ICMA principles and guidelines, and is responsible of the monitoring and management of the ESG risks. The eligible projects are selected by the credit risk experts and the list of eligible projects is validated by the Head of Risks and the CSR Manager. Moreover, the Bank has a Corporate Social Responsibility (CSR) Committee which responds to ethical issues and all non-financial aspects related to the Bank’s business.

The Bank only identifies climate change transitional risks and mainly regulation risk, and is aligned with the Swiss Federal Act on Banks and Savings Banks, under which regulated financial institutions are required to identify, assess and adequately deal with risks, including significant climate-related financial risks and to develop instruments and processes to address these risks. In addition, the Bank is working to include physical risks in its identification and management process, following the recommendations of the Task Force on Climate Related Financial Disclosures (TCFD). Any BCGE’s credit agreement process includes classical due diligence process that is applicable to the transactions and the counterparts. The Banks would withdraw from a project that doesn’t respect any legal rules. This process is applicable to all BCGE’s financing activities.

Labour, Health and Safety



All assets financed under this framework will be located in Switzerland, a country where high standards regarding labor rights, health and safety for employees, contractors and operators, are in place (e.g., ILO Core Conventions).

Biodiversity

- The Issuer does not have policies in place regarding biodiversity protection. Nonetheless, as all assets financed under this framework will be in Switzerland, comprehensive and specific environmental standards apply according to national (federal and regional level) legislation and standards of the 2030 Cantonal Master Plan (PDCn), ensuring territorial development preserving biodiversity with urban projects with a low carbon footprint.¹¹

Community Dialogue

- The issuer does not have information of communities, advisory panels or dialogues platforms in place systematically ensuring that all assets financed under this framework feature community dialogue as an integral part of the planning process. However, the Banque Cantonale de Genève has an internal policy in place to mandate that any project is based on the concept of serving the community and abiding to ethical banking principles.¹²

Inclusion

- ✓ The Issuer has a Code of Ethics which ensures that no discrimination takes place in the granting of credit or in its conditions.¹³ The Issuer states that the assets financed under the social categories (access to essential/basic services) will be free to access or subsidized for the targeted vulnerable populations.

Responsible treatment of customers with debt repayment problems

- ✓ The Issuer has implemented various measures to deal responsibly with clients having debt repayment problems. BCGE applies the recommendations of the Swiss Banking's self-regulation guidelines, which includes procedures and principles for identification, processing and monitoring of loans secured by real estate pledges and impaired loans, the frequency of periodic examinations of the quality of the properties and the debtors, and applies appropriate methods for specific risk analyses (e.g., debt counselling, foreclosure as a last resort, which oblige to run examination, evaluation of the entire mortgage portfolio to prevent client debt repayment problems (e.g., data collection on client indebtedness, long-term fixed interest rates) and set out the requirements for the creditworthiness and affordability of the borrower.

¹¹ 2030 Cantonal Master Plan, 2021, <https://www.ge.ch/document/confederation-approuve-1re-mise-jour-du-plan-directeur-cantonal-geneve-2030-instrument-essentiel-transition-ecologique-notre-territoire>

¹² Art. 2 of the Banque Cantonale de Genève Act of 24 June 1993, available at <https://www.lexfind.ch/fe/fr/tol/31695/versions/201259/fr>

¹³ BCGE's Annual Report, 2022, https://www.bcge.ch/documents/509424/679187/BCGE_rapport_annuel_2022_en.pdf/219f432a-92e6-6484-ece5-9bd904cae684

Exclusion criteria

The Issuer abides to the due diligence policy of the Swiss Association for Responsible Investments, which provides exclusion criteria to controversial business practices. These apply to manufacture of weapons and ammunition, manufacture of aircraft, production of military hardware, child labor, pornography, nuclear and uranium operation, genetic engineering, tobacco and alcohol, gambling, coal, oil and natural gas extraction, fossil fuel power stations, airlines and cruise ship, unsustainable fisheries, aquaculture and forestry.

PART III: CONSISTENCY OF THE GREEN, SOCIAL AND SUSTAINABILITY BOND WITH BCGE'S SUSTAINABILITY STRATEGY

Key sustainability objectives and priorities defined by the Issuer

TOPIC	ISSUER APPROACH
<p>Strategic ESG topics</p>	<p>The Issuer focuses on its clients, its employees, the communities and the environment, and climate.</p>
<p>ESG goals/targets and Action Plan</p>	<p>In 2003, BCGE has developed a Code of Ethics to reach its corporate social responsibility and sustainable development objectives and has a CSR Committee which responds to ethical issues and all non-financial aspects related to the Bank's business. The Issuer has set the following goals:</p> <ul style="list-style-type: none"> ▪ For its clients <ul style="list-style-type: none"> • Protect the fundamental rights of the clients. • Assure protection against cyber risks. • Consider each client equally. • Offer to clients financial products involving ESG criteria. ▪ For its employees <ul style="list-style-type: none"> • Offer working conditions that allow creativity and productivity. • Eliminate discrimination based on race, gender, nationality or religion. • Improve inclusion. • Improve internal mobility. • Promote employees' wellbeing. • Develop whistleblowing policies. ▪ For the communities and the environment <ul style="list-style-type: none"> • Create collective value. • Support investments in Geneva. • Improve geographical accessibility and accessibility for everyone. • Support social actions. • Offer training on financial aspects to the public. • Support clean transportation and public transportation. • Arrange Ethic and CSR policies.

	<ul style="list-style-type: none"> • Integrate non-financial aspects into the business model. ▪ For the climate <ul style="list-style-type: none"> • Establish governance related to climate aspects. • Establish a climate risk action plan. • Develop an action plan to reduce climate risks. • Publish climate indicators and define objective aligned with the action plan. <p>All sustainability objectives are publicly disclosed in BCGE's Annual Report.</p>
Climate Transition Strategy	<p>For the climate-related goal, the Issuer plans to:</p> <ul style="list-style-type: none"> ▪ Establish governance related to climate aspects. ▪ Establish a climate risk action plan. ▪ Develop an action plan to reduce climate risks. ▪ Publish climate indicators and define objective aligned with the action plan.
Top three areas of breaches of international norms and ESG controversies in the industry¹⁴	Sexual harassment in the workplace, Financial market irregularities, Embezzlement, and Failure to manage cybersecurity.
Breaches of international norms and ESG controversies by the Issuer	At the date of publication and leveraging ISS ESG Research, no controversy in which the Issuer would be involved has been identified.
Sustainability Reporting	The Issuer reports on its ESG performance and initiatives on an annual basis. BCGE complies with the Global Reporting Initiative (GRI) for its CSR section in the Annual Report.
Industry associations, Collective commitments	The Issuer is a signatory of the Principles for Responsible Investment (PRI).
Previous sustainable/sustainability-linked issuances or transactions and publication of sustainable financing framework	-

¹⁴ Based on a review of controversies identified by ISS ESG over a 2-year period, the top three issues that have been reported against companies within the Regional Banks industry are displayed above. Please note that this is not a company specific assessment but areas that can be of particular relevance for companies within that industry.

Rationale for issuance

BCGE acknowledges that the banking industry has an important role to play in the transition towards more sustainable, lower-carbon economies, both through risk management and products and services it provides as well as the financial assets it manages. It is understood that certain Social Projects may also have environmental co-benefits, and that certain Green Projects may have social co-benefits. BCGE seeks to promote energy efficiency, the reduction of CO₂ emissions and the provision of affordable housing in Switzerland.

Opinion: *The key sustainability objectives and the rationale for issuing Green Bonds are clearly described by the Issuer. All the project categories financed are in line with the sustainability objectives of the Issuer.*

DISCLAIMER

1. Validity of the Second Party Opinion (“SPO”): Valid as long as the cited Framework remains unchanged.
2. ISS-Corporate, a wholly-owned subsidiary of Institutional Shareholder Services Inc. (“ISS”), sells, prepares, and issues Second Party Opinion, on the basis of ISS-Corporate’s proprietary methodology. In doing so, ISS-Corporate adheres to standardized procedures designed to ensure consistent quality.
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ANNEX 1: METHODOLOGY

The ISS-Corporate SPO provides an assessment of labelled transactions against international standards using ISS-Corporate proprietary methodology. For more information, please visit: <https://www.iss-corporate.com/file/publications/methodology/iss-corporate-green-social-and-sustainability-bond-loan-spo-methodology-summary.pdf>

ANNEX 2: QUALITY MANAGEMENT PROCESSES

SCOPE

BCGE commissioned ISS-Corporate to compile a Green, Social, and Sustainability Bonds SPO. The Second Party Opinion process includes verifying whether the Green, Social and Sustainability (GSS) Bond Framework aligns with the ICMA GBP, SBP, SBG and to assess the sustainability credentials of its Green, Social, and Sustainability Bonds, as well as the Issuer's sustainability strategy.

CRITERIA

Relevant Standards for this Second Party Opinion:

- Green Bond Principles (GBP), as administered by the International Capital Market Association (ICMA) (as of June 2021 with June 2022 Appendix 1)
- Social Bond Principles (SBP), as administered by the International Capital Market Association (ICMA) (as of June 2023)
- Sustainability Bond Guidelines (SBG), as administered by the International Capital Market Association (ICMA) (as of June 2021)

ISSUER'S RESPONSIBILITY

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

- Framework
- Eligibility criteria
- Documentation of ESG risks management at the framework level

ISS-CORPORATE'S VERIFICATION PROCESS

Since 2014, ISS Group, of which ISS-Corporate is part, 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.

This independent Second Party Opinion of the Green, Social, and Sustainability Bonds to be issued by BCGE has been conducted based on a proprietary methodology and in line with the ICMA GBP, SBP, SBG.

The engagement with BCGE took place from November 2023 to April 2024.

ISS-CORPORATE'S BUSINESS PRACTICES

ISS-Corporate has conducted this verification in strict compliance with the ISS Group 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 this SPO

Companies turn to ISS Corporate Solutions (ISS-Corporate) for expertise in designing and managing governance, compensation, sustainability and cyber risk programs that align with company goals, reduce risk, and manage the needs of a diverse shareholder base by delivering best-in-class data, tools, and advisory services.

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.iss-corporate.com/solutions/sustainable-finance/bond-issuers/>

For more information on SPO services, please contact: SPOsales@iss-corporate.com

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