

SECOND PARTY OPINION (SPO)

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

BPER Banca S.p.A.
12 May 2023

VERIFICATION PARAMETERS

Type(s) of instruments contemplated	<ul style="list-style-type: none">▪ Sustainable Debt Instruments
Relevant standards	<ul style="list-style-type: none">▪ Green Bond and Social Bond Principles as administered by ICMA (as of June 2021 with June 2022 Appendix 1)▪ Sustainability Bond Guidelines as administered by ICMA (as of June 2021)
Scope of verification	<ul style="list-style-type: none">▪ BPER Green, Social and Sustainability Bond Framework (as of May 12, 2023)▪ BPER Eligibility Criteria (as of May 12, 2023)
Lifecycle	<ul style="list-style-type: none">▪ Pre-issuance verification
Validity	<ul style="list-style-type: none">▪ Valid as long as the cited Framework remains unchanged.

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Scope of work

BPER Banca S.p.A. (“the Issuer”, or “BPER”) commissioned ISS Corporate Solutions (ICS) to assist with its Sustainable Debt Instruments by assessing four core elements to determine the sustainability quality of the instruments:

1. BPER’s Green, Social and Sustainability Bond Framework (as of May 12, 2023) – benchmarked against the International Capital Market Association’s (ICMA) Green and Social Bond Principles (GBP and SBP), and Sustainability Bond Guidelines (SBG).
2. The Eligibility Criteria – whether the nominated project categories contribute positively to the UN SDGs and how they perform against proprietary issuance-specific key performance indicators (KPIs) (See Annex 1).
3. The alignment with the EU Taxonomy Technical Screening Criteria (Technical Screening Criteria for Climate Change Mitigation) on a best-efforts basis¹ – whether the specific eligibility criteria of the Issuer’s green asset categories are eligible for alignment with the EU Taxonomy Technical Screening Criteria (Climate Change Mitigation Criteria only) of the Report on EU Taxonomy and associated Technical Annex as included in the EU Taxonomy Climate Delegated Act (June 2021).
4. Linking the transaction(s) to BPER’s overall ESG profile – drawing on the issuance-specific Use of Proceeds categories.

BPER BUSINESS OVERVIEW

BPER engages in the provision of banking services. It is classified in the Commercial Banks & Capital Markets industry, as per ISS ESG’s sector classification. It operates through the following segments: Retail, Private, Corporate, Large Corporate, Finance, Corporate Center, and Other. The Retail segment refers to individuals and joint accounts not regulated by the BPERPrivate service; sole traders; and partnerships or limited companies. The Private segment deals with business conducted with individuals and from joint accounts regulated by the BPERPrivate service. The Corporate segment transacts with public administrations, non-financial and non-resident companies, and non-financial partnerships and companies. The Large Corporate segment also conducts business with non-financial partnerships and companies with high turnovers. The Finance segment derives its operations from treasury activities, investment portfolio management, and access to financial markets and specialist operational support for the commercial network. The Corporate Center focuses on the corporate governance of the company, strategic decisions and results, and from activities directly connected to other areas of the business. The Other segment specializes in the non-banking companies of the group. BPER Banca was founded in 1867 and is headquartered in Modena, Italy.

¹ Whilst the Final Delegated Act for Mitigation and Adaptation were published in June 2021, the Technical Screening Criteria allow for discretion on the methodologies in determining alignment in certain cases. Therefore, at this stage ISS ESG evaluates the alignment with the EU Taxonomy on a “best efforts basis”.

ASSESSMENT SUMMARY

SPO SECTION	SUMMARY	EVALUATION ²
Part 1: Alignment with GBP, SBP and SBG	The Issuer has defined a formal concept for its Sustainable Debt Instruments regarding use of proceeds, processes for project evaluation and selection, management of proceeds and reporting. This concept is in line with the ICMA's Green and Social Bond Principles and Sustainability Bond Guidelines.	Aligned
Part 2: Sustainability quality of the Eligibility Criteria	<p>The Sustainable Debt Instruments will (re-)finance eligible asset categories which include: Renewable Energy, Energy Efficiency, Pollution Prevention and Control, Water and Wastewater Management, Green Buildings, Clean Transportation, Employment Generation, Socioeconomic Advancement and Empowerment, Affordable Housing and Access to Essential Services.</p> <p>The Green use of proceeds categories have a significant contribution to SDGs 6 'Clean Water and Sanitation', 7 'Affordable and Clean Energy', 12 'Responsible Consumption and Production', 13 'Climate Action', 14 'Life Below Water' and 15 'Life on Land' and a limited contribution to SDGs 3 'Good Health & Wellbeing' and 10 'Reduced Inequalities'.</p> <p>The Social use of proceeds categories have a significant contribution to SDGs 1 'No Poverty', 3 'Good Health & Wellbeing', 5 'Gender Equality', 8 'Decent Work and Economic Work', 10 'Reduced Inequalities' and 13 'Climate Action'.</p> <p>The remaining use of proceeds categories improve the company's operational impacts and mitigate potential negative externalities of the Issuer's sector on SDG 7 'Affordable and Clean Energy', 12 'Responsible Consumption and Production' and SDG 13 'Climate Action'.</p> <p>The environmental and social risks associated with those use of proceeds categories are well managed.</p>	Positive
Part 3: Assessment of Eligibility Criteria of eligible Green Asset categories with the EU Taxonomy	BPER's project characteristics, due diligence processes and policies have been assessed against the EU Taxonomy's (Climate Delegated Act of June 2021)	

² The evaluation is based on the BPER's Green, Social and Sustainability Bond Framework (May 12, 2023 version), on the analysed Eligibility Criteria as received on the May 12, 2023, and on the ISS ESG Corporate Rating updated on March 3, 2023 applicable at the SPO delivery date.

SECOND PARTY OPINION

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Technical Screening Criteria	<p>Technical Screening Criteria for a Substantial Contribution to Climate Change Mitigation, on a best-efforts basis³.</p> <p>The Do No Significant Harm Criteria and the Minimum Safeguards requirements as included in the EU Taxonomy Climate Delegated Act have not been assessed.</p>	
Part 4: Linking the transaction(s) to BPER's overall ESG profile	<p>The key sustainability objectives and the rationale for issuing Sustainable Debt Instruments are clearly described by the Issuer. The project categories financed are in line with the sustainability objectives of the Issuer.</p> <p>At the date of publication and leveraging ISS ESG Research, no controversy in which the Issuer would be involved has been identified.</p>	Consistent with the Issuer's Sustainability strategy

³ Whilst the Final Delegated Act for Mitigation and Adaptation were published in June 2021, the Technical Screening Criteria allow for discretion on the methodologies in determining alignment in certain cases. Therefore, at this stage the alignment with the EU Taxonomy has been evaluated on a "best efforts basis".

SPO ASSESSMENT

PART I: ALIGNMENT WITH ICMA'S GREEN BOND PRINCIPLES, SOCIAL BONDS PRINCIPLES AND SUSTAINABILITY BOND GUIDELINES

This section evaluates the alignment of BPER's Green, Social and Sustainability Bond Framework (as of May 12, 2023) with ICMA's Green Bond Principles (GBP), Social Bond Principles (SBP), and Sustainability Bond Guidelines (SBG).

ICMA'S GREEN, SOCIAL BONDS PRINCIPLES AND SUSTAINABILITY BOND GUIDELINES	ALIGNMENT	OPINION
1. Use of Proceeds	✓	<p>The Use of Proceeds description provided by BPER's Green, Social and Sustainability Bond Framework is aligned with ICMA's GBP, SBP, and SBG.</p> <p>The Issuer's green/social project categories align with the those proposed by ICMA's GBP, SBP, and SBG. Criteria are defined in a clear and transparent manner. Environmental/social benefits are described and quantified.</p>
2. Process for Project Evaluation and Selection	✓	<p>The Process for Project Evaluation and Selection description provided by BPER's Green, Social and Sustainability Bond Framework is aligned with ICMA's GBP, SBP, and SBG. 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.</p> <p>The project selection process is defined and structured in a congruous manner.</p> <p>The Issuer aims to align its green project categories with the EU Taxonomy on a best efforts basis in line with best market practice.</p>
3. Management of Proceeds	✓	<p>The Management of Proceeds proposed by BPER's Green, Social and Sustainability Bond Framework is aligned with ICMA's 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 and attested in a formal internal process. The net proceeds are managed on an aggregated basis for multiple Green</p>

		<p>and/or Social Bonds (portfolio approach). Moreover, the Issuer discloses the temporary investment instruments for unallocated proceeds.</p>
<p>4. Reporting</p>	<p>✓</p>	<p>The allocation and impact reporting proposed by BPER’s Green, Social and Sustainability Bond Framework is aligned with ICMA’s GBP, SBP, and SBG.</p> <p>The Issuer commits to disclose the allocation of proceeds transparently and to report in an appropriate frequency. BPER explains the level of expected reporting and the type of information that will be reported. Moreover, the Issuer commits to report annually, until the maturity of each green, social and/or sustainability bond outstanding.</p> <p>The Issuer is transparent on the level of impact reporting, and on the information reported, in line with best market practice. The Issuer commits to get the allocation report audited by an external party, in line with best market practices.</p>

PART II: SUSTAINABILITY QUALITY OF THE ISSUANCE

A. CONTRIBUTION OF THE SUSTAINABLE DEBT INSTRUMENTS TO THE UN SDGs

Companies can contribute to the achievement of the UN 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 invested in 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 5-point scale (see Annex 1 for methodology):

Significant Obstruction	Limited Obstruction	No Net Impact	Limited Contribution	Significant Contribution
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Each of the Sustainable Debt Instruments' Use of Proceeds categories has been assessed for its contribution to, or obstruction of, the UN SDGs:

USE OF PROCEEDS (PRODUCTS/SERVICES)	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
Green Categories		
<p>Renewable Energy</p> <p><i>Financing or refinancing of the development, construction, operation, production, maintenance, and equipment related to the generation of renewable energy:</i></p> <ul style="list-style-type: none"> ▪ Solar (photovoltaic) ▪ Onshore and offshore wind ▪ Small-scale hydropower (<10MW), where the facility complies with at least one of the following criteria: i) the facility is a run-of-river plant and does not have an artificial reservoir, ii) the power density of the facility is >5W/m², iii) the lifecycle GHG emissions are <100gCO_{2e}/kWh ▪ Electricity transmission and distribution grids for renewable energy projects ▪ Battery storage systems 	Significant Contribution	 

<p>Energy Efficiency</p> <p><i>Financing of the manufacturing and installation of energy efficiency equipment and technology:</i></p> <ul style="list-style-type: none"> Smart technology (e.g. smart meters, smart thermostats, building energy management systems, etc.) 	<p>Significant Contribution</p>	
<p>Energy Efficiency</p> <p><i>Financing of the manufacturing and installation of energy efficiency equipment and technology:</i></p> <ul style="list-style-type: none"> Energy efficiency equipment (e.g. HVAC systems, LED lighting, sensing equipment)⁴ 	<p>Limited Contribution</p>	
<p>Pollution Prevention and Control</p> <p><i>Financing or refinancing of waste management activities and infrastructure, including:</i></p> <ul style="list-style-type: none"> Waste sorting, processing, recycling or treatment facilities Anaerobic digestion of sewage sludge⁵ and bio-waste⁶ Composting of biowaste⁷ 	<p>Significant Contribution</p>	
<p>Water and Wastewater management</p> <p><i>Financing or refinancing of water and wastewater management activities, technologies for residential customers, including:</i></p> <ul style="list-style-type: none"> Water treatment facilities⁸ Wastewater treatment facilities⁹ 	<p>Significant Contribution</p>	 

⁴ Projects fully complying with the EU Taxonomy Technical Screening Criteria for Climate Change Mitigation (activity 3.5) are assessed also with a significant contribution to SDG 13

⁵ Projects fully complying with the EU Taxonomy Technical Screening Criteria for Climate Change Mitigation (activity 5.6) are assessed also with a significant contribution to SDG 13

⁶ Projects fully complying with the EU Taxonomy Technical Screening Criteria for Climate Change Mitigation (activity 5.7) are assessed also with a significant contribution to SDG 13

⁷ Projects fully complying with the EU Taxonomy Technical Screening Criteria for Climate Change Mitigation (activity 5.8) are assessed also with a significant contribution to SDG 13

⁸ Projects fully complying with the EU Taxonomy Technical Screening Criteria for Climate Change Mitigation (activity 5.1) are assessed also with a significant contribution to SDG 13

⁹ Projects fully complying with the EU Taxonomy Technical Screening Criteria for Climate Change Mitigation (activity 5.3) are assessed also with a significant contribution to SDG 13

<p>Water and Wastewater management</p> <p><i>Financing or refinancing of water and wastewater management activities, technologies for non-residential customers, including:</i></p> <ul style="list-style-type: none"> Water treatment facilities¹⁰ Wastewater treatment facilities¹¹ 	<p>Significant Contribution</p>	 
<p>Water and Wastewater management</p> <p><i>Financing or refinancing of water and wastewater infrastructures and technologies¹²</i></p>	<p>Significant Contribution</p>	
<p>Residential and Commercial Green Buildings</p> <p><i>Financing or refinancing of new or existing residential and commercial buildings:</i></p> <ul style="list-style-type: none"> Before 31 December 2020: EPC of $\geq A$ or belonging to the top 15% of the local or regional building stock based on Primary Energy Demand (PED)^{13,14} After 31 December 2020: PED at least 10% lower than the threshold set for the nearly zero-energy building (NZEB) requirements in national measures^{15,16} 	<p>Significant Contribution</p>	 
<p>Clean Transportation</p> <p><i>Financing or refinancing of low carbon transportation and related infrastructure including¹⁷:</i></p> <ul style="list-style-type: none"> Zero direct CO₂ emissions freight and passenger rail and road transport 	<p>Significant Contribution</p>	

¹⁰ Projects fully complying with the EU Taxonomy Technical Screening Criteria for Climate Change Mitigation (activity 5.1) are assessed also with a significant contribution to SDG 13

¹¹ Projects fully complying with the EU Taxonomy Technical Screening Criteria for Climate Change Mitigation (activity 5.3) are assessed also with a significant contribution to SDG 13

¹² Projects fully complying with the EU Taxonomy Technical Screening Criteria for Climate Change Mitigation (activity 5.1, 5.2, 5.3 and 5.4) are assessed also with a significant contribution to SDG 13

¹³ Excluding large non-residential buildings

¹⁴ Only projects fully complying with the EU Taxonomy Technical Screening Criteria for Climate Change Mitigation (activity 7.7) are eligible under the framework

¹⁵ Only buildings smaller than 5,000m² qualify as eligible assets

¹⁶ Only Projects fully complying with the EU Taxonomy Technical Screening Criteria for Climate Change Mitigation (activity 7.1) are eligible under the framework

¹⁷ Only projects fully complying with the relevant EU Taxonomy Technical Screening Criteria for Climate Change Mitigation (activities 3.3, 6.1, 6.2, 6.3, 6.4, 6.5, 6.6, 6.13, 6.14, 6.15, 7.4) are eligible under the framework

<ul style="list-style-type: none"> ▪ Zero direct CO₂ emissions passenger cars and commercial vehicles ▪ Hybrid vehicles (passenger cars and light commercial vehicles) with an emissions threshold of 50 gCO₂/km (until December 31, 2025) ▪ Personal mobility devices (e.g. bicycles, e-scooters, e-bikes) ▪ Electric vehicle charging stations and hydrogen fuelling stations 	<p>Limited Contribution</p>	
<p>Clean Transportation</p> <p>Financing or refinancing of low carbon transportation and related infrastructure including personal mobility related infrastructure (e.g., footpaths and bike paths)¹⁸</p>	<p>Significant Contribution</p>	
<p>Environmentally Sustainable Management of Living Natural Resources and Land Use</p> <p>Financing or refinancing of certified sustainable forestry:</p> <ul style="list-style-type: none"> ▪ Forest Stewardship Council (FSC) standard ▪ Programme for the Endorsement of Forest Certification (PEFC), or ▪ Sustainable Forestry Initiative (SFI) 	<p>Limited Contribution</p>	 
<p>Environmentally Sustainable Management of Living Natural Resources and Land Use</p> <p>Financing or refinancing of sustainable agriculture:</p> <ul style="list-style-type: none"> ▪ Certified organic agriculture ((e.g. EU Organic, AIAB), including activities related to Grana Padano and Parmigiano Reggiano) ▪ in compliance with EU & national organic farming regulation^{19,20} 	<p>Significant Contribution</p>	

¹⁸ Only projects fully complying with the EU Taxonomy Technical Screening Criteria for Climate Change Mitigation (activity 6.13) are assessed under this framework

¹⁹ Excludes loans exclusively for livestock farming

²⁰ At least 90% of turnover derived from certified organic business

Environmentally Sustainable Management of Living Natural Resources and Land Use

Financing or refinancing of the preservation and restoration of natural landscapes, including:

- *Protected area operators*
- *Afforestation / reforestation projects*
- *Conservation of terrestrial biodiversity projects*

Significant Contribution

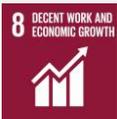
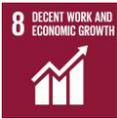


Environmentally Sustainable Management of Living Natural Resources and Land Use

Financing or refinancing of the preservation and restoration of natural landscapes, including conservation of aquatic biodiversity projects

Significant Contribution



USE OF PROCEEDS (PRODUCTS/SERVICES)	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
Social Categories		
<p>Employment Generation</p> <p><i>Loans to small and medium enterprises (SMEs)²¹</i></p> <ul style="list-style-type: none"> ▪ <i>Located in socioeconomically disadvantaged areas²² and ranking in the worst 30% in terms of unemployment rate</i> ▪ <i>In response to natural disasters (such as earthquakes or floods) or health and other social emergencies</i> 	Significant Contribution	
<p>Employment Generation</p> <p><i>Loans to small and medium enterprises (SMEs)²³ in response to COVID-19 related health emergencies</i></p>	Significant Contribution	 
<p>Employment Generation</p> <p><i>Loans to microfinance²⁴ enterprises</i></p> <ul style="list-style-type: none"> ▪ <i>Located in socioeconomically disadvantaged areas²⁵ and ranking in the worst 30% in terms of unemployment rate</i> ▪ <i>In response to natural disasters (such as earthquakes or floods) or health and other social emergencies</i> 	Significant Contribution	 
<p>Socioeconomic advancement and empowerment</p> <p><i>Loans to microfinance enterprises operated, managed or owned by women (≥ 51%)²⁶</i></p>	Significant Contribution	  

²¹ SMEs definition according to EU: https://ec.europa.eu/growth/smes/business-friendly-environment/sme-definition_en

²² Defined as regions with GDP per capita lower than the national GDP per capita as per ISTAT (Istituto Nazionale di Statistica)

²³ SMEs definition according to EU: https://ec.europa.eu/growth/smes/business-friendly-environment/sme-definition_en

²⁴ In accordance with the EU definition

²⁵ Defined as regions with GDP per capita lower than the national GDP per capita as per ISTAT

²⁶ IFC Definition of Women-owned enterprises

<p>Socioeconomic advancement and empowerment</p> <p><i>Loans to SMEs operated, managed or owned by women (≥ 51%)²⁷</i></p>	<p>Significant Contribution</p>	
<p>Socioeconomic advancement and empowerment</p> <p><i>Loans to non-profit organizations, associations, foundations, and philanthropic entities focused on:</i></p> <ul style="list-style-type: none"> ▪ <i>Arts, Culture, & Sports</i> <ul style="list-style-type: none"> - <i>Recreational facilities</i> - <i>Visual performing arts</i> ▪ <i>Welfare & Solidarity:</i> <ul style="list-style-type: none"> - <i>Education</i> - <i>Vocational skills training</i> - <i>Housing</i> - <i>Medical care</i> 	<p>Limited Contribution</p>	
<p>Affordable Housing</p> <p><i>Financing or refinancing of the construction, renovation and upgrade of social housing in Italy²⁸</i></p>	<p>Significant Contribution</p>	
<p>Access to Essential Services (Healthcare, Social Care)</p> <p><i>Financing or refinancing of construction and development of public health projects and infrastructure:</i></p> <ul style="list-style-type: none"> ▪ <i>Healthcare facilities:</i> <ul style="list-style-type: none"> - <i>Hospitals</i> - <i>Primary care facilities</i> ▪ <i>Home care facilities (i.e., nursing homes) for elderly people and people with specific health condition</i> 	<p>Limited Contribution</p>	

²⁷ IFC Definition of Women-owned enterprises

²⁸ In Italy, access to social housing is defined by national law and regulations (Ministerial Decree of 04.22.2008, Ministry for Infrastructures' Decree 3904, Law No. 431/1998, and the Law 167/1962). Eligibility criteria is determined based on income requirements set out by local authorities.

<p>Access to Essential Services (Healthcare, Social Care)</p> <p><i>Financing or refinancing of operation of public health projects: healthcare facilities</i></p> <ul style="list-style-type: none"> Hospitals Primary care facilities 	<p>Significant Contribution</p>	 
<p>Access to Essential Services (Healthcare, Social Care)</p> <p><i>Financing or refinancing of operation of public health projects:</i></p> <ul style="list-style-type: none"> Home care facilities (i.e., nursing homes) for elderly people and people with specific health condition 	<p>Limited Contribution</p>	 
<p>Access to Essential Services (Financial Services)</p> <p><i>Financing or refinancing of mortgages under the 80% Public Guarantee of the First Home Mortgage Guarantee Fund (“Fondo Prima casa”) administered by CONSAP (Concessionaria Servizi Assicurativi Pubblici)²⁹: loans to first-time buyers with ISEE (Equivalent Economic Situation Indicator) of <€40K/year, for applicants who are:</i></p> <ul style="list-style-type: none"> Young people below the age of 36 Single-parent families with minor children 	<p>Limited Contribution</p>	

²⁹ <https://www.consap.it/fondo-prima-casa/><https://www.consap.it/fondo-prima-casa/>

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 BPER’s borrowers and their end users. The outcome displayed does not correspond to an absolute or net assessment of the operational performance.

BPER finances operations/processes in a variety of third-party sectors. For clarity, ISS ESG does not display the exposure to negative externalities linked to the sectors of the operations/processes financed.

USE OF PROCEEDS (Processes)	OPERATIONAL IMPACT IMPROVEMENT ³⁰ ,	SUSTAINABLE DEVELOPMENT GOALS
<p>Energy Efficiency</p> <p><i>Financing of assets and investments that contribute to improved energy efficiency and reduced energy usage through the installation of smart technology (e.g. smart meters, smart thermostats, building energy management systems, etc.)</i></p>	✓	
<p>Energy Efficiency</p> <p><i>Financing of assets and investments that contribute to improved energy efficiency and reduced energy usage through the installation of energy efficiency equipment (e.g. HVAC systems, LED lighting, sensing equipment)</i></p>	✓	
<p>Green Buildings</p> <p><i>Financing or refinancing of the refurbishment of residential and commercial buildings resulting in a reduction in Primary Energy Demand of ≥30% and validated through an Energy Performance Certificate (EPC) (corresponding to an improvement of at least two EPC classes)</i></p>	✓	
<p>Circular Economy Adapted Products, Production Technologies and Processes</p> <p><i>Integration of renewable energy (as defined under the Renewable Energy category) into production cycles to produce sustainable goods and services</i></p>	✓	

³⁰ Limited information is available on the scale of the improvement as no threshold is provided. Only the direction of change is displayed.

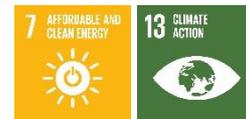
**Circular economy adapted products,
production technologies and processes**

Financing or refinancing of projects involving eco-design, eco-innovation, re-manufacturing, re-design, re-engineering of production processes, product reconditioning, lifecycle extension, recovery of raw materials



**Environmentally Sustainable Management
of Living Natural Resources and Land Use**

Financing or refinancing of sustainable agriculture use of renewable energy in the agriculture sector, such as solar PV and onshore wind – selected in compliance with the Renewable Energy criteria



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

The table below evaluates the Eligibility Criteria against issuance specific KPIs. All of the assets are/or will be located in Italy.

ASSESSMENT AGAINST KPIs

ESG guidelines into lending process

BPER has developed an ESG Credit Framework (“ESG-linked Loan Origination Policy”) that defines the methods to incorporate environmental, social and governance considerations into the BPER Group’s lending activities, in line with the sustainability commitments included in the Group’s “ESG Policy”. The ESG Credit Framework explains how the Bank incorporates ESG considerations into its loan origination and monitoring process and details the Bank’s approach to Human Rights Due Diligence (HRDD) and sensitive sectors, with a special focus on:

- raising awareness and encouraging the application of responsible lending and investment principles and processes.
- reducing risks and indirect impacts associated with core business operations managed.
- preventing engagement in activities that are inconsistent with the ethics and integrity at the core of the business.
- Mitigating the impact that climate and environmental risks may have on the Parent Company’s soundness and solvency.

Lending falls entirely within the scope of application of these principles and translates, firstly, into the creditworthiness assessment of customers according to the general principles adopted by the BPER Group as a safeguard against credit risk, thus including ESG-related risks, such as sustainability risk, physical risk and transition risk. BPER develops and adopts an approach aimed at identifying and assessing potential ESG risks (climate-related and environmental, reputational, operational, etc.) arising from loans granted to companies operating in controversial sectors, involved in serious events that have resulted, or may result, in negative impacts on the borrowers assessment, with special attention to impacts on their credit scoring; at the same time, the Group intends to seize the opportunity of steering and supporting the path of transition, with the objective of improving the profile of its loan portfolio, including in terms of environmentally sustainable exposures in accordance with the EU Taxonomy, that are measured by the Green Asset Ratio (GAR) and Banking Book Taxonomy Alignment Ratio (BTAR).

To ensure the sustainability of the Group’s portfolio, the following factors are periodically monitored:

- specific KRIs and ESG limits set in BEPR’s Risk Appetite Framework, where present
- performance of ESG indicators considered as criteria when granting and managing credit, in order to assess their applicability and possible areas of intervention
- performance of Group portfolio exposures to sectors defined as ESG sensitive.

This policy applies to all corporate counterparties, except for:

- counterparties with an exposure below EUR 1 million
- Microenterprises

ESG Guidelines into financing process for most sensitive sectors³¹ financed under the Framework

Forestry management

Only sustainable forestry recognised by FSC, PEFC, and SFI will be eligible for financing or refinancing under the Framework. Risks associated with forestry projects, such as the responsible use of fertilizers and pesticides, soil erosion, and reforestation with native species, are covered by the FSC and PEFC. The PEFC also addresses risk management related to fire. The SFI, on the other hand, addresses risks related to responsible use of fertilizers and pesticides, soil erosion, compaction, and productivity.

However, the bank does not have any internal guidelines for the environmental and social risk assessment for its lending and investment in forestry projects.

Agriculture

The Bank has explicitly stated that only farms certified in compliance with EU Organic or AIAB standards are eligible for (re)financing under the Framework. The EU Organic regulation covers (almost) all of the agriculture projects and the related risks such as water resources, water contamination, soil erosion and fertility, responsible use of pesticides, herbicides, and fertilizers, alternatives to pesticides, herbicides, and fertilizers, crop rotation and crop residues. However, the bank does not have any internal guidelines for the environmental and social risk assessment for its lending and investment in agriculture sector.

Labour, health and safety

- ✓ As all assets financed will be located in Italy, where high health & safety and labour standards are ensured by the relevant national legislation and the European Union mandatory social standards.

Biodiversity and Community Dialogue

- ✓ Italy is considered a Designated Country according to the Equator Principles. As such, it is considered as having a robust environmental and social governance, legislation systems and institutional capacity ensuring biodiversity is protected to a satisfactory degree for relevant infrastructural projects and community dialogue is carried out to a satisfactory degree for relevant infrastructural projects.

Inclusion

- ✓ The Issuer states that for activities financed under the Healthcare category, for which a target population has not been defined, financing will be provided to local agencies (ASL / USL) of the Italian National Health Service (SSN – Servizio Sanitario Nazionale), which is a public entity and ensures universal access.
- ✓ The Issuer has policies in place ensuring that borrowers/investees are not discriminated on the basis of race, sexual orientation, gender and other relevant categories in the access to credit. BPER is regulated under Italian and EU law (e.g. Race Equality Directive - 2000/43/EC, Employment Equality Directive - 2000/78/EC) and

³¹ The categorization of a sector as 'most sensitive' follows an evaluation of the number of controversies prevalent in the context of the financing operations of a financial institution.

has a Code of Ethics in place that requires the fair treatment of, and objectivity towards, all stakeholders, including customers.

Data protection and information security

BPER's has an Information Security Management System (covering risk assessment, structure and responsibilities, target and objectives, training and awareness raising, physical and technical safeguards, and audits) in place.



The issuer has incorporated the need for an ISO 27001 accreditation in its questionnaire to vendors as part of their efforts to protect the personal data of their consumers.

BPER has a 'Group Policy for the Governance of the risk of non-compliance with Personal Data Protection regulations' based on GDPR (Regulation (EU) 2016/679) and the Privacy Code pursuant to Italian Legislative Decree 196/2003 which extends to third party data processors.

Responsible treatment of customers with debt repayment problems



The Issuer's commercial offering is regulated by the Group Regulation on the Product Governance process, which includes an assessment of customers' characteristics, costs, risks, and financial capacity. The issuer undertakes pre-emptive actions such as use of responsible lending performance indicators and targets to reduce the number of clients with debt repayment problems. The issuer provides debt management options to clients with debt repayment problems under conditions that are not detrimental to the clients. BPER has a process in place for internal debt counselling services, support for external debt counselling services and access to an ombudsperson for clients with debt repayment problems. BPER participates in the Financial Banking Arbitrator (ABF)³² scheme run by the Bank of Italy which acts as an ombudsman. BPER has in place measures to ensure responsible handling of mortgage repayment difficulties during mortgage sale and foreclosure. The issuer confirms that forbearance is that main tool, which includes extension of loan to reduce the instalments and that mortgage sales and foreclosure are used as a last resort.

Sales practices



The Issuer confirms that their Code of Conduct ensures that assets financed under this framework provide for responsible sales practices including regular screening of client risk profiles against the risk profile of the investment, customer surveys focusing on their post-sale understanding of products and services and assessment of complaints received, training on responsible sales practices, etc. The issuer implements some measures to monitor responsible sales practices, including monitoring and assessment of complaints received.

However, there is lack of clarity on whether the issuer refrains from paying commissions, refrains from setting sales targets for its employees or if ethical considerations are taken into account in the calculation of bonus payments.

³² More information on the ABF is available at:

<https://www.arbitrobancariofinanziario.it/abf/index.html?com.dotmarketing.htmlpage.language=3&dotcache=refresh>

Marketing



The Issuer is committed to being transparent in its marketing activities. It has measures in place systematically ensuring that assets financed under this framework provide for responsible marketing (e.g. commitment to clear and correct pricing as well as to no hidden costs, and commitment to transparency regarding product risks).

Exclusion criteria

The Issuer has a zero-tolerance policy for any type of corruption and has consequences for parties in violation of Anti-Bribery and Corruption regulations. Furthermore, BPER has developed counterparty exclusion criteria for projects carried out at the expense of, or deemed to be violating:

- violation of human rights and of health and safety regulations, both in reference to workers and to local communities;
- violation of fundamental rights at work and regulations concerning child and forced labour;
- fraud in financial and non-financial reporting, money laundering, corruption and terrorist financing.
- UNESCO world heritage sites;
- wetlands protected by the Ramsar Convention;
- biodiversity-sensitive areas (High Conservation Value Areas, Alliance for Zero Extinction sites or IUCN Category I-VI areas).

At the company-level, BPER has also developed sector specific policies for economic activities that are exposed to high environmental, social or governance sustainability risks such as coal, power generation, mining (excluding coal extraction), unconventional oil & gas, defense, transportation (maritime and land), gambling.

For the purpose of the Green, Social and Sustainability Bond Framework, any asset or investment related to fossil fuels, nuclear energy, weapons, alcohol, gambling, adult entertainment or tobacco will be excluded.

PART III: ASSESSMENT OF ELIGIBILITY CRITERIA OF ELIGIBLE GREEN ASSET CATEGORIES WITH THE EU TAXONOMY TECHNICAL SCREENING CRITERIA

ISS ESG assessed the alignment of BPER’s project selection criteria and processes, as well as company policies, for the nominated Use of Proceeds project categories against the relevant Climate Change Mitigation requirements of the EU Taxonomy Climate Delegated Act³³ (June 2021) on a best-efforts basis, based on information provided by BPER.

The table below shows the alignment of the selection criteria with the relevant EU Taxonomy activity, based on the Technical Screening Criteria of the EU Taxonomy Substantial Contribution to Climate Change Mitigation.

- Where the project selection criteria fully meet the EU Taxonomy Technical Screening Criteria requirements, a tick is shown in the table below.
- Where the project selection criteria have no overlap with the relevant Technical Screening Criteria, or there is no relevant EU Taxonomy activity, a “circle” is shown in the table below.

BPER’s credit approval process includes a Taxonomy Check to assess whether projects fulfil the EU Taxonomy’s technical screening criteria for substantial contribution to climate change mitigation and can therefore be characterized as Taxonomy-eligible or Taxonomy-aligned under the framework. BPER will confirm the actual alignment of its green asset portfolio with the EU Taxonomy Technical Screening Criteria requirements as part of its allocation reporting.

The results for the activities with Substantial Contribution to Climate Change Mitigation are as follows:

FRAMEWORK PROJECT CATEGORY	FRAMEWORK SELECTION AND ELIGIBILITY CRITERIA	EU TAXONOMY ACTIVITY, BASED ON SUBSTANTIAL CONTRIBUTION TO MITIGATION	ELIGIBLE FOR TSC (MITIGATION)
Renewable energy	Equipment related to the generation of renewable energy	3.1 Manufacture of renewable energy technologies	✓
	Solar (solar photovoltaic)	4.1. Electricity generation using solar photovoltaic technology	✓
	Wind energy (onshore and offshore)	4.3. Electricity generation from wind power	✓
	Small-scale hydropower (<10MW), where the facility complies with at	4.5. Electricity generation from hydropower	✓

³³ [EU Taxonomy Climate Delegated Act](#)

	<p>least one of the following criteria:</p> <ul style="list-style-type: none"> i) the facility is a run-of-river plant and does not have an artificial reservoir, ii) the power density of the facility is >5W/m², iii) the life-cycle GHG emissions are <100gCO₂e/kWh 		
	Equipment and infrastructure dedicated to connecting renewable energy projects to electricity transmission and distribution grids.	4.9 Transmission and distribution of electricity	✓
	Battery storage systems connected to renewable energy projects.	4.10 Storage of electricity	✓
Energy Efficiency	<ul style="list-style-type: none"> ▪ Energy efficiency equipment - LED lighting, - sensing equipment) 	3.5 Manufacture of energy efficiency equipment for buildings	✓
	<ul style="list-style-type: none"> ▪ Smart technology - Smart meters 	4.9 Transmission and distribution of electricity	✓
	<ul style="list-style-type: none"> ▪ Energy efficiency equipment - HVAC systems³⁴ 	7.3. Installation, maintenance and repair of energy efficiency equipment	✓
Pollution Prevention and Control	Anaerobic digestion of sewage sludge	5.6 Anaerobic digestion of sewage sludge	✓
	Anaerobic digestion of bio-waste	5.7. Anaerobic digestion of bio-waste	✓
	Composting facilities for biowaste	5.8. Composting of bio-waste	✓
Water and Wastewater Management	Water management activities, technologies	5.1. Construction, extension and operation of water	✓

³⁴ Rated in the highest two populated classes of energy efficiency in accordance with Regulation (EU) 2017/1369 and delegated acts adopted under that Regulation

	and infrastructure, including:	collection, treatment and supply systems	
	<ul style="list-style-type: none"> Water treatment facilities 	5.2. Renewal of water collection, treatment and supply systems	✓
	Wastewater management activities, technologies and infrastructure, including:	5.3. Construction, extension and operation of waste water collection and treatment	✓
	<ul style="list-style-type: none"> Wastewater treatment facilities 	5.4. Renewal of waste water collection and treatment	✓
Green Buildings	After 31 December 2020: PED at least 10% lower than the threshold set for the nearly zero-energy building (NZEB) requirements in national measures	7.1 Construction of new buildings	✓
	New or existing residential and commercial buildings: <ul style="list-style-type: none"> Before 31 December 2020: EPC of $\geq A$ or belonging to the top 15% of the local or regional building stock based on Primary Energy Demand (PED)³⁵ After 31 December 2020: PED at least 10% lower than the threshold set for the nearly zero-energy building (NZEB) requirements in national measures³⁶ 	7.7 Acquisition and ownership of buildings	✓

³⁵ Excluding large non-residential buildings

³⁶ Only buildings smaller than 5,000m² qualify as eligible assets

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	Financing or refinancing of the refurbishment of residential and commercial buildings resulting in a reduction in Primary Energy Demand of $\geq 30\%$ and validated through an Energy Performance Certificate (EPC) (corresponding to an improvement of at least two EPC classes)	7.2 Renovation of existing buildings	✓
Clean Transport	<p>Low carbon transportation and related infrastructure including:</p> <ul style="list-style-type: none"> ▪ Zero direct CO₂ emissions freight and passenger rail and road transport ▪ Zero direct CO₂ emissions passenger cars and commercial vehicles ▪ Hybrid vehicles (passenger cars and light commercial vehicles) with an emissions threshold of 50 gCO₂/km 	3.3. Manufacture of low carbon technologies for transport	✓
		6.1. Passenger interurban rail transport	✓
		6.2. Freight rail transport	✓
		6.3. Urban and suburban transport, road passenger transport	✓
		6.5 Transport by motorbikes, passenger cars and light commercial vehicles	✓
		6.6 Freight transport services by road	✓
		6.14 Infrastructure for rail transport	✓
		6.15. Infrastructure enabling road transport and public transport	✓
	Low carbon transportation including:	6.4 Operation of personal mobility devices, cycle logistics	✓
<ul style="list-style-type: none"> ▪ Personal mobility devices 			
	6.13 Infrastructure for personal mobility, cycle logistics	✓	

	<p>Low carbon transportation related infrastructure including:</p> <ul style="list-style-type: none"> ▪ Personal mobility related infrastructure (e.g., footpaths and bike paths) 	<p>6.15. Infrastructure enabling road transport and public transport</p>	<p>✓</p>
	<p>Electric vehicle charging stations and hydrogen fuelling stations</p>	<p>7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)</p>	<p>✓</p>

PART IV: LINKING THE TRANSACTION(S) TO BPER'S ESG PROFILE

A. CONSISTENCY OF SUSTAINABLE DEBT INSTRUMENTS WITH BPER'S SUSTAINABILITY STRATEGY

Key sustainability objectives and priorities defined by the Issuer

BPER has designed its sustainability strategy taking guidance from United Nations 2030 Agenda for Sustainable Development (UN 2030 Agenda) and the principles of the UN Global Compact. The Group is a signatory of the Task Force on Climate-Related Financial Disclosures (TCFD), the Net Zero Banking Alliance (NZBA), and the UN Principles for Responsible Banking (PRB). BPER reports in compliance with the Global Reporting Initiative (GRI) Standards and published its inaugural TCFD report in March 2023.

BPER's new business plan, BPER e-volution, aims for an ESG infusion across all pillars of the strategic plan to create long-term shared value. It identifies concrete actions and objectives, spanning the three pillars of ESG:

Environmental

- External Transition: support for the green transition of companies and households by earmarking €7bn for green loans³⁷ (specific sectors/supply chains, National Recovery and Resilience Plan (Piano Nazionale di Ripresa e Resilienza) – NRRP, tax bonuses, green mortgages).
- Internal transition: To identify science-based emissions reduction target, aligned with the Paris Agreement (-50% by 2030) and set at -23% by 2025; energy efficiency activities according to an Energy Plan with expected closure by 2025 and a 2022 baseline.
- 100% of the Group's electricity supply sourced from renewable energy by the end of 2022³⁸.

Social

- Community orientation: allocation of €15m to sustain activities that support communities and local development.
- Youth initiatives: financial literacy and ambitious nationwide projects that will involve more than 400,000 young users over the Plan period; advanced training project for the most deserving students, in collaboration with Università Cattolica del Sacro Cuore (loans of honour).
- Strengthen the service model for Non-Profit Organisations with dedicated products and increased lending.
- Definition of a Diversity & Inclusion project: unitary vision of the Bank on the issues of Diversity, Equity and Inclusion (DE&I) which impacts on the Board of Directors, Board of Statutory Auditors, top management, employees and subsidiaries with concrete objectives in terms of gender diversity and equal pay, to be measured annually and reported in the Non-Financial Statement (NFS).
- Dissemination of the "ESG Culture" and specific training activities: awareness raising and involvement of the entire company population on sustainability issues and upskilling and reskilling actions aimed at over 50% of employees.

³⁷ Green loans include assets such as NRRP projects, EcoBonus and Superbonus 110% schemes, green mortgages, SACE Green Guarantee loans, and specific investment projects aligned with EU environmental objectives

³⁸ At the end of 2022, 99.2% of the energy used by BPER Group was produced from renewable energy (RE) sources. Furthermore, two companies of the Group amended, at the end of 2022, their supply contracts to acquire energy produced from renewable sources. Therefore, starting from January 1, 2023 all the companies of BPER Group (in terms of Balance Sheet Consolidation) are supplied with electricity produced from RE sources.

- Initiatives in support of culture and promotion of art and museum heritage.
- Actions to encourage agile work and work/life balance including via a different management of employment locations (new workplace).

Governance

- Incorporating ESG targets in Management's long-term incentive system with KPIs weighing 15% of total long-term incentives.
- Redesigning the internal Organisational Model to define roles and responsibilities in ESG.

In 2021, the Bank set up an Internal Board Sustainability Committee to support the Board's activities in the field of sustainability, and therefore to combat climate change (CC). The Control and Risk Committee also supports the Board of Directors in assessing relevant risks including those on which the ESG theme also has an impact, such as market, credit, operational and reputational risks. At the managerial level, the ESG Managerial Committee supports BPER's Chief Executive Officer (CEO) in managing and coordinating the Group's approach to sustainability matters, including ESG risks and opportunities. The Sustainability Committee consists of the CEO, the Executive responsible for financial reporting, all the Chiefs of the Parent Company, the Head of the ESG Strategy Office, and the Head of the Corporate Governance and Corporate Consulting Office.

On March 25, 2021, BPER Banca successfully concluded the placement of the first issue of Social Bonds (Senior Preferred) for an amount of 500 million euro and a 6-year maturity intended for institutional investors.

Rationale for issuance

In line with the BPER e-volution plan, the Framework aims to attract dedicated funding for loans and investments that bring positive environmental or social impacts and support BPER's commitment to building an innovative, inclusive, and sustainable economy. This includes helping BPER's customers transition to a low-carbon economy, promoting social and financial inclusion, and addressing key societal issues.

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

B. BPER'S BUSINESS EXPOSURE TO ESG RISKS

This section aims to provide an overall level of information on the ESG risks to which the Issuer is exposed through its business activities, providing additional context to the issuance assessed in the present report.

ESG risks associated with the Issuer's industry

The Issuer is classified in the Commercial Banks & Capital Markets industry, as per ISS ESG's sector classification. Key challenges faced by companies in terms of sustainability management in this industry are displayed in the table below. Please note, that this is not a company-specific assessment but instead focused on areas that are of particular relevance for companies within that industry.

ESG KEY ISSUES IN THE INDUSTRY
Business ethics
Labour standards and working conditions
Sustainable investment criteria
Customer and Product responsibility
Sustainability impacts of lending and other financial services/ products

ESG performance of the Issuer

Leveraging ISS ESG's Corporate Rating research, further information about the Issuer's ESG performance can be found on ISS ESG Gateway at: <https://www.issgovernance.com/esg/iss-esg-gateway/>.

Please note that the consistency between the issuance subject to this report and the Issuer's sustainability strategy is further detailed in Part III.A of the report.

Sustainability impact of products and services portfolio

Leveraging ISS ESG's Sustainability Solutions Assessment methodology, the contribution of the Issuer's current products and services portfolio to the Sustainable Development Goals defined by the United Nations (UN SDGs) has been assessed as per the table below. This analysis is limited to the evaluation of final product characteristics and does not include practices along the Issuer's production process.

Using a proprietary methodology, ISS ESG assessed the contribution of BPER current products and services portfolio to the UN SDGs. This analysis is limited to the evaluation of final product characteristics and does not include practices along the bank's production process.

ISS ESG determined that, based on the information provided by the bank, its overall business model has no net impact (contribution and/or obstruction) to the UN SDGs.

Breaches of international norms and ESG controversies

At Issuer level

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At the date of publication and leveraging ISS ESG Research, no controversy in which the Issuer would be involved has been identified.

At industry level

Based on a review of controversies over a 2-year period, the top three issues that have been reported against companies within the Commercial Banks & Capital Markets industry are as follows: Failure to mitigate climate change impacts, Failure to prevent money laundering, Anti-competitive behaviour, and Failure to pay fair share of taxes.

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

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ANNEX 1: Methodology

EU Taxonomy

The assessment evaluates whether the details of the nominated projects and assets or project selection eligibility criteria included in the Green, Social and Sustainability Bond Framework meet the criteria listed in relevant Activities in the EU Taxonomy Climate Delegated Act (June 2021).

The evaluation shows if BPER's project categories are indicatively in line with the requirements listed in the EU Taxonomy Technical Annex.

The evaluation was carried out using information and documents provided on a confidential basis by BPER (e.g. Due Diligence Reports). Further, national legislation and standards, depending on the project category location, were drawn on to complement the information provided by the Issuer.

Environmental and social risks assessment methodology

The Environmental and social risks assessment 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 or that the information provided did not fulfil the requirements of the Green and Social Bond KPIs.

The evaluation was carried out using information and documents provided on a confidential basis by BPER (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, the extent to which BPER's Sustainable Debt Instruments contributes to related SDGs has been identified.

ANNEX 2: ISS ESG Corporate Rating Methodology

ISS ESG Corporate Rating provides relevant and forward-looking environmental, social, and governance (ESG) data and performance assessments.

For more information, please visit:

<https://www.issgovernance.com/file/publications/methodology/Corporate-Rating-Methodology.pdf>

ANNEX 3: Quality management processes

SCOPE

BPER commissioned ICS to compile a Sustainable Debt Instruments SPO. The Second Party Opinion process includes verifying whether the Green, Social and Sustainability Bond Framework aligns with the ICMA'S Green, Social Bonds Principles and Sustainability Bond Guidelines and to assess the sustainability credentials of its Sustainable Debt Instruments, as well as the Issuer's sustainability strategy.

CRITERIA

Relevant Standards for this Second Party Opinion

- ICMA Green Bond Principles
- ICMA Social Bond Principles
- ICMA Sustainability Bond Guidelines
- EU Taxonomy Climate Delegated Act
- ISS ESG Key Performance Indicators relevant for use of proceeds categories selected by the Issuer

ISSUER'S RESPONSIBILITY

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

- Framework
- Eligibility criteria
- Documentation of ESG risks management at the framework level
- Documentation on the alignment of the project categories with the EU Climate Delegated Act

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.

This independent Second Party Opinion of the Sustainable Debt Instruments to be issued by BPER has been conducted based on ISS ESG methodology and in line with the ICMA ICMA'S Green, Social Bonds Principles and Sustainability Bond Guidelines.

The engagement with BPER Banca S.p.A. took place in January to May 2023.

ISS' 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 this 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.

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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