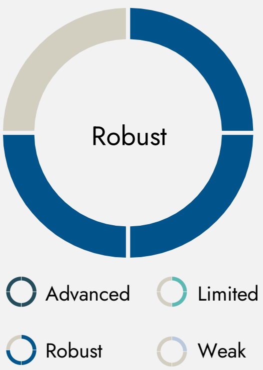
SECOND PARTY OPINION

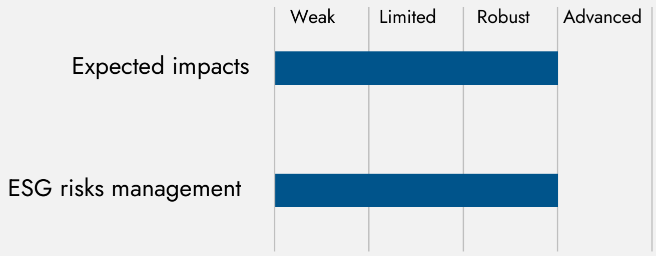
on the sustainability of CIB's Green Bond Framework

V.E is of the opinion that CIB's Bond Framework is aligned with the four core components the Green Bond Principles 2018 ("GBP").

Framework

Contribution to Sustainability:





SDG Mapping

Characteristics of the Framework

Green Asset Categories	- Energy Efficiency - Renewable Energy - Sustainable Transport - Green Buildings - Waste and Water Efficiency - Energy Management Systems - Non-energy GHG reductions
Project locations	Egypt
Existence of framework	Yes
Share of refinancing	50% maximum
Look back period	24 months

Issuer

Controversial Activities

The Issuer appears to not be involved in any of the 17 controversial activities screened under our methodology:

- ☐ Alcohol
- ☐ Animal welfare
- ☐ Cannabis
- ☐ Chemicals of concern
- ☐ Civilian firearms
- ☐ Fossil fuels industry
- ☐ Coal
- ☐ Gambling
- ☐ Genetic engineering
- ☐ High interest rate lending
- ☐ Human embryonic stem cells
- ☐ Military
- ☐ Nuclear power
- ☐ Pornography
- ☐ Reproductive medicine
- ☐ Unconventional oil and gas
- ☐ Tobacco

ESG Controversies

Number of controversies	None
Frequency	NA
Severity	NA
Responsiveness	NA

Coherence

Coherent
Partially coherent
Not coherent

We are of the opinion that the contemplated Bond Framework is coherent with CIB's strategic sustainability priorities and sector issues and that it contributes to achieving the Issuer's sustainability commitments.

Keys findings

V.E is of the opinion that CIB's Bond Framework is aligned with the four core components the GBP 2018 .

Use of Proceeds – aligned with GBP

- Eligible Categories are clearly defined. The Issuer has communicated the nature of the expenditures, the eligibility criteria and location of Eligible Assets.
- The intended Environmental Objectives are clearly defined and set in coherence with sustainability objectives defined in international standards.
- The expected Environmental Benefits are clear and precise, these are considered relevant, measurable, and will be quantified in the reporting. In addition, the Issuer will use IFC's CAFI® tool to estimate ex-ante the expected GHG emissions reductions of the Eligible Green Assets Portfolio[1].
- The Issuer has committed to limit the share of refinancing of all its issuances to 50%. The look back period for refinance Eligible Green Assets will be equal or less than 24 months from the issuance date, in line with good market practices.

Evaluation and Selection – aligned with GBP

- The Process for Project Evaluation and Selection has been clearly defined by the Issuer. It is considered structured. The roles and responsibilities are clear and include relevant internal and external expertise. The Process is publicly disclosed in the Framework and in the herewith SPO.
- The Eligibility Criteria for the selection and exclusion of assets have been clearly defined by the Issuer for all Eligible Green Assets.
- The process applied to identify and manage potentially material E&S risks associated with the projects is publicly disclosed in the herewith SPO and in the Framework. The process is considered robust: it combines monitoring, identification and corrective measures for all Eligible Green Assets (see detailed analysis on page 20).

Management of Proceeds – aligned with GBP

- The Process for the Management and Allocation of Proceeds is clearly defined, it is publicly available in the Framework and the herewith SPO.
- The allocation period will shorter or equal to 36 months.
- The net proceeds of the Bonds will be credited to a ledger sub-account, tracked by the Issuer in an appropriate manner and attested in a formal internal process.
- The information on the intended temporary placements for the balance of the unallocated proceeds is publicly disclosed.
- The Issuer has committed that asl long as the Bonds are outstanding, the balance of the tracked net proceeds will be periodically adjusted to match the allocations made to Eligible Green Assets during that period.
- The Issuer has provided information on the procedure that will be applied in case of Eligible Green Asset maturity/divestment/ineligibility and has committed to replace this asset with an eligible one in the Green Bond Asset Portfolio within 6 months.

[1] Total GHG savings for the initial USD20 million of the Green Asset Portfolio is estimated through the use of IFC's CAFI® tool at 12,708 ton of CO_2eq per year.

Reporting – aligned with GBP

- The Issuer has committed to report on the Use of Proceeds of each Bond annually and until bond maturity. The report and the external verifications will be publicly available until bond maturity.
- The reporting will cover relevant Information related to the allocation of Bond proceeds and the expected environmental benefits of the Eligible Green Assets.
- The reporting methodology and assumptions used to report on the environmental benefits of the Eligible Green Assets will be publicly available.
- An external auditor will verify the tracking and allocation of funds to Eligible Green Assets, as well as the Indicators used to report on the environmental benefits until bond maturity.

Contact

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SCOPE

V.E was commissioned to provide an independent opinion (thereafter "Second Party Opinion" or "SPO") on the sustainability credentials and management of the Green Bonds[2] ("Bonds") to be issued by Commercial International Bank Egypt ("CIB" or the "Issuer") in compliance with the Green Bond Framework (the "Framework") created to govern their issuance.

Our opinion is established according to V.E's Environmental, Social and Governance ("ESG") exclusive assessment methodology and to the latest version of the ICMA's Green Bond Principles ("GBP") - edited in June 2018 - voluntary guidelines.

Our opinion is built on the review of the following components:

- Framework: we assessed the Framework, including the coherence between the Framework and the Issuer's environmental commitments, the Bonds' potential contribution to sustainability and its alignment with the four core components of the GBP 2018.
- Issuer[3]: we assessed the Issuer's management of potential stakeholder related ESG controversies and its involvement in controversial activities[4].

Our sources of information are multichannel, combining data (i) gathered from public sources, press content providers and stakeholders, (ii) from V.E's exclusive ESG rating database, and (iii) information provided from the Issuer, through documents and interviews conducted with the Issuer's managers and stakeholders involved in the Bonds issuance, held via a telecommunications system.

We carried out our due diligence assessment from February 23 to April 22, 2021. We consider that we were provided with access to all the appropriate documents and interviewees we solicited. Reasonable efforts have been made to verify data accuracy.

Type of External Reviews supporting this Framework

☒	Pre-issuance Second Party Opinion	☒	Independent verification of impact reporting
☒	Independent verification of funds allocation	☐	Climate Bond Initiative Certification

[2] The "Green Bond" is to be considered as the bond to be potentially issued, subject to the discretion of the Issuer. The name "Green Bond" has been decided by the Issuer: it does not imply any opinion from V.E.

[3] CIB is part of V.E rating universe - the last ESG rating was performed in September 2020. In agreement with the Issuer, this Second Party Opinion does not include the 2020 assessment of the Issuer ESG performance.

[4] The 17 controversial activities screened by V.E are: Alcohol, Animal welfare, Cannabis, Chemicals of concern, Civilian firearms, Coal, Fossil Fuels industry, Unconventional oil and gas, Gambling, Genetic engineering, Human embryonic stem cells, High interest rate lending, Military, Nuclear Power, Pornography, Reproductive Medicine and Tobacco.

COHERENCE

Coherent	We are of the opinion that the contemplated Framework is coherent with CIB's strategic sustainability priorities and sector issues, and that it contributes to achieving the Issuer's sustainability commitments.
Partially coherent	
Not coherent	

The role of the banking sector is key for closing the financial gap to progress towards the transition to a low-carbon economy and climate change mitigation.

As the global economy's largest sector by market capitalisation, banks have great potential to support society's transition to a low carbon and sustainable economy. Their action is key in the promotion of effective solutions for the development of sustainable finance products and services, and the minimisation of the negative impact of their investments and activities on environment, people and society. The banking sector can effectively contribute to these challenges by integrating ESG factors in their financing operations and by mobilizing the resources needed to close the financial gap, estimated around USD 1.5 trillion per year, to meet the objective of the Paris Agreement to limit global temperature increase to below 2°C.

CIB appears to acknowledge its key role in providing solutions to support society's transition to a low carbon and sustainable economy and in minimizing the impact on climate change of its investments through the financing of projects in the fields of renewable energy, energy efficiency, waste management and green buildings.

Aligned with SDGs and Egypt Vision 2030, CIB has formalized its commitment to combating climate change by establishing a carbon emission reduction target of 10% compared with the bank's emissions in 2018. This covers seven areas of the bank's office operations: electricity, refrigerant leakage, water, paper usage, aerial transportation, ground transportation, and waste generation.

Moreover, CIB developed its first Carbon Footprint Report in 2018, its total carbon emissions associated with operations in Egypt totalled approximately 36,370 MtCO_2e in 2018.

In 2019, CIB became one of the 30 founding signatories to the United Nations Environment Program Financial Initiative (UNEP-FI's) Principles for Responsible Banking. That same year, CIB launched a green finance product, the CIB Green Credit Line, a loan provided by the Bank's funds at a preferential interest rate, in order to support corporate customers in achieving economic growth through environmentally targeted projects and practices (energy efficiency and renewable energy, and all projects that provide evidence of positive environmental impact).

In addition, CIB reports being the first organisation in Egypt and the first Bank in the Middle East to acquire the ISO - 141001 certification, as well as being the first institution in Egypt to introduce sustainability reporting in 2015, in compliance with the Global Reporting Initiatives' (GRI). The bank has also adopted an energy management system, according to ISO 50001.

ISSUANCE

The Issuer has described the main characteristics of the Bonds within a formalized Green Bond Framework which covers the four core components of the GBP 2018 (the last updated version was provided to V.E on April 22, 2021). The Issuer has committed to make this document publicly accessible on CIB's website, in line with good market practices.

Alignment with the Green Bond Principles

Use of Proceeds

Not Aligned	Partially Aligned	Aligned	Best Practices

The net proceeds of the Bonds will exclusively finance or refinance, in part or in full, projects and assets falling under eight Eligible Green Asset Categories ("Eligible Categories"), as indicated in Table 1.

- Eligible Categories are clearly defined. The Issuer has communicated the nature of the expenditures, the eligibility criteria and location of Eligible Assets.
- The intended Environmental Objectives are clearly defined and set in coherence with sustainability objectives defined in international standards.
- The expected Environmental Benefits are clear and precise, these are considered relevant, measurable, and will be quantified in the reporting. In addition, the Issuer will use IFC's CAFI® tool to estimate ex-ante the expected GHG emissions reductions of the Eligible Green Assets Portfolio[5].
- The Issuer has committed to limit the share of refinancing of all its issuances to 50%. The look back period for refinance Eligible Green Assets will be equal or less than 24 months from the issuance date, in line with good market practices.

BEST PRACTICES

⇒ Relevant environmental benefits are identified and measurable for all Eligible Categories.

⇒ The expected benefits of the Green Asset Portfolio to be financed have been and will be estimated ex ante using IFC's CAFI tool.

⇒ The Issuer has committed to limit the share of refinancing to 50%.

⇒ The look-back period for refinanced assets is equal or less than 24 months, in line with good market practices.

[5] Total GHG savings for the initial USD20 million of the Green Asset Portfolio is estimated through the use of IFC's CAFI® tool at 12,708 ton of CO_2eq per year.

Table 1. V.E' analysis of Eligible Categories, Sustainability Objectives and Expected Benefits as presented in the Issuer's Framework

- Nature of expenditures: Capex, but also OpEx/CapEx used to manufacture or supply energy-efficient technology equipment or appliances.
- Location of Eligible Green Assets: Egypt

ELIGIBLE CATEGORIES	ELIGIBLE SUB-CATEGORIES	DESCRIPTION	SUSTAINABILITY OBJECTIVES AND BENEFITS	V.E'S ANALYSIS
Energy Efficiency	Brownfield energy efficiency in industry	Industrial energy-efficiency improvements though the installation of more efficient equipment, changes in processes, reduction of heat losses and/or increased waste heat recovery. Minimum requirements for all Eligible Projects/Assets under this sub-category: - Reduce absolute energy consumption by at least 15%.	Energy efficiency improvement – Energy savings Climate change mitigation – Reduction of GHG	The definition of this category is clear. The Issuer has communicated the nature of the expenditures, the eligibility criteria and location of Eligible Assets. The identified areas for improvement are to: - Specify the type of industries in which the energy efficiency improvements will be implemented, in particular for waste heat recovery. This is important as a 15% improvement for a specific industry could be not enough to meet relevant energy efficiency for the sector. The intended Environmental Objectives are clearly defined and set in coherence with sustainability objectives defined in international standards. The expected Environmental Benefits are clear. These are considered relevant, measurable, and will be quantified in the reporting. In addition, the Issuer will use IFC's CAFI® tool to estimate ex-ante the expected GHG emissions reductions of the Eligible Green Assets Portfolio.
	Brownfield energy efficiency in commercial and residential sectors (buildings)	Energy-efficiency improvement in lighting, appliances and equipment, substitution of existing heating/cooling systems for buildings. Minimum requirements for all Eligible Projects/Assets under this sub-category: - Reduce absolute energy consumption by at least 15%.		
	Vehicle energy efficiency fleet retrofit	Existing vehicles and rail fleet retrofit or replacement (only electric).		
	Manufacturers and suppliers of equipment or products intended for EE projects	Financing of manufacturers and suppliers of equipment or products intended for EE projects. The eligible sub-project should be directly manufacturing or supplying energy-efficient technology equipment or appliance. Minimum requirement: - The EE equipment or products should either (i) be verified as energy-efficient based on a reasonable benchmark in the market of the technology or product being sold, or (ii) be directly supplied to EE projects (per definition of eligible EE equipment above).		

ELIGIBLE CATEGORIES	ELIGIBLE SUB-CATEGORIES	DESCRIPTION	SUSTAINABILITY OBJECTIVES AND BENEFITS	V.E'S ANALYSIS
Renewable Energy	Electricity Generation	Wind power, solar power, sustainable biomass, rehabilitation/ construction of biomass units for heat and/or electricity generation. Minimum requirements: - The feedstock for biomass/biofuels assets only includes rejected municipal solid waste, sludge and agriculture waste.	Climate change mitigation – Avoidance of GHG emissions	The definition of this category is clear. The Issuer has communicated the nature of the expenditures, the eligibility criteria and location of Eligible Assets. The identified areas for improvement are to: - Define a threshold for biomass/bioenergy/biofuels heat facilities to ensure GHG emissions are 80% lower the fossil fuel baseline and achieve an energy efficiency of at least 80%. - Specify in what type of industry/sector are heat recovery applications going to be implemented. The intended environmental objective is clearly defined and set in coherence with sustainability objectives defined in international standards. The expected environmental benefit is clear. It is considered relevant, measurable, and will be quantified in the reporting. In addition, the Issuer will use IFC's CAFI® tool to estimate ex-ante the expected GHG emissions reductions of the Eligible Green Assets Portfolio.
	Heat Production or other renewable energy application	Solar water heating and other thermal applications of solar power, heat recovery applications, wind-driven pumping systems, thermal applications of sustainably produced bioenergy, fabrication/distribution of biofuels from sustainable biomass, improved cook stoves for biofuels. Minimum requirements: - The feedstock for biomass/biofuels assets only includes rejected municipal solid waste, sludge and agriculture waste.		
	Manufacturers and suppliers of equipment or products intended for RE projects	Eligible sub-projects can also include the financing of manufacturers and suppliers of equipment or products intended for RE projects.		
Sustainable Transport	Urban transport modal change	Non-motorized transport (bicycles and pedestrian mobility).	Climate change mitigation – Avoidance and reduction of GHG emissions	The definition of this category clear. The Issuer has communicated the nature of the expenditures, the eligibility criteria and location of Eligible Assets. The intended environmental objective is clearly defined and set in coherence with sustainability objectives defined in international standards. The expected environmental benefit is clear. It is considered relevant, measurable, and will be quantified in the reporting. In addition, the Issuer will use IFC's CAFI® tool to estimate ex-ante the expected GHG emissions reductions of the Eligible Green Assets Portfolio.
	Transport oriented urban development	Integration of transport and urban development planning (dense development, multiple land-use, walking communities, electric transit connectivity, etc.), leading to a reduction in the use of passenger cars.		
	Inter-urban transport	Transport demand management measures to reduce GHG emissions (e.g., speed limits, high-occupancy vehicle lanes, congestion charging/road pricing, parking management, restriction or auctioning of license plates, car-free city areas).		

ELIGIBLE CATEGORIES	ELIGIBLE SUB-CATEGORIES	DESCRIPTION	SUSTAINABILITY OBJECTIVES AND BENEFITS	V.E'S ANALYSIS
Green Buildings	Greenfield energy efficiency in commercial and residential sectors (buildings)	Buildings that comply with green buildings standards as evidenced by IFC's Excellence in Design for Greater Efficiencies (EDGE) certificate, Local Green Buildings Certification system (if applicable), or Leadership in Energy and Environmental Design (LEED) certificate or Building Research Establishment Environmental Assessment Method (BREEAM) certificate. Minimum requirements: - EDGE - BREEAM (good or higher) - LEED certification (silver or higher)	<u>Promotion of green buildings</u> – Reduction of GHG emissions	The definition of this category is clear. The Issuer has communicated the nature of the expenditures, the eligibility criteria and location of Eligible Assets. Of note, EDGE requires that a building achieve a minimum projected reduction of 20% in energy and water use, and embodied energy in materials as benchmarked against a standard building.[6] The intended environmental objective is clearly defined and set in coherence with sustainability objectives defined in international standards. The expected environmental benefit is clear. It is considered relevant, measurable, and will be quantified in the reporting. In addition, the Issuer will use IFC's CAFI® tool to estimate ex-ante the expected GHG emissions reductions of the Eligible Green Assets Portfolio.
Waste and water efficiency	Water use efficiency	Optimised irrigation techniques, installation of water re-use/recycling system, rehabilitation of water distribution networks to reduce water leakages, diversification of water provision resources and installation of water production installation ensuring an efficient and sustainable use of water. Minimum requirement: - Decrease in water utilization from baseline by greater than or equal to 10%.	<u>Sustainable Water and Wastewater management</u> – Increase in the efficiency of water production and consumption Increase in the amount of water reused	The definition of this category clear. The Issuer has communicated the nature of the expenditures, the eligibility criteria and location of Eligible Assets. The intended environmental objective is clearly defined and set in coherence with sustainability objectives defined in international standards. The expected environmental benefit is clear. It is considered relevant, measurable, and will be quantified in the reporting. In addition, the Issuer will use IFC's CAFI® tool to estimate ex-ante the expected GHG emissions reductions of the Eligible Green Assets Portfolio.

[6] https://edge.gbci.org/#:~:text=Global%20standard.%20EDGE%20requires%20that%20a%20building%20achieve,in%20materials%20as%20benchmarked%20against%20a%20standard%20building.

ELIGIBLE CATEGORIES	ELIGIBLE SUB-CATEGORIES	DESCRIPTION	SUSTAINABILITY OBJECTIVES AND BENEFITS	V.E'S ANALYSIS
	Wastewater	Treatment of wastewater if not a compliance requirement (e.g. performance standard or safeguard) as part of a larger project that reduce methane emissions (only if net emission reductions can be demonstrated).	Climate change mitigation – Reduction of GHG emissions Pollution Prevention and Control – Prevention and reduction of water pollution	*(see analysis in previous page)*
	Recycling or reuse	Waste-recycling projects that recover or reuse materials and waste as inputs into new products or as a resource (only if net emission reductions can be demonstrated).	Pollution Prevention and Control – Waste recycling Prevention of pollution from uncollected waste	
Energy Management Systems (EnMS)	Energy Management Systems	Compliance with ISO 50001 or equivalent certification.	Climate change mitigation – Energy savings Reduction of GHG emissions	The definition of this category clear. The Issuer has communicated the nature of the expenditures, the eligibility criteria and location of Eligible Assets. The intended environmental objective is clearly defined and set in coherence with sustainability objectives defined in international standards. The expected environmental benefit is clear. It is considered relevant, measurable, and will be quantified in the reporting. In addition, the Issuer will use IFC's CAFI® tool to estimate ex-ante the expected GHG emissions reductions of the Eligible Green Assets Portfolio.

ELIGIBLE CATEGORIES	ELIGIBLE SUB-CATEGORIES	DESCRIPTION	SUSTAINABILITY OBJECTIVES AND BENEFITS	V.E'S ANALYSIS
Non-energy GHG reductions	Air conditioning and refrigeration	Retrofit of existing industrial, commercial and residential infrastructure to switch to cooling agent (ammonia) with lower global warming potential.	Energy Efficiency – Energy savings Climate change mitigation – Reduction of GHG emissions	The definition of this category clear. The Issuer has communicated the nature of the expenditures, the eligibility criteria and location of Eligible Assets. The intended environmental objective is clearly defined and set in coherence with sustainability objectives defined in international standards. The expected environmental benefit is clear. It is considered relevant, measurable, and will be quantified in the reporting. In addition, the Issuer will use IFC's CAFI® tool to estimate ex-ante the expected GHG emissions reductions of the Eligible Green Assets Portfolio.

SDG Contribution

The Eligible Categories are likely to contribute to six of the United Nations' Sustainable Development Goals ("SDGs"), namely:

ELIGIBLE CATEGORY	SDG	SDG TARGETS
Waste and water efficiency		6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally. 6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.
Renewable Energy		7.2 By 2030, increase substantially the share of renewable energy in the global energy mix.
Energy Efficiency Green Buildings		7.3 By 2030, double the global rate of improvement in energy efficiency.
Energy Efficiency Renewable Energy		7.b By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, in particular least developed countries, small island developing States, and land-locked developing countries, in accordance with their respective programmes of support
Energy Efficiency Green Buildings		9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities
All Eligible Categories		9.a Facilitate sustainable and resilient infrastructure development in developing countries through enhanced financial, technological and technical support to African countries, least developed countries, landlocked developing countries and small island developing States
Energy Efficiency Sustainable Transport		11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons.
Green Buildings		11.3. By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries.

ELIGIBLE CATEGORY	SDG	SDG TARGETS
Waste and water efficiency		11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.
Waste and water efficiency		12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.
Energy Efficiency Renewable Energy Sustainable Transport Green Buildings Energy Management Systems (EnMS) Non-energy GHG reductions		The Eligible Assets are likely to contribute to SDG 13 which consists in adopting urgent measures to combat climate change and its effects.

Evaluation and Selection of Eligible Projects

Not Aligned	Partially Aligned	**Aligned**	Best Practices

- The Process for Project Evaluation and Selection has been clearly defined by the Issuer. It is considered structured. The roles and responsibilities are clear and include relevant internal and external expertise. The Process is publicly disclosed in the Framework and in the herewith SPO.
- The Eligibility Criteria for the selection and exclusion of assets have been clearly defined by the Issuer for all Eligible Green Assets.
- The process applied to identify and manage potentially material E&S risks associated with the projects is publicly disclosed in the herewith SPO and in the Framework. The process is considered robust: it combines monitoring, identification and corrective measures for all Eligible Green Assets (see detailed analysis on page 20).

Process for Project Evaluation and Selection

- The process for Green Assets evaluation and selection is based on CIB's internal project prospection and origination processes accompanied by additional steps created to ensure the adequate selection of Eligible Green Assets to be financed by the Green Bonds:
  1. CIB business units, responsible for project origination, will identify potentially Eligible Green Assets in their pipelines based on the eligibility criteria defined in the Framework.
  2. The pre-selected Eligible Green Assets will be evaluated and validated by the Sustainable Finance division. The technical characteristics of each Eligible Green Asset will be analysed to assess their eligibility according to the selection and exclusion criteria in the Framework, their compliance with CIB's Environmental and Social Risk Management (ESRM) Policy, as well as their potential greenhouse gas emissions savings using IFC's Climate Assessment for Financial Institutions tool (CAFI)[7] – a web-based platform that helps banks assess the climate eligibility and measure the potential impact of the projects they intend to finance.
  3. CIB has created a Green Bond Task Force ("GBTF") for the governance of the Green Bonds. The GBTF is responsible for ensuring the compliance of pre-selected Eligible Green Assets with the Framework and validation of the Green Bond Portfolio to be financed by the Bonds Issued by CIB. The GBTF will be chaired by the Head of Sustainable Finance and composed of representatives of the Treasury department, the different business units and financial institutions.

- The traceability and verification of the selection and evaluation of the projects is ensured throughout the process:
  - The GBTF will monitor and review, annually and until bond maturity, the continued compliance of the Eligible Assets in the Green Bonds Asset Portfolio with the Framework. Eligible Green Assets that are identified as no longer eligible will be removed from the portfolio.

[7] https://www.ifc.org/wps/wcm/connect/Industry_EXT_Content/IFC_External_Corporate_Site/Financial+Institutions/Priorities/Climate_Finance_SA/CAFI_SA/

- The traceability of the decision-making process In ensured to meeting minutes and track records of the evaluation and selection process.
- The Issuer reports to screen for ESG controversies as part of the ESRM due diligence. An area for improvement is to monitor, at least annually, potential ESG controversies in the Green Bond Assets Portfolio until the bonds' maturity.

Eligibility Criteria

The process relies on explicit eligibility criteria (selection and exclusion), relevant to the environmental objectives defined for the Eligible Categories.

- The selection criteria are based on definitions provided for each Eligible Category listed in Table 1 in the Use of Proceeds section.
- CIB will be applying IFC Exclusion List[8]. In addition, the Issuer will be excluding:
    - Coal, oil and gas energy generation power plants
    - Industrial processes related to fossil fuels (e.g. coal/oil/gas mining/extraction, coal washing & processing, oil refinery, associated supply chain infrastructure).
    - Landfills
    - Enhanced oil recovery

We consider that the exclusion criteria are relevant, they cover the main issues related to environmental and social responsibility of the Eligible Assets, in line with good market practices.

BEST PRACTICES

⇒ The Issuer reports that it will monitor compliance of selected assets with the eligibility criteria specified in the Framework throughout the life of the instrument and has provided details on content, frequency, duration and on procedure adopted in case of non-compliance.

[8] IFC Exclusion List

Management of Proceeds

Not Aligned	Partially Aligned	Aligned	Best Practices

- The Process for the Management and Allocation of Proceeds is clearly defined, it is publicly available in the Framework and the herewith SPO.
- The allocation period will shorter or equal to 36 months.
- The net proceeds of the Bonds will be credited to a ledger sub-account, tracked by the Issuer in an appropriate manner and attested in a formal internal process.
- The information on the intended temporary placements for the balance of the unallocated proceeds is publicly disclosed.
- The Issuer has committed that asl long as the Bonds are outstanding, the balance of the tracked net proceeds will be periodically adjusted to match the allocations made to Eligible Green Assets during that period.
- The Issuer has provided information on the procedure that will be applied in case of Eligible Green Asset maturity/divestment/ineligibility and has committed to replace this asset with and eligible one in the Green Bond Asset Portfolio within 6 months.

Management Process

- The net proceeds of the Bonds will be held under a ledger sub-account, tagged within CIB's accounting and credit management system. The GBFT will be responsible for the tracking and periodically matching the Green Bond Asset Portfolio with the total aggregate amount issued in CIB Green Bonds. The size and maturity of the Portfolio will be monitored quarterly.
- The unallocated proceeds would be held in the form of sub-loans to SMEs or placed in interbank placements, with no investment in government related securities.
- The GBTF will meet quarterly to ensure that the Green Bonds Asset Portfolio is equal or greater than the total amount issued in Green Bonds. The Portfolio will be managed in a dynamic basis, meaning that in case of asset postponement, cancelation, divestment, ineligibility or maturity, the Issuer has committed to replace the no longer Eligible Asset with a new Eligible Asset in the Portfolio within 6 months.

BEST PRACTICES

⇒ The Issuer has provided information on the procedure that will be applied in case of asset maturity/divestment/ineligibility and it has committed to replace in the Portfolio the no longer compliant asset with an asset complying with the Framework within 6 months.

Monitoring & Reporting

Not Aligned	Partially Aligned	Aligned	Best Practices

- The Issuer has committed to report on the Use of Proceeds of each Bond annually and until bond maturity. The report and the external verifications will be publicly available until bond maturity.
- The reporting will cover relevant Information related to the allocation of Bond proceeds and the expected environmental benefits of the Eligible Green Assets.
- The reporting methodology and assumptions used to report on the environmental benefits of the Eligible Green Assets will be publicly available.
- An external auditor will verify the tracking and allocation of funds to Eligible Green Assets, as well as the Indicators used to report on the environmental benefits until bond maturity.

Indicators

The Issuer has committed to transparently communicate Bond by Bond at Eligible Category level, on:

- Allocation of proceeds: The indicators selected by the Issuer to report on the allocation of proceeds are relevant and exhaustive.

REPORTING INDICATORS
⇒ The total amount of proceeds allocated to Eligible Loans/Assets ⇒ The number of Eligible Loans/Assets ⇒ The balance of unallocated proceeds and types of temporary placements ⇒ The share financing vs refinancing (%)

Of note, the share of co-financing is not relevant as CIB reports that there will be no co-financing.

- Environmental benefits: The indicators selected by the Issuer to report on the environmental benefits are clear, relevant and exhaustive. The impact of all financed Eligible Green Assets is tracked using the CAFI tool, which has predefined relevant indicators according to the type of project/asset. Below is a list of example indicators that are used by the CAFI tool.

ELIGIBLE CATEGORIES	ENVIRONMENTAL BENEFITS INDICATORS	
	OUTPUTS AND OUTCOMES	IMPACT INDICATORS
Energy Efficiency	Estimated annual energy production (MWh)	Energy savings (MWh or %) GHG emissions reduced (tCO_2e)
Renewable Energy	Installed Capacity (MW) Annual energy produce (MWh)	GHG emissions avoided (tCO_2e)

ELIGIBLE CATEGORIES	ENVIRONMENTAL BENEFITS INDICATORS	
	OUTPUTS AND OUTCOMES	IMPACT INDICATORS
Sustainable Transport	Number of vehicles financed Length of railways built	GHG emissions reduced or avoided (tCO_2e)
Green Buildings	Level of certification obtained	GHG emissions reduced or avoided (tCO_2e)
Waste and water efficiency	Annual absolute (gross) water use before and after the project in m3 per year Annual absolute (gross) amount of wastewater treated, reused or avoided before and after the project in m^3 per year or as percentage Waste that is recycled before and after the project from total waste and/ or in absolute amount in tons per year	GHG emissions reduced (tCO_2e) Reduction in water use (%)

IFC's CAFI tool methodology and assumptions used to report on the environmental benefits of the Eligible Green Assets is based on publicly available GHG accounting standards/approaches[9].

BEST PRACTICES
⇒ The Issuer will report on the Use of Proceeds until bond maturity. ⇒ The report and its verification will be publicly available until bond maturity . ⇒ The issuer will report on allocation of proceeds and on environmental benefits bond by bond and at asset level. ⇒ The indicators selected by the Issuer are exhaustive with regards to allocation reporting. ⇒ The indicators selected by the Issuer are clear and relevant and cover all expected benefits associated with the Eligible Categories. ⇒ The reporting methodology and assumptions used to report on environmental benefits of the Eligible Green Assets will be disclosed publicly. ⇒ Environmental benefits and impacts will be externally verified until bond maturity.

[9] https://unfccc.int/climate-action/sectoral-engagement/ifis-harmonization-of-standards-for-ghg-accounting/ifi-twg-list-of-methodologies

Contribution to sustainability

Expected Impacts

The potential positive Impact of the eligible projects on environmental and social objectives is considered to be robust[10].

ELIGIBLE CATEGORY	EXPECTED IMPACT	ANALYSIS
Energy Efficiency	ROBUST	According to Egypt's Central Agency for Public Mobilization and Statistics (CAPMAS) the transport, industrial and building sectors were the major contributors to GHG emission in Egypt (19%, 15% and 8% respectively) in 2016/2017. Energy efficiency measures in the industry and buildings sectors are key lead to lower demand of energy services and to decarbonise the Egypt's economy. In addition, with approximately 10 million vehicles in Egypt, Electric Vehicles (EVs) are seen as the most appropriate shift from both market and governance outlook[11]. The Issuer has excluded coal, oil and gas energy generation as well as industrial processes related to fossil fuels (e.g. coal/oil/gas mining/extraction, coal washing & processing, oil refinery, associated supply chain infrastructure). Although, the Issuer has not specified the type of industries in which the energy efficiency improvements will be implemented. This is important as a 15% improvement for a specific industry could be not enough to meet relevant energy efficiency in the sector. As a response to this, the Issuer has reported that Eligible Green Assets under this category will be analysed by the bank using IFC CAFI tool to estimate the expected net positive impacts of the assets, including GHG emissions reductions, to demonstrate the potential net contribution of projects to climate change mitigation taking into account Egyptian context before including them to the Green Asset Portfolio.
Renewable Energy	ROBUST	According to Egypt's Central Agency for Public Mobilization and Statistics (CAPMAS) the biggest source of GHG emissions in Egypt is the electricity sector accounting for 43.3% or the nation's total CO_2 emissions during 2016/2017. During the fiscal year 2017-2018, the energy mix for electricity supply in Egypt (was 75% gas, 17% oil, 7% hydro & 1% renewables. Therefore, the expansion of renewable energy represents a key action to respond to Egypt's environmental challenges. The category should entail positive impact at national and global level. Although, no relevant thresholds have been provided for some of the type of projects included under this category, such as biomass.
Sustainable Transport	ADVANCED	According to Egypt's Central Agency for Public Mobilization and Statistics (CAPMAS) of the transport sector accounted for 19% of Egypt's GHG emission in Egypt in 2016/2017. Customer-oriented efforts can be very effective in decreasing the total pollution and GHG emissions from the transport sector. The projects included under this category include efforts to shaping consumer culture towards buying cars that consume less gasoline and promoting public passenger and non-motorized transports. The category should entail positive impact at national and global level.

[10] V.E's Assessment Scale: Advance, Robust, Limited, and Weak. Please see Methodology section for more details.

[11] Abdallah, Lamiaa. (2020). Egypt's nationally determined contributions to Paris agreement: review and recommendations. International Journal of Industry and Sustainable Development. 1. 49-59. 10.21608/ijisd.2020.73503.

ELIGIBLE CATEGORY	EXPECTED IMPACT	ANALYSIS
Green Buildings	ROBUST	According to the Central Agency for Public Mobilization and Statistics (CAPMAS) of Egypt building sectors was one of the major contributors to GHG emission in Egypt (8%) in 2016/2017. Green buildings have the potential to lead to lower demand of energy services and to actively contribute to decarbonise the Egypt's economy. The category should entail positive impact at national and global level. Although, it is unclear what would be the level of green building certification and/or energy savings (%) that the building will be aiming for.
Waste and water efficiency	ROBUST	Wastewater infrastructure and a reduction of water consumption are key environmental issues for Egypt. Relevant thresholds have been defined for the reduction of water use. We have no precise information on alignment with recognised national/international benchmarks/standards for wastewater/ effluent quality at discharge and treatment efficiency. Waste collection and recycling also constitute a key environmental issue for Egypt, with only 2% of the country's waste managed in modern sanitary landfills. Waste collection, recycling and composting can have important positive effects on local stakeholders. Landfills are excluded. We have no information on collection standards and technologies for recycling and composting. The Issuer reports that projects will only be eligible if the net emissions reduction can be demonstrated.
Energy Management Systems (EnMS)	ADVANCED	ISO 50001 Energy Management System (EnMS) Standard is a recognised international standards that specifies the requirements for establishing, implementing, maintaining and improving an energy management system, to enable an organization to follow a systematic approach in achieving continual improvement of energy performance, including energy efficiency, energy security, energy use and consumption. The implementation of by companies is considered the best practices for energy management.
Non-energy GHG reductions	ROBUST	According to Egypt's Central Agency for Public Mobilization and Statistics (CAPMAS) the, industrial sector was one of the major contributors to GHG emission in Egypt (15%) in 2016/2017. Energy efficiency measures in the industry sector are key lead to lower demand of energy services and to decarbonise the Egypt's economy. The projects included under this category are retrofit of existing industrial, commercial and residential infrastructure to switch to cooling agent (ammonia) with lower global warming potential. Ammonia is one of the most efficient applications. However, we cannot ignore the climate change impacts from energy consumption of these whole cooling systems. The eligible expenditures are related to retrofitting of existing system, which means they will continue relying on the same energy sources. More than 90% of the Egyptian generated electricity comes from oil and natural gas. In addition, recent developments of NH_3 and CO_2 combination contributed to increase the efficiency further. If not well managed, ammonia could have health and safety dangers (toxicity, flammability and material compatibility).

OVERALL ASSESSMENT	ROBUST

ESG Risks Identification and Management systems in place at project level

The identification and management of the environmental and social risks associated with the Eligible Projects are considered robust[12].

Integration of Environmental and Social factors in project selection and evaluation

CIB has a formalised Environmental and Social (E&S) risk management system since 2016. The bank E&S Policy and Procedures are reported to comply with the International Finance Corporation's (IFC) Performance Standards, the European Bank for Reconstruction and Development's (EBRD) E&S guidelines and also national laws and regulations. In addition, CIB has a Security Risk Management system that meets the international standards and ensure efficiency of the system operations to manage Social and Environmental risks in the overall project cycle.

Legal loan agreements integrate social and environmental compliance clauses and requirements to prevent potential social and environmental liabilities. All clients must agree to comply with all relevant IFC Performance Standards, as well as with national social and environmental laws, regulations and permits in all material respects in the financing documentation. If a gap is detected during the due diligence, an action plan is agreed upon with the client, reflected in the legal agreement.

CIB verifies that ESG obligations/clauses are respected by carrying out a Social and Environmental Credit Procedure that includes: a checklist of documents (such as regulatory clearances) to be reviewed, questions to ask the client during a site visit, and aspects to look at during the site visit such as housekeeping, visible contamination, etc. For High risk transactions, where more detailed investigations are needed, CIB is committed to conduct environmental and social due diligence early in the transaction appraisal process.

The client must provide all requested information prior to the bank's decision to approve the transaction. The Issuer reports that the compliance with social and environmental factors is considered as a key in the credit decision.

Environmental risks inherent in the financed projects

All projects have to undergo an Environmental Impact Assessment and implement appropriate measures to limit, mitigate or compensate negative impacts according to national standards, EIA national guidelines and procedures and CIB ESMS credit guideline. Environmental & Social assessments are conducted according to national standards and EBRD, EP & IFC performance standards. During the due diligence phase, the client must be able to demonstrate compliance with the applicable environmental requirements. When the compliance cannot be demonstrated, a Corrective Action Plan, included in the legal documentation, must be agreed upon with the client in order for the credit to proceed.

The Issuer indicated that:

- All clients under high risk category should be in compliance with IFC Performance Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources, which is part of CIB's environmental and social due diligence (ESDD) monitoring and reporting process under the Environmental and Social Risk Management System.
- All clients under project finance should follow IFC Performance Standard 1: Assessment and Management of Environmental and Social Risks and Impacts, which is part of CIB's ESDD process.

CIB ensures that its clients provide Environmental Permit documents and a Social & Environmental undertaking letter as part of the Environmental and Social Due Diligence, the permit entails disclosures on water- waste and waste management. It must specify all actions required to bring an investment into compliance, with a target completion date for each specified action.

[12] The "X" indicates the E&S risks that have been activated for each Eligible Category.

In addition, CIB is currently implementing a Life Cycle Assessment (LCA) on its credit cards to promote the concept and act as a role model for its clients.

Social and Governance risks

Egypt ratified the ILO fundamental conventions regarding freedom of association, forced labour, discrimination and child labour. To be noted that, according to the International Trade Union Confederation (ITUC), Egypt was one of the world's ten worst countries for workers recurrently in 2015, 2017, 2018 and 2020 due to severe obstacles to union representation and arrests of workers representatives during strikes.

The Issuer has integrated social compliance and requirements into the legal loan agreements. All clients must agree in the financing documentation to comply with all relevant host country social laws, regulations and permits required by any governmental, administrative or other authority to authorize the Company to carry out company activities are valid and legally obtained (ex. environmental and social approvals).

The Bank indicated that all clients under corporate, project finance, and high-risk category should be compliance with IFC Performance Standard 2: Labour and Working Conditions and it is part of ESDD process. In this regard, CIB works on ensuring that its clients have Human Recourses Policy/Manual and or Guideline.

The Issuer has an Anti-Fraud Policy which is implemented on all staff members and complies with the FATF recommendations, Wolfsburg AML principles for Private Banking Clients & Correspondent Banks, and Basel Committee requirements. The Bank has set up reporting systems to prevent business ethics risks that include : audit and Compliance reviews to measure the adequacy of applied Anti Money Laundering policies and procedures, a Whistle Blowing System that concerns also violations of business ethics and an approval procedures for gifts, etc. by an independent department.

The Issuer reported the bank conducts the business ethics due diligences on all its clients according to the bank's due diligences and monitoring and controlling measures to prevent business ethics violations. An area for improvement is to specify the monitoring and controlling measures on this topic.

ISSUER

Management of ESG Controversies

As of today, the review conducted by V.E did not reveal any ESG controversy against CIB over the last four years.

Involvement in Controversial Activities

The Issuer appears to be not involved in any of the 17 controversial activities // any of the other controversial activities screened under our methodology, namely: Alcohol, Animal welfare, Cannabis, Chemicals of concern, Civilian firearms, Coal, Fossil Fuels industry, Unconventional oil and gas, Gambling, Genetic engineering, Human embryonic stem cells, High interest rate lending, Military, Nuclear Power, Pornography, Reproductive Medicine and Tobacco.

The controversial activities research provides screening of companies to identify involvement in business activities that are subject to philosophical or moral beliefs. The information does not suggest any approval or disapproval on their content from V.E.

METHODOLOGY

In V.E's view, Environmental, Social and Governance (ESG) factors are intertwined and complementary. As such they cannot be separated in the assessment of ESG management in any organisation, activity or transaction. In this sense, V.E provides an opinion on the Issuer's ESG performance as an organisation, and on the processes and commitments applicable to the intended issuance.

Our Second Party Opinions (SPOs) are subject to internal quality control at three levels (Analyst, Project Manager and Quality Reviewer). If necessary, this process is complemented by a final review and validation by the Expertise Committee and Supervisor. A right of complaint and recourse is guaranteed to all companies under our review, following three levels: first, the team in contact with the company; then the Executive Director in charge of Methods, Innovation & Quality; and finally, V.E's Scientific Council. All employees are signatories of V.E's Code of Conduct, and all consultants have also signed its add-on covering financial rules of confidentiality.

COHERENCE

Scale of assessment: not coherent, partially coherent, coherent

This section analyses whether the activity to be financed through the selected instrument is coherent with the Issuer's sustainability priorities and strategy, and whether it responds to the main sustainability issues of the sector where the Issuer operates.

ISSUANCE

Alignment with the Green and/or Social Bond Principles

Scale of assessment: Not aligned, Partially aligned, Aligned, Best Practices

The Framework has been evaluated by V.E according to the ICMA's Green Bond Principles - June 2018 ("GBP") and on our methodology based on international standards and sector guidelines applicable in terms of ESG management and assessment.

Use of proceeds

The definition of the Eligible Projects and their sustainable objectives and benefits are a core element of Green/Social/Sustainable Bonds and Loans standards. V.E evaluates the clarity of the definition of the Eligible Categories, as well as the definition and the relevance of the primary sustainability objectives. We evaluate the descriptions of the expected benefits in terms of relevance, measurability and quantification. In addition, we map the potential contribution of Eligible Projects to the United Nations Sustainable Development Goals' targets.

Process for evaluation and selection

The evaluation and selection process is assessed by V.E on its transparency, governance and relevance. The eligibility criteria are assessed on their clarity, relevance and coverage vs. the intended objectives of the Eligible Projects.

Management of proceeds

The process and rules for the management and the allocation of proceeds are assessed by V.E on their transparency, traceability and verification.

Reporting

The monitoring and reporting process and commitments defined by the Issuer are assessed by V.E on their transparency, exhaustiveness and relevance, covering the reporting of both proceeds' allocation and sustainable benefits (output, impact indicators).

Contribution to sustainability

Scale of assessment: Weak, Limited, Robust, Advanced

V.E's assessment of activities' contribution to sustainability encompasses both the evaluation of their expected positive impacts on environmental and/or social objectives, as well the management of the associated potential negative impacts and externalities.

Expected positive impact of the activities on environmental and/or social objectives

The expected positive impact of activities on environmental and/or social objectives to be financed by the Issuer or Borrower is assessed on the basis of:

i) the relevance of the activity to respond to an important environmental objective for the sector of the activity; or to respond to an important social need at country level;[13]

ii) the scope of the impact: the extent to which the expected impacts are reaching relevant stakeholders (i.e. the issuer, its value chain, local and global stakeholders); or targeting those populations most in need;

iii) the magnitude and durability of the potential impact of the proposed activity on the environmental and/or social objectives (capacity to not just reduce, but to prevent/avoid negative impact; or to provide a structural/long-term improvement);

iv) only for environmental objectives, the extent to which the activity is adopting the best available option.

Activities' ESG risk management

The identification and management of the potential ESG risks associated with the eligible projects/activities are analysed on the basis of V.E's ESG assessment methodology, international standards and sector guidelines applicable in terms of ESG management and assessment.

ISSUER

Issuer's ESG performance

Scale of assessment of ESG performance: Weak, Limited, Robust, Advanced

NB: The Issuer's level of ESG performance (i.e. commitments, processes, results of the Issuer related to ESG issues), has been assessed through a complete process of rating and benchmarking developed by V.E.

The Issuers ESG performance has been assessed by V.E on the basis of its:

- Leadership: relevance of the commitments (content, visibility and ownership).
- Implementation: coherence of the implementation (process, means, control/reporting).
- Results: indicators, stakeholders' feedbacks and controversies.

Management of stakeholder related ESG controversies

A controversy is an information, a flow of information, or a contradictory opinion that is public, documented and traceable, allegation against an Issuer on corporate responsibility issues. Such allegations can relate to tangible facts, be an interpretation of these facts, or constitute an allegation based on unproven facts.

V.E reviewed information provided by the Issuer, press content providers and stakeholders (partnership with Factiva Dow Jones: access to the content of 28,500 publications worldwide from reference financial newspapers to sector-focused magazines, local publications or Non-Government Organizations). Information gathered from these sources is considered as long as it is public, documented and traceable.

V.E provides an opinion on companies' controversies risks mitigation based on the analysis of 3 factors:

[13] The importance of a specific social need at country level is assessed on the basis of the country performance on the priority SDG that the project is targeting using data from Sachs, J., Schmidt-Traub, G., Kroll, C., Lafortune, G., Fuller, G., Woelm, F. 2020. The Sustainable Development Goals and COVID-19. Sustainable Development Report 2020. Cambridge: Cambridge University Press.

- Frequency: reflects for each ESG challenge the number of controversies that the Issuer has faced. At corporate level, this factor reflects on the overall number of controversies that the Issuer has faced and the scope of ESG issues impacted (scale: Isolated, Occasional, Frequent, Persistent).
- Severity: the more a controversy is related to stakeholders' fundamental interests, proves actual corporate responsibility in its occurrence, and have caused adverse impacts for stakeholders and the company, the higher its severity is. Severity assigned at the corporate level will reflect the highest severity of all cases faced by the company (scale: Minor, Significant, High, Critical).
- Responsiveness: ability demonstrated by an Issuer to dialogue with its stakeholders in a risk management perspective and based on explanatory, preventative, remediating or corrective measures. At corporate level, this factor will reflect the overall responsiveness of the company for all cases faced (scale: Proactive, Remediate, Reactive, Non- Communicative).

The impact of a controversy on a company's reputation reduces with time, depending on the severity of the event and the company's responsiveness to this event. Conventionally, V.E's controversy database covers any controversy with Minor or Significant severity during 24 months after the last event registered and during 48 months for High and Critical controversies.

Involvement in controversial activities

17 controversial activities have been analysed following 30 parameters to screen the company's involvement in any of them. The company's level of involvement (Major, Minor, No) in a controversial activity is based on:

- An estimation of the revenues derived from controversial products or services.
- The specific nature of the controversial products or services provided by the company.

V.E'S ASSESSMENT SCALES

Scale of assessment of Issuer's ESG performance or strategy and financial instrument's Contribution to sustainability	
Advanced	Advanced commitment; strong evidence of command over the issues dedicated to achieving the sustainability objective. An advanced expected impact combined with an advanced to robust level of E&S risk management & using innovative methods to anticipate new risks.
Robust	Convincing commitment; significant and consistent evidence of command over the issues. A robust expected impact combined with an advance to robust level of assurance of E&S risk management or an advanced expected impact combined with a limited level of assurance of E&S risk management.
Limited	Commitment to the objective of sustainability has been initiated or partially achieved; fragmentary evidence of command over the issues. A limited expected impact combined with an advanced to limited level of assurance of E&S risk management; or a robust expected impact combined with a limited to weak level of assurance of E&S risk management; or an advanced expected impact combined with a weak level of assurance of E&S risk management.
Weak	Commitment to social/environmental responsibility is non-tangible; no evidence of command over the issues. A weak expected impact combined with an advanced to weak level of assurance of E&S risk management or a limited expected impact with a weak level of assurance of E&S risk management.

Scale of assessment of financial instrument's alignment with Green and/or Social Bond and Loan Principles	
Best Practices	The Instrument's practices go beyond the core practices of the ICMA's Green and/or Social Bond Principles and/or of the Loan Market Association's Green Loan Principles by adopting recommended and best practices.
Aligned	The Instrument has adopted all the core practices of the ICMA's Green and/or Social Bond Principles and/or of the Loan Market Association's Green Loan Principles.
Partially Aligned	The Instrument has adopted a majority of the core practices of the ICMA's Green and/or Social Bond Principles and/or of the Loan Market Association's Green Loan Principles, but not all of them.
Not Aligned	The Instrument has adopted only a minority of the core practices of the ICMA's Green and/or Social Bond Principles and/or of the Loan Market Association's Green Loan Principles.

DISCLAIMER

Transparency on the relation between V.E and the Issuer/Borrower: V.E has not carried out any audit mission or consultancy activity for CIB. No established relation (financial or commercial) exists between V.E and the Issuer. V.E's conflict of interest policy is covered by its Code of Conduct, which can be found at http://vigeo-eiris.com/wp-content/uploads/2018/07/Code-of-Conduct-Vigeo-Eiris-EN.pdf.

This opinion aims at providing an independent opinion on the sustainability credentials and management of the Bond, based on the information which has been made available to V.E. V.E has neither interviewed stakeholders out of the Issuer/Borrower's employees, nor performed an on-site audit nor other test to check the accuracy of the information provided by the Issuer/Borrower. The accuracy, comprehensiveness and trustworthiness of the information collected are a responsibility of the Issuer/Borrower. The Issuer/Borrower is fully responsible for attesting the compliance with its commitments defined in its policies, for their implementation and their monitoring. The opinion delivered by V.E neither focuses on the financial performance of the Bond, nor on the effective allocation of its proceeds. V.E is not liable for the induced consequences when third parties use this opinion either to make investments decisions or to make any kind of business transaction.

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