

Annual Environmental & Social Report 2019



The climate agenda today is one of the components of the concept of sustainable development, or ESG (Environmental, Social, Governance – the impact of companies on the environment, their social responsibility, and the quality of corporate governance).

Taking into account the business transformation strategy, Center-invest Bank (hereinafter “Bank”) recognizes that climate change issues need to be considered together with issues of sustainable development, responsible business conduct and responsible investment.

Environmental responsibility is a key priority for Center-invest Bank, on a par with traditional banking products and services.

Center-invest Bank strives to protect the environment, including through the efficient consumption of resources (electricity, paper, fuel, etc), makes great efforts to develop remote services, and also supports environmental activities with its participation.

The Bank has had an energy efficiency finance programme since 2005 and contributes to environmental protection in Russia by providing business and retail customers with loans to finance the introduction of modern energy saving technologies and measures. To date, we have invested over RUB17.4bn in 21,000 customer projects.

The Bank strives to continuously assess the impacts and consequences of environmental, social and project risks*. Despite the complexity of the climate agenda and the need to adapt both the Bank's and its clients' activities to climate change, public attraction to potential risks helps to raise awareness of society and identify new opportunities for managing such risks.

The world is witnessing more frequent natural disasters due to climate change. This cannot but affect the way people live, their migration, their employment and as a result of the disruption of established social processes, affects health and demographics.

The adoption of the Paris climate Agreement in 2015 was an important evidence of humanity's awareness of the need to take effective measures to prevent global climate change.

The Paris Agreement aims to keep temperature growth at between 1.5 and 2 degrees Celsius compared to the pre-industrial period. To achieve this goal, a drastic reduction in greenhouse gas emissions will be required in the coming decades.

On September 21, 2019, the Russian Federation joined the Paris climate Agreement, confirming its commitments to halve global emissions by 2050 compared to the level of 1990, and reduce them to zero by the end of the 21st century.

2019 is an important milestone in the Bank's environmental development with its first issue of “green” Bank bonds in Russia (hereinafter “Green bonds”).

* Project risk - is the cumulative risk index of the project defined in the preliminary environmental and social assessment, taking into account the following key elements: environmental and social impact of the implementation of the financed project, as well as the ability and willingness of the Client to overcome these effects.

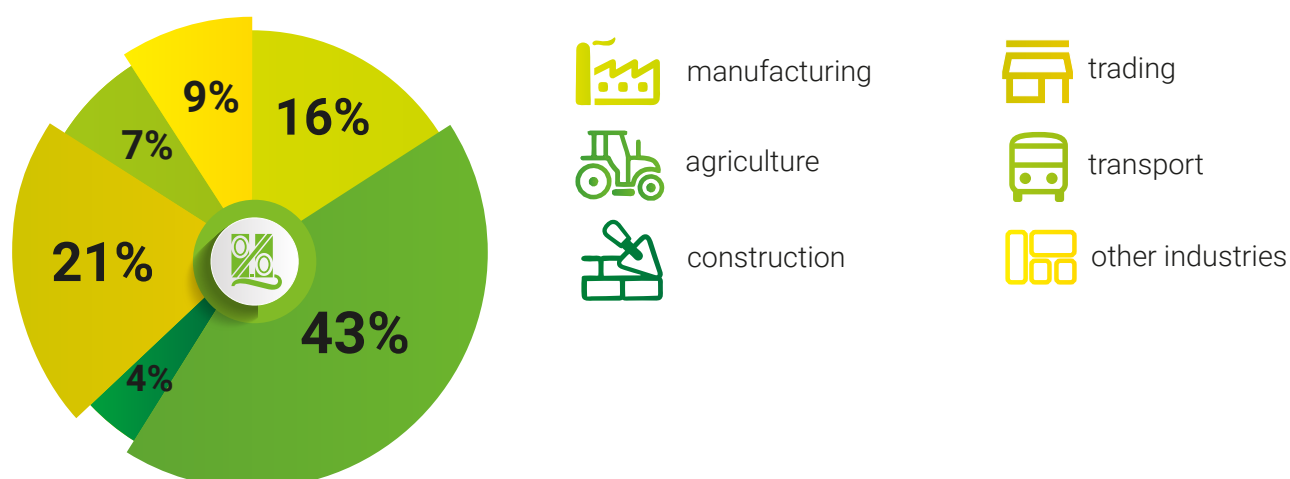
1. Structure of the Loan portfolio of legal entities by industry and classification of environmental risks as of January 1, 2020:

1.1. Structure of Loan portfolio of legal entities by operation types, industry and project risk levels:

Industry	Amount of financing (million rubles)	Total share in industry	Project risk level	Amount of financing (million rubles)	Replenishment of working capital	Investment loans	Total share in industry
manufacturing	5 752, 95	15,5%	low	621, 07	1,5%	0,2%	1,7%
			medium	5 131, 89	9,0%	4,8%	13,8%
			high	0	0,0%	0,0%	0,0%
agriculture	16 040, 61	43,2%	low	3 714, 03	6,1%	4,0%	10,0%
			medium	11 773, 22	17,6%	14,1%	31,7%
			high	553, 36	1,5%	0,0%	1,5%
construction	1 493, 03	4,0%	low	264, 69	0,5%	0,2%	0,7%
			medium	1 228, 34	2,2%	1,1%	3,3%
			high	0	0,0%	0,0%	0,0%
trading	7 936, 44	21,4%	low	2 836, 49	6,3%	1,4%	7,6%
			medium	5 099, 96	11,0%	2,8%	13,7%
			high	0	0,0%	0,0%	0,0%
transport	2 645, 73	7,1%	low	346, 99	0,3%	0,6%	0,9%
			medium	1 798, 74	0,3%	4,5%	4,8%
			high	500, 00	0,0%	1,3%	1,3%
other industries	3 256, 15	8,8%	low	972, 58	1,3%	1,4%	2,6%
			medium	2 283, 57	1,7%	4,5%	6,2%
			high	0	0,0%	0,0%	0,0%
Total		100,0%		37 124, 92	59,2%	40,8%	100,0%

The Bank finances projects to introduce energy efficient technologies in agriculture, trading, manufacturing, transport, construction, the service sector, the public sector, utilities, and the private residential sector.

Distribution of the loan portfolio by sector

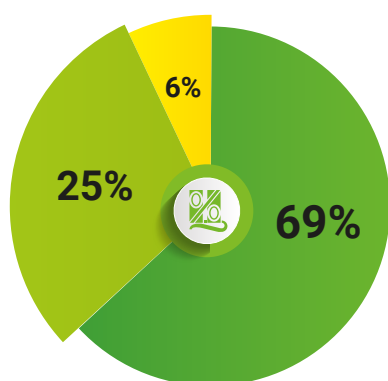


1.2. Loan portfolio structure by environmental, social and project risk levels:

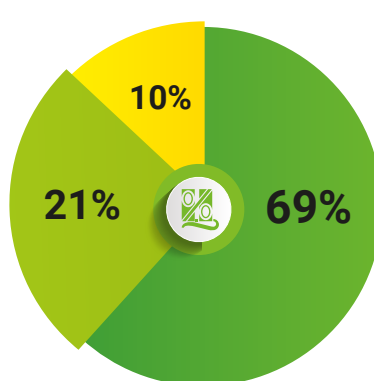
Risk level	Environmental risk, amount of financing (million rubles)	Share	Social risk, amount of financing (million rubles)	Share	Project risk, amount of financing (million rubles)	Share
low	25 659, 05	69,1%	25 455, 75	68,6%	8 755, 85	23,6%
medium	9 193, 63	24,8%	7 772, 30	20,9%	27 315, 71	73,6%
high	2 272, 23	6,1%	3 896, 87	10,5%	1 053, 36	2,8%

Loan portfolio analysis by level of:

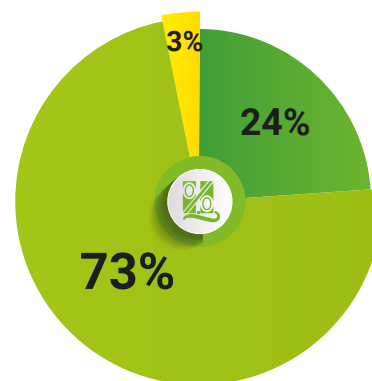
environmental risk



social risk



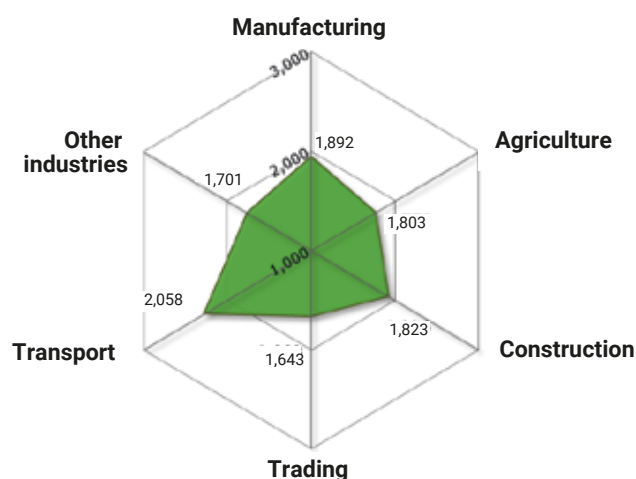
project risk



● low ● medium ● high

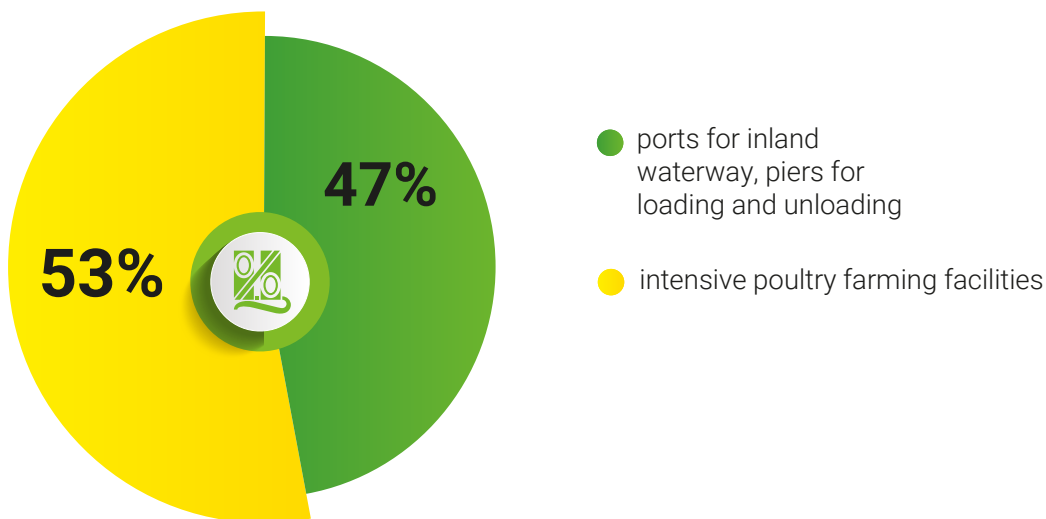
Environmental risk level	Social risk level	Amount of financing (million rubles)	Share
low	low	23 082, 05	62,17%
low	medium	2 015, 76	5,43%
low	high	561, 24	1,51%
medium	low	2 345, 29	6,32%
medium	medium	5 573, 62	15,01%
medium	high	1 274, 72	3,43%
high	low	28, 40	0,08%
high	medium	182, 92	0,49%
high	high	2 060, 91	5,55%

Weighted risk level by industries (1-low, 2-medium, 3 -high)



The following diagram presents groups of high project risk customers by industries.

High risk projects analysis by sector



2. Criteria for environmental and social assessment of projects:

Center-invest Bank recognises that environmental and social sustainability is a fundamental aspect of achieving outcomes consistent with its mission: "Sustainable Bank for southern Russia!"

Environmentally friendly projects that foster environmental and social sustainability are within the highest priorities of the Bank's lending activities. Therefore, "Environmental and Social Policy" was agreed with the key shareholders and partners of the Bank and approved by the Board of Directors on 06.09.2010 (with amendments issued on 01.02.2011, 11.09.2012, 23.04.2014, with the approval of the Green Bond Framework in November 2019 (hereinafter "GBF")).

The Environmental and Social policy of Center-invest Bank (hereinafter "Policy") is an essential element of the process of decision-making in the Bank related to financing and approval of projects and project implementation monitoring.

The key aim of the Policy is to describe the commitments and procedures supporting the generally recognized principles of promotion the "environmentally safe and steady development" in all Bank's operations in the domains of banking, investment, and technical cooperation, as a fundamental aspect of a rational conduct of business.

Policy outlines how the Bank assesses and monitors the environmental and social risks and impacts of financed projects, sets the requirements for managing environmental and social impacts and risks during the lifetime of projects. Center-invest Bank prefers to finance the projects capable of bringing additional environmental and social yields. Special attention is paid to projects including elements aimed at solution of priority environmental and social problems characteristic of the region, where the Bank operates, such as mitigation of the climate change consequences and the corresponding adaptation measures, desertification, preservation of biodiversity, power and resources saving, reduction of the scale of poverty, promotion of good labor conditions, overcoming of social alienation, access to the basic services, equality of sexes, transparency and social development.

The Bank understands the importance of the measures for mitigation of the climate change consequences and corresponding adaptation, and their priority in the context of its operations in the region. It intends to further develop its approach to solution of the climate change problems, especially with regard to reduction of the greenhouse gas emissions, adaptation, use of renewable energy sources, and rising of power efficiency, and to intensify its efforts for solution of these problems within the framework of its operations.

All projects funded by the Bank are subjected to preliminary environmental and social assessment to assist in taking decisions on expediency of financing of a particular activity and, in case of a positive decision, determination of the approach to solution of the environmental and social problems. Such a preliminary social and environmental assessment is a part of the process of general preliminary assessment of the project, which presupposes assessment of the financial, and goodwill risks, and identification of opportunities to improve the environmental or social situation. This preliminary assessment takes into account the nature and the scale of the project, and is commensurate with the level of environmental and social risks and their consequences.

Center-invest Bank may refuse from financing of a proposed project for environmental or social reasons in the events when, for instance, such project does not provide for satisfactory methods of solution of environmental and social problems within the time limits deemed reasonable by the Bank, or when the level of residual consequences is inadmissibly high. There are several types of activities that Center-invest Bank does not finance in accordance with the “Environmental and Social Exclusion List of Center-invest Bank” included as Annex 1 to this Report.



Based on environmental and social criteria, Center-invest Bank classifies the proposed projects by the following categories depending on the level of environmental and social risks: 'A' or 'high-risk', 'B' or 'medium-risk', 'C' or 'low-risk' (Annex 3). This is needed to provide for the scale of the potential environmental and social consequences and problems connected with the proposed projects, and to determine the nature and depth of the required analysis of the environmental and social aspects of each project, the extent of disclosure of information, and cooperation with the interested parties, account taken of the character, the location, the environmental sensitivity, and the scale of the project, as well as the nature and severity of the concomitant environmental consequences and problems. The Bank refers to Category 'A' all projects directly related to this category as per appended 'Category 'A' Projects' (Annex 2), and the projects characterized by a 'high' resulting level of environmental and social risks. For these projects, an additional assessment is carried out (Annex 4), which allows a more thorough assessment of the level of environmental and social risks and identify measures to minimize them.

Center-invest Bank monitors compliance with the environmental and social commitments under financed projects. If the results of monitoring show that the project realization circumstances have changed, or that the customer does not comply with its obligations to observe the requirements, the Bank will work out the corrective actions in collaboration with the customer, and/or resort to the appropriate legal remedies provided for in the contractual and legal documents.

3. Details of the operations, in the execution of which was refused for environmental reasons, in particular because of actual or alleged failure to comply with the Exclusion List:

No such cases found.

4. Details of the operations, in the execution of which was refused for environmental reasons, because of failure to comply with the laws on health or safety:

No such cases found.

5. Details of significant environmental problems connected with the borrowers, during the accounting period.

In particular:

- Accidents / court hearings / lawsuits,
- Cases of non-compliance with the applicable laws on environment protection, health, or safety, resulting in fines, penalties, or non-compliance rates,
- Cases of non-compliance of the borrowers with the environmental provisions of the agreements signed with the Bank:

No such cases found.

6. Details of the loans / investments / guarantees, etc. used for financing of environmental improvements, such as greater efficiency of energy utilization, reduction of energy consumption, reduction of volumes of water consumption, switchover to clean technologies, lower payments for the issue of permits, or minimization of fines as a result of environmental improvements:

According to the results of 2019 financed 1 066 energy efficiency projects for the total amount of RUB1.1bn. Breakdown of financed energy efficiency projects by industries provided below:

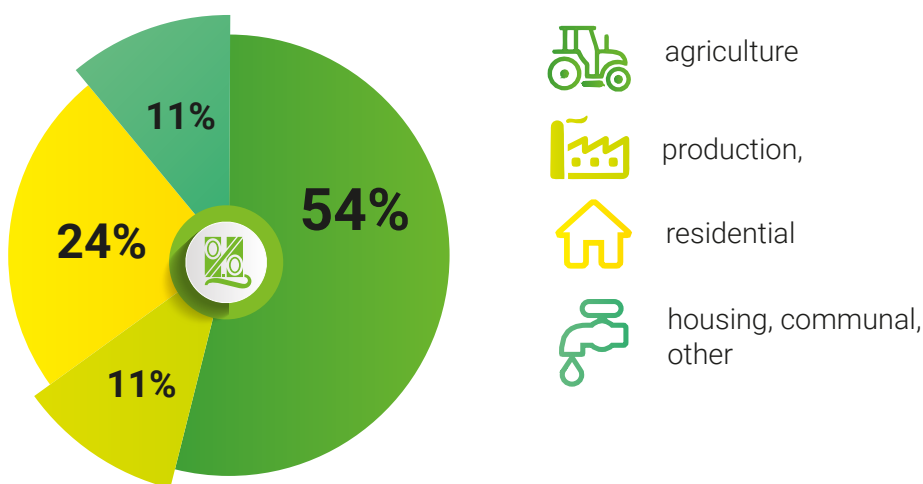
Industry	Number of projects (PCs.)	Projects amount (million rubles)	Amount of financing (million rubles)	Share
agriculture	80	711,95	607,40	54,2%
production, trading	11	133,74	124,07	11,1%
residential	929	269,92	269,92	24,1%
housing, communal, other	46	122,19	119,08	10,6%
Total	1 066	1 237,80	1 120,48	100,0%



Center-invest Bank's success in financing-energy efficiency projects is attributable to the fundamentally new approach that we have developed for our customers in southern Russia: sustainable lending, which combines technical, financial and social engineering.

Annex 5 provides a report on energy efficiency loans granted in 2019 in the housing and communal sector, as well as on energy efficiency loans with the exception of the residential loan portfolio, indicating energy savings (per unit) and CO2 reduction (tons per year). Total CO2 reduction for 2019 equals to 13 359 tons.

Industry structure of the financed energy efficiency projects



7. Details of the bad debts arising as a result of environmental problems:

No such cases found.

8. Methods of monitoring of the nature protection activities of the borrowers (e.g. on-site visits by the Bank employees, inspection by the environment protection / sanitary control bodies, copies of new permits, reports of borrowers):

The Bank supervises over all projects included in its portfolio, in order to secure compliance with the environmental, social, and other requirements for the project. The borrowers are inspected on site, on the quarterly basis, by the employees of the Economic Security Directorate of the Bank, who perform, inter alia, the visual control of the borrower's compliance with the environmental requirements of the Bank. In the event of violations, the Bank chooses the appropriate course of action, and informs the company involved in the project about the need to take the corresponding corrective measures.

9. Bank's employee(s) responsible for implementation of environmental and social measures:

Sergey Y. Smirnov - CFO of Center-invest Bank - in charge of coordination of the processes used for the adoption of the environmental procedures at Center-invest Bank, Environmental secretary of Center-invest Bank

Olga E. Fofonova - Director of additional office "Taganrog".

10. Difficulties and / or constraints in connection with the implementation of environmental and social measures:

Main problems:

- low level of environmental awareness of the customers participating in the project;
- underestimation by them of the importance of the environmental audit for modernization of their productions;
- insufficient information available to the public on the decisions capable of adversely affecting the quality and purity of the environment.



11. Additional «sustainable» information:

In 2019 Center-invest Bank follows its Strategy for 2019-2021 “ESG Digitalisation of Center-invest Bank’s Ecosystem”. The Bank has long applied environmental, social and governance (ESG) principles in its work. Rather than focusing on immediate profits, the ESG-banking business model, based on effective management of social and environmental risks, allows the Bank to achieve sustainable long-term profitability in the transformation economy (constant change amid continual crises).

The Vigeo Eiris rating agency ranks the Bank 17th out of 76 European Banks that are applying environmental, social and governance models. The Vigeo Eiris ranking assessed a bank’s social orientation, the extent to which it meets its obligations to society, and the quality and effectiveness of its corporate strategy with regard to social responsibility, responsible business and environmental safety. The assessment didn’t take into account individual measures demonstrating the social responsibility of Center-invest Bank, but its complex impact on the society and the environment.

In 2019 Bank became a member of the Global Alliance for Banking on Values (GABV), a network of more than 60 banks from around the world, whose aim is to use finance to provide sustainable economic, social and environmental development. www.gabv.org/members/center-invest-bank

In September 2019 Center-invest Bank hosted an ESG Investors Days, attended by representatives of investment funds, audit and consulting firms, development institutions, representatives of the Bank of Russia, the Moscow Exchange and banking associations, as well as shareholders, employees and customers of the Bank. The Bank shared its experience of applying ESG principles and represented the investment potential of southern Russia’s economy.



In November 2019 Center-invest Bank has become an official Signatory of the UN Principles for Responsible Banking - a single framework for a sustainable banking industry developed through an innovative partnership between banks worldwide and United Nations Environment's Finance Initiative. www.unepfi.org/member/center-invest-bank/

By signing up to the Principles, Bank openly recognizes the role of the financial services sector in making our economy and lifestyles sustainable and commits to the integration of environmental and social considerations into all aspects of its operations.

The directions of the current Strategy of Center-invest Bank correspond to the UN Sustainable Development Goals until 2030, the national development goals of the Russian Federation until 2024 and the goals of the Bank of Russia development programs.

In developing of a corporate social responsibility (CSR) system based on the ESG-banking business model, we focus on our own experience, international standards in the field of CSR and non-financial reporting, as well as the UNESCO sustainable development Goals (SDGs).* Center-invest Bank's social, educational, environmental, and charitable programs currently cover 6 regions of the country and more than 700,000 people.

This is in addition to Bank's financial ratings: Ba3 (Stable outlook) from Moody's and A(RU) (Stable outlook) from ACRA. As well as financial statement produced in accordance with the Russian and international standards (auditor PricewaterhouseCoopers), Center-invest Bank publishes Environmental and Social reports in compliance with GRI standards annually.

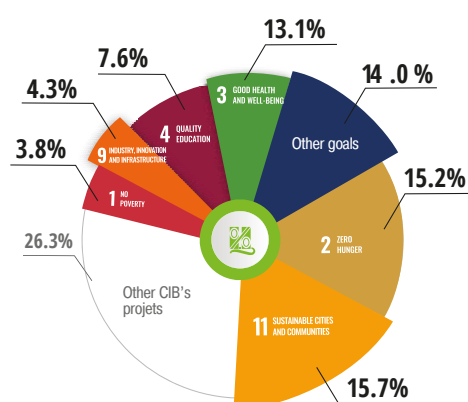
All above mentioned information is available on Center-invest Bank's corporate website: www.centrinvest.ru

Bank provides not only commercial loans, but also a support in a technical assistance helping to companies calculates all main project parameters on the pre-financial stage. During the programme realization following support could be received by all customers: IFC consultants (2005-2011), MVV decon GmbH (2007-2009), RuSEFF (2012-2014), and bank specialists. For the period of 2005-2014 customers received 42 energy-audits from our partners, and lots of calculations from bank staff. It is a great opportunity both for companies and bank to find and analyse all financial parameters before project implementation. For companies it is a way to check own expectation with independent ones. For Center-invest it is a way to reduce project risk.

*Sustainable development goals

Total investments in SDG 86.7 bn ₺

For every ₺ 100 of deposits:



In December 2018, at the XVI Russian Bond Congress in St Petersburg, Center-invest Bank received an award for successfully initiating a green loans market in Russia and making a substantial contribution to its subsequent development. The award presented by the National Association of Concessionaires and Long-Term Investors in Infrastructure (NAKDI) and the CBonds Group. Experts from NAKDI were impressed by the quality of Center-invest Bank’s corporate standards and its methods for assessing customers’ energy efficiency projects prior to lending.

Bank customers may receive loan for energy-efficiency purposes in any from its 122 bank offices in Russia. It can be either loan for bakery oven, or harvester combine, or walls insulation in multifamily building, or washing machine with energy class A+. It is taking place because of annual trainings of our loan officers by consultants and bank staff.

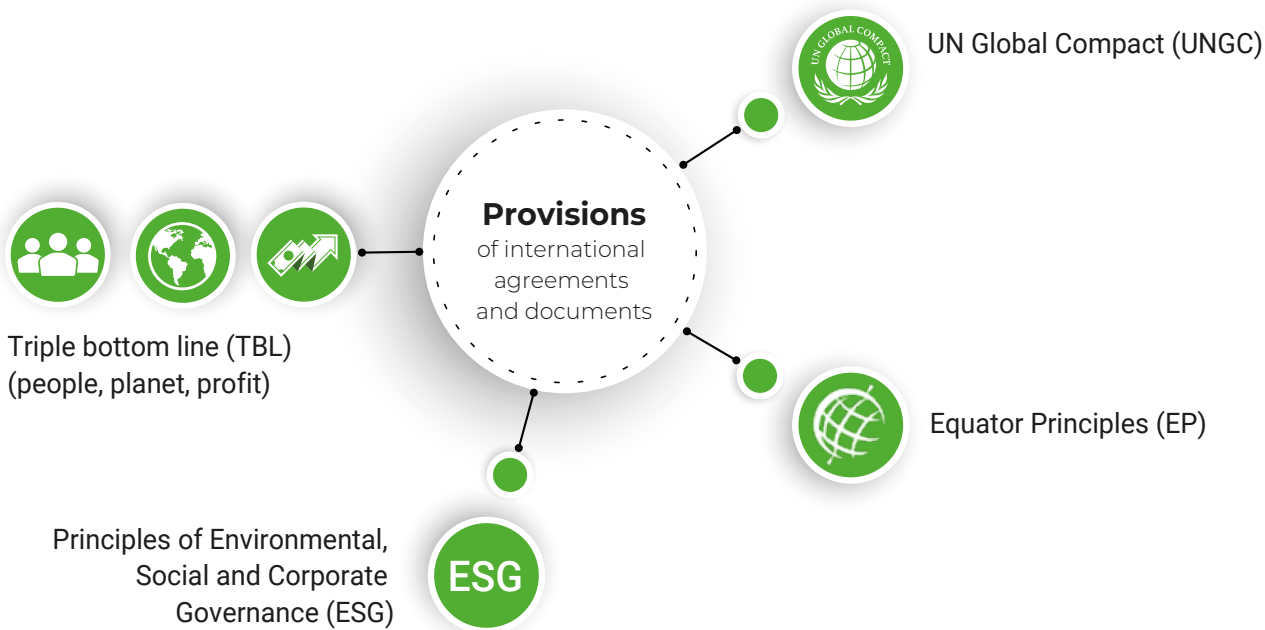
Center-invest Bank specialists participate in all main discussions relative to capital repair of multi-family buildings, because Bank has a unique experience in financing of home owner associations and housing management companies for the purposes of capital repair of buildings.

The loan programme for the renovation of multifamily residential buildings continues to be popular. Under Russian law, the owners of apartments in these buildings have to pay monthly contributions to a Capital Repairs fund. This Fund is obliged to renovate buildings in accordance with the Regional capital repairs schedule. Center-invest Bank introduced a unique arrangement allowing our customers to take out a loan so that they can renovate their buildings straightaway.

To date, the Bank has granted 159 loans to homeowners’ associations, for a total of RUB319m.

This programme is the only one of its kind in Russia.

Center-invest Bank is not a signatory, but shares the provisions of international agreements and documents on sustainable development and social responsibility:



The Bank includes these provisions in the current procedures of its operating activities and corporate governance, and also voluntarily reflects the results of its activities in the areas of sustainable development based on international recommendations (GRI, IR).

The Bank's success in financing energy efficiency projects is attributable to a fundamentally new approach: sustainable lending. This approach combines technical, financial and social engineering. In seminars and presentations, Center-invest Bank experts share their unique experience of energy efficiency lending with representatives of Russian government bodies, municipal authorities, and financial institutions from various CIS countries, Eastern Europe, the Middle East, North Africa and BRICS countries.

12. Green bonds:

Center-invest Bank's activities to reduce environmental damage, preserve or restore nature require adequate financial resources.

The population is beginning to enter the financial markets. This is evidenced by the number of more than 3 million open brokerage accounts.

In accordance with the Exchange Bonds Programme approved by Board of Directors of Center-invest Bank, documentary interest-bearing non-convertible bearer bonds with mandatory centralized storage has been placed on the Moscow Exchange in the Green bonds Segment of the Sustainable Development Sector.

In 2019 Center-invest Bank has implemented its Green Bond Framework aimed at providing Green bond issuance guidance for the Bank's Green bond issuing activity.

https://www.centriinvest.ru/files/about/pdf/Green_Bond_Framework.pdf

Such bond issues are beneficial not only to the Bank, but also to investors. Raising funds for financing eco-friendly, energy-efficient and low-carbon projects creates an image for its participants, a progressive status focused on long-term and sustainable development.

The Green bank bonds issue of Center-invest Bank was included into the Sustainability Sector of the Moscow Exchange on November 2019. www.moex.com/n25802?utm_source=www.moex.com&utm_term=green%20bond

Register of issued Green bonds:

ISIN	Code of issue	Date of placement	Sustainable development Sector inclusion date	Maturity date	Volume at face value, (RUB, thous.)
RU000A1011P5	BO-001P-06	15.11.2019	12.11.2019	13.11.2020	250 000.00

The Sustainable Development Sector on the Moscow Exchange was created to finance projects in the field of ecology, environmental protection and socially significant projects. The sector consists of three separate segments: the "green" bond segment, the "social" bond segment, and the national project segment.

At the global level, there is no single common standard for defining "green" financial instruments. Nevertheless, the International Capital Market Association (ICMA) has developed principles for "green" bonds (Green Bond Principles, GBP 2018), which are now followed by most of the world's issuers of such bonds. <https://www.icmagroup.org/green-social-and-sustainability-bonds/green-social-and-sustainability-bonds-database/#960>

Due to the Moscow Exchange listing rules acting from August 2019, the "green" and "social" bond segments may include bonds of Russian and foreign issuers if the issue, Issuer or investment project complies with the GBP 2018 of "green"/"social" financing of the International capital market Association (ICMA) or The international non-profit organization "climate Bonds Initiative" (CBI), as well as if there is an independent external assessment that corresponds to these principles.

According to the Center-invest Bank's Green Bond Second Opinion by the credit rating Agency RAEX-Europe, the issue of this type of bonds by Center-invest Bank should be carried out in accordance with the GBF, as well as in accordance with the Environmental and Social policy adopted by the Bank.

https://raexpert.eu/files/Center-invest_Bank_SO_Report_01.11.2019.pdf

Green financing from the Bank according to its GBF includes bonds, aimed at financing and refinancing of loans to finance the environmental projects in the following spheres:



Renewable energy



Energy efficiency



Clean transportation

in the industrial sector, agribusiness, housing and communal services and the services sector, which meet the criteria listed in GBF and are able to bring additional environmental benefits with focus for projects that include elements aimed at solving priority environmental problems specific to the regions where the Bank operates, such as climate change mitigation and adaptation measures, desertification, biodiversity conservation, energy and resource conservation and can be measured by quantitative and qualitative characteristics.

In the future the Bank may update its Green Bond Framework, as well as to include in this framework acceptable categories of assets, loans and projects.

The structure of Green bonds can be further updated and expanded as the securities market and market practices develop. The Bank aims to maintain the growth and integrity of the sustainable financing market.

Funds raised through the placement of Green bonds may fully or partially cover the amount of financing of the Bank's green projects.

In each environmental report, the Bank discloses a list of all Projects funded over the past year.

The List of Projects which were financed from the allocated Green bonds is disclosed in a separate Annex 6 (hereinafter "List of projects") and indicating the total volume of the project, the amount financed from funds from the placement of Green bonds, the industry, the level of decrease in specific energy consumption and the volume of reduction of carbon dioxide emissions.

The Bank intends to maintain the total amount of projects financed within the GBF, not less than the total nominal value of the Green bonds in circulation. During periods when the nominal value of Green bonds in circulation exceeds the value of the projects financed within the GBF, the amount of such excess is allocated in accordance with the Policy of PJSC CB "Center-invest" in the field of liquidity management and control. During the quarter following the repayment of the loan issued to finance the project, the Bank is obliged to exclude the project from the List of projects and make every effort to replace the project with another such project, so that the total amount of projects financed under this programme corresponds to the amount of the placed Green bonds.

The Bank undertakes to monitor projects on a regular basis throughout the entire period of storage of Green bonds on the Bank's balance sheet. If the circumstances of the project implementation have changed as a result of monitoring, the project ceases to meet the established criteria, the loan issued for financing a specific project ceases to meet the quantitative and qualitative criteria necessary for inclusion in the List of projects, the Bank undertakes to exclude this loan from the List of projects and replace it with another loan to finance a project that meets the established criteria.

The development by the Moscow Exchange of a Sustainable Development Sector and the inclusion of issuers in this sector is in line with the concept for developing green, social and sustainability bonds that is being worked on by the Russian Ministry of Economic Development, other relevant federal executive bodies, government agencies, the Bank of Russia and the business community.

First Russian issue of Green bank bonds by Center-invest Bank is a positive example of a socially responsible business based on the ESG-banking business model. All of Center-invest Bank's projects reflect its responsible attitude to the social development of the regions in which it operates, the protection of natural resources, the improvement of the financial literacy of the population, and entrepreneurial development, which taken together represent the future of the Russian economy.

There is one opinion that the country's wealth is determined by the environment and its potential for conservation. We need to combine the efforts of financiers, scientists, politicians and businessmen to make environmental Finance a fashionable, popular and respected business, and Russia has already become an attractive financial market on this wave.

13. Bank's own consumption:

Despite its steady business growth, the Bank is continually reducing its energy consumption. In 2019 the Bank used 104 tonnes of paper. The Bank does not use recycled waste or materials. The Bank uses authorised municipal contractors for solid waste disposal.

	2019	2018	2019/2018
Gasoline (tonnes)	104 (3 335,70 GJ)	146 (4 682,80 GJ)	-28,77%
Gas (cubic metres)	303,19 (10 305,40 GJ)	321 (10 915,18 GJ)	-5,55%
Electricity (kilowatt hours)	4 113 562 (14 808,82 GJ)	4 439 442 (15 981,99 GJ)	-7,34%
Waste (tonnes per year)	348	440	-20,91%
Paper (tonnes per year)	104	161	-35,40%
Environmental protection expenditures (RUB, thous.)	50	490	-89,80%*
Waste water collection and treatment (RUB, thous.)	211	185	14,05%
Waste disposal (RUB, thous.)	515	502	2,59%

The Bank does not conduct any activities involving:

- emissions of greenhouse gases, ozone-depleting substances or other pollutants;
- waste water discharge;
- spills of liquid waste;
- transportation of hazardous waste;
- a harmful impact on biodiversity.

Center-invest Bank shares the values of the World Wildlife Fund (WWF) regarding environmental conservation and protection. We have supported the Earth Hour global movement for several years now: for one hour, the external lights and roof advertising are switched off in Center-invest Bank offices and branches. The event is held in all the areas where the bank operates: Rostov-on-Don, Taganrog, Volgodonsk, Krasnodar, Sochi, Stavropol, Pyatigorsk, Nizhny Novgorod and Moscow.



The Bank regularly participates in activities to restore natural habitats. The Bank's employees participate in annual bicycle parades and they travel to work by bike. They also take part in regional eco-festivals.

* Due to a change in the legislation of the Russian Federation, payment of the fee for solid waste disposal from 2019 has been made by a regional operator (an authorized municipal contractor)

14. Conclusion:

It should also be noted that the Central Bank of the Russian Federation joined the Network of Central Banks and Supervisors for Greening the Financial System (NGFS) in 2019. NGFS consists of 66 Central banks and supervisory authorities, as well as 12 international organizations. The Bank of Russia's participation in NGFS allows you to have access to the experience of other Central banks in assessing and managing climate risks, as well as international experience in monitoring and accounting for them.

The main recommendations of the NGSF on climate risk management for Central banks and supervisors include the following:

- Integrating climate-related risks into financial stability monitoring and micro-supervision,
- Integrating sustainability factors into own portfolio management,
- Cooperating for Bridging data gaps and exchange of available data on climate risks,
- Strengthening your own knowledge and understanding of climate risk and this knowledge sharing.

NGFS emphasizes the need for an internationally consistent framework for climate-related financial risk disclosure and supports the principles of the task Force on Climate-related Financial Disclosures (TCFD).

Due to the uncertainty of future climate scenarios, including uncertainty about how climate change and the transition to a low-emission economy will affect various industries and regions of the Russian Federation, the lack of technical knowledge and resources to conduct proper risk assessment, and problems related to the availability and quality of data in certain sectors of the economy and regions of the Russian Federation, it is currently difficult to establish regulatory requirements for accounting for climate risks by financial organizations. Nevertheless, regular monitoring of such risks and their possible impact on the Russian economy at the state level, monitoring and organized collection of relevant data on damage caused by climate change, greenhouse gas emissions, and interaction of the Bank of Russia with international regulators on these issues will contribute to the confident penetration of the principles of sustainable development into the financial sector of the Russian Federation.¹

At the same time, Center-invest Bank individually has the experience, ability and desire to make a positive contribution to sustainable development and to the fighting the negative effects of climate change.

In this regard, in the future Center-invest Bank will have to:

- continuously improve internal procedures for identifying and assessing environmental, social and project risks,
- manage environmental, social and project risks in both the short and long term,
- implement best practices on disclosure of information related to sustainable development.

¹ Report of the Bank of Russia for public consultations on the impact of climate risks and sustainable development of the financial sector of the Russian Federation, may 2020, p. 32

Center-invest Bank in practice forms the green Finance market in Russia. Thus, Alexander Dolganov, deputy Chairman of the Bank's Executive Board, joined the Working group of the State Duma of Russia on legislative and regulatory support for the formation of a system of standardization and verification of green financial instruments.

Among the current tasks of the Working group is the formation of new standards and regulations for evaluating financial instruments in the field of sustainable development. The financial sector and investment institutions are key drivers of achieving the most important social and environmental goals, both within the framework of national projects and the UN Sustainable Development Goals.

Also, Center-invest Bank has introduced a new "Green" Deposit, which has no analogues among Russian banks. The Bank plans to provide an annual report on the fact that all funds raised under this contribution are directed to the implementation of Sustainable Development Goals and national projects.

All of the above will allow the Bank to raise awareness of potential investors related to sustainable financing and responsible investment. And following this approach will create a more stable and efficient operating of the Bank and will contribute to the achievement of the Bank's future goals of using finance to ensure sustainable economic, social and environmental development.

Annex 1

Environmental and Social Exclusion List of Center-invest Bank

Center-invest Bank invariably does not finance, directly or indirectly, any projects that involve the following:

- 1) production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international phase outs or bans, including:
 - a) production or trade in products containing PCBs²;
 - b) production or trade in pharmaceutical products, pesticides/herbicides, or other dangerous substances subject to international phase outs or bans³;
 - c) production or trade in ozone depleting substances subject to international phase out⁴;
 - d) trade in wildlife or plants or wildlife or plant products regulated under CITES⁵;
 - e) transboundary trade in wastes prohibited by international laws.⁶
- 2) production, use or trade in unbonded asbestos fibers and asbestos-containing products⁷;
- 3) activities prohibited by host country legislation or international conventions relating to the protection of biodiversity resources or cultural heritage⁸;
- 4) drift net fishing in the marine environment using nets in excess of 2.5 km in length;
- 5) shipment of oil or other hazardous substances in tankers that do not comply with IMO requirements⁹;
- 6) trade in goods without the required export or import licenses or other evidence of authorization of carriage issued by the corresponding export/import or, whenever necessary, transit countries.
- 7) Activities in the nuclear fuel production cycle (uranium mining, production, enrichment, storage or transport of nuclear fuels) and production of or trade in radioactive materials. This does not apply to: the purchase of medical equipment, quality control (measurement) equipment and any equipment where IFC/EBRD consider the radioactive source to be trivial and/or adequately shielded;
- 8) Production of or trade in weapons and munitions (This does not apply to project sponsors who are not substantially involved in these activities. «Not substantially involved» means that the activity concerned is ancillary to a project sponsor's primary operations);
- 9) Production of or trade in alcoholic beverages (excluding beer and wine) (This does not apply to project sponsors who are not substantially involved in these activities. «Not substantially involved» means that the activity concerned is ancillary to a project sponsor's primary operations);
- 10) Production of or trade in tobacco (This does not apply to project sponsors who are not substantially involved in these activities. «Not substantially involved» means that the activity concerned is ancillary to a project sponsor's primary operations);

²PCBs: Polychlorinated biphenyls are a group of highly toxic chemicals. PCBs are likely to be found in oil-filled electrical transformers, capacitors and switchgear dating from 1950-1985

³Reference documents are EU Regulation (EEC) No 2455/92 Concerning the Export and Import of Certain Dangerous Chemicals, as amended; UN Consolidated List of Products whose Consumption and/or Sale have been Banned, Withdrawn, Severely Restricted or not Approved by Governments; Convention the Prior Informed Consent Procedures for Certain Hazardous Chemicals and Pesticides in International Trade (Rotterdam Convention); Stockholm Convention on Persistent Organic Pollutants; WHO Classification of Pesticides by Hazard.

⁴Ozone depleting substances: Chemical compounds which react with and deplete stratospheric ozone, resulting in widely publicised 'ozone holes'. The Montreal Protocol lists such substances and their target reduction and phase out dates.

⁵CITES: Convention on International Trade in Endangered Species of Wild Fauna and Flora. A list of CITES listed species is available at www.cites.org/eng/app/index.shtml

⁶Reference documents are Regulation (EC) No.1013/2006 of 14 June 2006 on shipments of waste; Decision C (2001) 107/Final of the OECD Council concerning the revision of Decision C(92)39/Final on the control of transboundary movements of wastes destined for recovery operations; Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal of 22 March 1989.

⁷This does not apply to the use or trade in bonded asbestos cement sheeting where the asbestos content is less than 20%.

⁸Relevant international conventions include, without limitation: Convention on the Conservation of Migratory Species of Wild Animals (Bonn Convention); Convention on Wetlands of International Importance, especially as Waterfowl Habitat (Ramsar Convention); Convention on the Conservation of European Wildlife and Natural Habitats (Bern Convention); World Heritage Convention; Convention on Biological Diversity with protocols thereto.

⁹This includes: tankers which do not have all required MARPOL and SOLAS certificates (including, without limitation, ISM Code compliance), tankers blacklisted by the European Union or banned by the Paris Memorandum of Understanding on Port State control (Paris MOU), and tankers due for phase out under regulations 13G and 13H of Annex I of MARPOL. No single hull tanker over 25 years old should be used.

11) Gambling, casinos and equivalent enterprises (This does not apply to project sponsors who are not substantially involved in these activities. «Not substantially involved» means that the activity concerned is ancillary to a project sponsor's primary operations);

12) Commercial logging operations for use in primary tropical moist forest;

13) Production of or trade in wood or other forestry products other than from sustainably managed forests;

14) Production or activities involving harmful or exploitative forms of forced labour/harmful child labour (Forced labour means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty. Harmful child labour means the employment of children that is economically exploitative, or is likely to be hazardous to, or to interfere with, the child's education, or to be harmful to the child's health, or physical, mental, spiritual, moral or social development).

15) Pornography and/or prostitution;

16) Racist and/or anti-democratic media.

When financing micro-finance activities, FIs will also apply the following additional exclusions:

a) Production, trade, storage, or transport of significant volumes of hazardous chemicals, or commercial scale usage of hazardous chemicals. Hazardous chemicals include gasoline, kerosene, and other petroleum products;

b) Production or activities that impinge on the lands owned, or claimed under adjudication, by Indigenous Peoples, without full documented consent of such peoples.



Annex 2

Category 'A' Projects

This list refers to projects of new construction, upscaling or transformation / conversion in the following categories. This list is not exhaustive, and the project types included in the list are shown as examples. Referral of the projects to a particular category depends on the nature and scale of the actual or potential adverse environmental or social consequences, and is determined by the specific aspects of realization of the project, and location of the site.

1. Crude oil refineries (excluding undertakings manufacturing only lubricants from crude oil) and installations for the gasification and liquefaction of 500 tons or more of coal or bituminous shale per day.

2. Thermal power stations and other combustion installations with a heat output of 300 MW¹⁰ or more, and, nuclear power stations and other nuclear reactors, including the dismantling or decommissioning of such power stations or reactors (except research installations for the production and conversion of fissionable and fertile materials, whose maximum power does not exceed 1 kW of continuous thermal load).

3. Installations designed for the production, or enrichment of nuclear fuels, the reprocessing, storage or final disposal of irradiated nuclear fuels, or for the storage, disposal or processing of radioactive waste.

4. Integrated works for the initial smelting of cast-iron and steel; installations for the production of nonferrous crude metals from ore, concentrates or secondary raw materials by metallurgical, chemical or electrolytic processes.

5. Installations for the extraction of asbestos and for the processing and transformation of asbestos and products containing asbestos: for asbestos-cement products, with an annual production of more than 20,000 tons finished product; for friction material, with an annual production of more than 50 tons finished product; and for other asbestos utilization of more than 200 tons per year.

6. Integrated chemical installations, i.e. those installations for the manufacture on an industrial scale of substances using chemical conversion processes, in which several units are juxtaposed and are functionally linked to one another and which are for the production of: basic organic chemicals; basic inorganic chemical; phosphorus, nitrogen- or potassium-based fertilizers (simple or compound fertilizers); basic plant health products and of biocides; basic pharmaceutical products using a chemical or biological process; explosives.

7. Construction of motorways, express roads and lines for long-distance railway traffic and of airports with a basic runway length of 2,100 meters or more; construction of a new road of four or more lanes, or realignment and/or widening of an existing road so as to provide four or more lanes, where such new road, or realigned and/or widened section of road would be 10 km or more in a continuous length.

8. Pipelines, terminals, and associated facilities for the large-scale transport of gas, oil, and chemicals.

9. Sea ports and also inland waterways and ports for inland-waterway traffic which permit the passage of vessels of over 1,350 tons; trading ports, piers for loading and unloading connected to land and outside ports (excluding ferry piers) which can take vessels of over 1,350 tons.

10. Waste-processing and disposal installations for the incineration, chemical treatment or landfill of hazardous, toxic or dangerous wastes.

11. Large¹¹ dams and other impoundments designed for the holding back or permanent storage of water.

12. Groundwater abstraction activities or artificial groundwater recharge schemes in cases where the annual volume of water to be abstracted or recharged amounts to 10 million cubic meters or more.

13. Industrial plants for the (a) production of pulp from timber or similar fibrous materials; (b) production of paper and board with a production capacity exceeding 200 air-dried metric tons per day.

14. Large-scale peat extraction, quarries and open-cast mining, and processing of metal ores or coal.

¹⁰ Эквивалентна общей электрической мощности в 140 МВт (э) для паровых и одноконтурных газотурбинных электростанций.

¹¹ Согласно определению Международной комиссии по крупным плотинам (МККП). МККП определяет крупную плотину как плотину высотой от основания 15 м или более. Плотины высотой от 5 до 15 м с объемом резервуара более 3 млн. куб. м также классифицируются как крупные плотины.

15. Extraction of petroleum and natural gas for commercial purposes.
16. Installations for storage of petroleum, petrochemical, or chemical products with a capacity of 200,000 tons or more.
17. Large-scale forest harvesting.
18. Municipal waste water treatment plants with a capacity exceeding 150,000 population equivalent.
19. Municipal solid waste-processing and disposal facilities.
20. Large-scale tourism and retail development.
21. Construction of overhead electrical power lines.
22. Large-scale land reclamation.
23. Large-scale primary agriculture/silviculture involving intensification or conversion of natural habitats.
24. Plants for the tanning of hides and skins where the treatment capacity exceeds 12 tons of finished products per day.
25. Installations for the intensive rearing of poultry or pigs with more than: 40,000 places for poultry; 2,000 places for production pigs (over 30 kg); or 750 places for sows.
26. Projects¹² which are planned to be carried out in sensitive locations or are likely to have a perceptible impact on such locations, even if the project category does not appear in the above list. Such sensitive locations include National Parks and other protected areas identified by national or international law, and other sensitive locations of international, national or regional importance, such as wetlands, forests with high biodiversity value, areas of archaeological or cultural significance, and areas of importance for indigenous peoples or other vulnerable groups.
27. Projects which involve significant adverse social consequences for the local inhabitants or other persons affected by the project.
28. Projects which involve large-scale resettlement or retrenchment (unbalancing of a stable economic situation).

¹² Including, specifically, social or environmental projects (such as renewable energy sources).

Annex 3

Criteria for assessment of environmental and social risks¹³

Loan issue criteria	Risk level (assessment criteria)	Risk value (multiplier)	Total (level x value)
Environmental and social ¹⁴ risk in the sector ¹⁵	1.0 – low/low 1.5 – low/medium, medium/low 2.0 – medium/medium, low/high 2.5 – medium/high, high/low 3.0 – high/medium, high/high	40	40 60 80 100 120
Amount of loan	0 - up to 3 million rubles. 1 - 3 to 6 million rubles 2 - 6 to 30 million rubles 3 - more than 30 million rubles	20	0 20 40 60
Loan term	1 - up to 6 months 2 - 6 to 24 months 3 - more than 24 months	20	20 40 60
Collateral	1.0 - account turnover; guarantee; bill; unsecured loan 1.5 - account turnover; guarantee; bill; unsecured loan + fixed assets; inventory pledge; land without a history of industrial production 2.0 - fixed assets; inventory pledge; land without a history of industrial production 2.0 - account turnover; guarantee; bill; unsecured loan + land with a history of industrial production or contamination 2.0 - account turnover; guarantee; bill; unsecured loan + fixed assets; inventory pledge; land without a history of industrial production + land with a history of industrial production or contamination 2.5 - fixed assets; inventory pledge; land without a history of industrial production + land with a history of industrial production or contamination 3.0 - land with a history of industrial production or contamination	20	20 30 40 40 40 50 60
Business experience of the Borrower (risk management skills) ¹⁶	1 - substantial 2 - moderate 3 - low	20	20 40 60
Total		XXX (sum of accumulated points)	
		High	300-360
		Medium	171-299
		Low	100-170

¹³ Preliminary assessment shall be performed for all projects considered by the Bank, on the basis of this Appendix. Assessment shall be carried out by the employees of the Bank responsible for review of the customers' projects. Based on the results of such assessment, and with regard to sections 18-20 of the ESP, a decision will be taken on further actions for consideration of the project.

¹⁴ For the purposes of the ESP, the social aspects include the following: labor standards and conditions, including health and safety at work, and the consequences for the local population in such areas as health and safety of the population, equality of sexes, consequences for the indigenous peoples and for the cultural heritage, resettlement, and availability of the basic services.

¹⁵ According to the Note 'Industry Sector Classifier' attached hereto

¹⁶ The borrower's business experience means the CEO's years of service in the particular business area (substantial – more than 3 years, moderate – from 1 to 3 years, low – less than 1 year).

Annex 4

Form of the report on performance of a complex environmental and social examination and monitoring (CESE)¹⁷

The Borrower: _____

Nature of operations and business of the Borrower:

Reviewed environmental information and identified problems:

Reviewed social information and identified problems:

Compliance with regulatory requirements in the area of environment protection, labor and migration laws, and social requirements and commitments:

Detailed information on major injuries and accidents over the last two years:

If the land is used as security, indicate whether it has been significantly contaminated. If yes, indicate whether the Bank, as the security holder, has any land rehabilitation commitments, and the amount of such commitments.

Minimization and monitoring of risks: specify further actions required / planned by the Borrower, especially the actions aimed at elimination of the problems connected with non-compliance with health, safety, and environment protection requirements, and the corresponding commitments.

Minimization and monitoring of risks: specify the measures to be implemented by the Bank, such as environment protection conditions, loan issue provisos, or monitoring requirements (i.e., submission by the Borrower of regular reports).

Opportunities in the areas of environment protection and social standards (e.g., reduction of wastes, more efficient use of energy, use of cleaner technologies):

By _____

Date _____

¹⁷ This Form must be filled in by the Bank's employees charged with review of the customers' projects, and shall be handed over to the Bank's employees responsible for the final assessment in accordance with section 32 of the ESP.

Annex 5

Energy-efficiency loans (housing and communal sector):

N	Loan ID	Project amount (RUB, thous.)	Amount of financing (RUB, thous.)	Issue date	Tenor (month)	Loan type	Location	# of floors	# of apartments	Year of construct.	Construction material
1	00190004	800,00	800,00	06.02.19	60	term loan	Novocherkassk	5	70	1970	brick
2	21190054	1 200,00	1 200,00	08.03.19	60	term loan	Krasnodar	11	79	1993	blocks
3	00190139	300,00	300,00	29.03.19	24	term loan	Rostov-on-Don	9	49	1977	brick
4	36190011	1 670,00	1 670,00	09.04.19	60	term loan	Kstovo	5	140	1973	brick
5	27190024	3 200,00	3 200,00	24.04.19	60	term loan	Rostov-on-Don	9	142	1992	panel
6	36190013	600,00	600,00	25.04.19	60	term loan	Vykxa	5	60	1980	panel
7	27190025	2 800,00	2 800,00	26.04.19	48	term loan	Rostov-on-Don	17	136	1993	monolith
8	00190014	2 000,00	2 000,00	30.04.19	60	term loan	Shakhty	5	70	1971	brick
9	60190035	1 000,00	1 000,00	01.05.19	60	term loan	Rostov-on-Don	9	142	1990	panel
10	00190212	2 100,00	2 100,00	07.05.19	60	term loan	Rostov-on-Don	10	72	1993	brick
11	27190030	4 000,00	4 000,00	14.05.19	60	term loan	Rostov-on-Don	9	144	1983	panel
12	27190031	3 500,00	3 500,00	17.05.19	60	term loan	Rostov-on-Don	9	144	1983	panel
13	00190253	1 800,00	1 800,00	30.05.19	60	term loan	Rostov-on-Don	9	68	1989	panel
14	84190021	3 500,00	3 500,00	10.06.19	60	term loan	Rostov-on-Don	9	144	1981	panel
15	00190020	420,00	420,00	11.06.19	60	term loan	Kachkan	3	24	1988	blocks
16	11190063	4 000,00	4 000,00	14.06.19	60	term loan	Volgodonsk	10	158	1993	panel
17	40190058	703,90	703,90	14.06.19	6	term loan	Rostov-on-Don	10	230	2000	panel
18	00190011	4 692,00	4 692,00	18.06.19	60	term loan	Pyatigorsk	9	108	1987	blocks
19	11190075	350,00	350,00	24.06.19	36	term loan	Volgodonsk	5	9	2001	brick
20	11190072	400,00	400,00	24.06.19	48	term loan	Volgodonsk	5	10	2001	brick
21	11190074	350,00	350,00	24.06.19	36	term loan	Volgodonsk	5	10	2001	brick
22	11190073	370,00	370,00	24.06.19	36	term loan	Volgodonsk	5	8	2001	brick

N	Loan ID	Project amount (RUB, thous.)	Amount of financing (RUB, thous.)	Issue date	Tenor (month)	Loan type	Location	# of floors	# of apartments	Year of construct.	Construction material
23	00190021	1 600,00	1 600,00	26.06.19	60	term loan	Bor	5	115	1999	brick
24	36190022	6 000,00	6 000,00	05.07.19	60	term loan	Nizhniy Novgorod	17	128	2005	monolith
25	40190070	3 600,00	3 600,00	12.07.19	60	term loan	Rostov-on-Don	10	200	1999	panel
26	69190015	4 692,90	4 692, 90	16.07.19	60	term loan	Pyatigorsk	9	108	1987	blocks
27	69190016	2 700,00	2 700,00	25.07.19	60	term loan	Pyatigorsk	9	120	1974	panel
28	36190028	1 300,00	1 300,00	01.08.19	60	term loan	Vykxa	5	76	1990	panel
29	36190027	1 200,00	1 200,00	01.08.19	60	term loan	Vykxa	5	92	1974	brick
30	89190010	2 000 ,00	2 000,00	15.08.19	60	term loan	Belaya Kalitva	9	72	1989	brick
31	08919009	2 000,00	2 000,00	15.08.19	60	term loan	Belaya Kalitva	9	72	1988	panel
32	06190059	3 022,80	3 022,80	21.08.19	60	term loan	Azov	9	108	1995	panel
33	95190003	3 960,00	3 960,00	22.08.19	60	term loan	Stavropol	9	145	1985	panel
34	95190004	5 000,00	5 000,00	22.08.19	60	term loan	Stavropol	10	208	1990	brick
35	36190033	2 400,00	2 400,00	22.08.19	48	term loan	Nizhniy Novgorod	10	120	1988	panel
36	00190018	2 600,00	2 600,00	29.08.19	60	term loan	Pyatigorsk	9	72	1998	blocks
37	36190040	1 000,00	1 000,00	07.10.19	36	term loan	Nizhniy Novgorod	10	110	1993	brick
38	40190009	1 550,00	1 550,00	09.10.19	60	term loan	Zheleznovodsk	12	48	1984	panel
39	18190034	1 250,00	1 250,00	10.10.19	60	term loan	Kamensk Shakhtinskiy	9	33	1991	brick
40	27190067	1 300,00	1 300,00	22.10.19	48	term loan	Rostov-on-Don	9	72	1989	panel
41	40190122	1 805,00	1 805,00	18.11.19	48	term loan	Rostov-on-Don	10	120	1997	panel
42	69190029	9 000,00	9 000,00	19.11.19	60	term loan	Georgievsk	9	223	1988	brick
43	40190152	7 600,00	7 600,00	26.12.19	60	term loan	Rostov-on-Don	9	255	1988	panel

Energy-efficiency loans (except residential loans):

N	Customer	Project amount (RUB, thous.)	Amount of financing (RUB, thous.)	Payback period (years)	Energy saving ¹⁸ (per unit)	Industry	Issue date	Type of credit	Reducing of CO ₂ (t per year)
1	Borrower-1	42 705, 85	40 000, 00	3,5	41,7% (el)	production	14.01.19	credit line	375,0
2	Borrower-2	6 230, 00	4 400, 00	2,2	26% (el)	production	23.01.19	credit line	202,0
3	Borrower-3	12 149, 00	12 149, 00	3,0	53,3% (el, dt)	production	30.01.19	credit line	114,3
4	Borrower-4	50 175, 05	43 795, 67	4,8	50% (dt)	agriculture	04.02.19	credit line	187,7
5	Borrower-5	15 146, 18	13 000, 00	2,8	79% (dt)	agriculture	26.02.19	credit line	389,6
6	Borrower-6	7 283, 32	6 820, 00	1,9	60% (dt)	agriculture	28.02.19	credit line	187,7
7	Borrower-7	5 070, 00	4 309, 00	3,8	57,1%(dt)	agriculture	28.02.19	credit line	104,3
8	Borrower-8	7 554, 40	5 500, 00	3,4	55% (dt)	agriculture	26.02.19	credit line	172,1
9	Borrower-9	2 530, 00	2 024, 00	1,4	56,3% (dt)	agriculture	01.03.19	credit line	140,8
10	Borrower-10	1 350, 00	1 000, 00	1,7	44,4% (dt)	agriculture	01.03.19	credit line	62,6
11	Borrower-11	8 704, 66	8 704, 66	4,9	55,6% (dt)	agriculture	20.03.19	credit line	125,2
12	Borrower-12	54 300, 00	15 000, 00	4,4	77,2% (el)	agriculture	29.03.19	credit line	862,0
13	Borrower-13	13 000, 00	11 700, 00	2,8	60,4% (el)	production	14.03.19	credit line	15,1
14	Borrower-14	8 000, 00	7 200, 00	5,0	66,5% (el)	production	14.03.19	credit line	8,7
15	Borrower-15	4 602, 49	3 912, 00	4,9	49,6% (dt)	agriculture	10.04.19	credit line	73,8
16	Borrower-16	1 390, 00	1 000, 00	1,2	60% (dt)	agriculture	12.04.19	credit line	93,9
17	Borrower-17	1 400, 00	1 260, 00	3,1	64% (el)	production	03.04.19	credit line	11,2
18	Borrower-18	1 312, 00	1 000, 00	0,6	65%(dt)	agriculture	17.04.19	credit line	162,7
19	Borrower-19	12 631, 11	12 631, 11	5,0	52,4% (dt)	agriculture	17.05.19	credit line	68,8
20	Borrower-20	11 991, 30	9 800, 00	4,2	61,9% (dt)	agriculture	16.05.19	credit line	101,7
21	Borrower-21	1 312, 00	1 200, 00	1,0	60% (dt)	agriculture	16.04.19	credit line	93,9
22	Borrower-22	5 898, 06	5 898, 00	4,3	63,3% (dt)	agriculture	20.03.19	credit line	108,1
23	Borrower-23	8 605, 50	7 740, 00	2,9	59,2% (dt)	agriculture	30.04.19	credit line	113,4

¹⁸ Energy saving is an indicator that reflects the efficiency of using energy resources, namely, the consumption of less energy for the same level of production or technological processes.

N	Customer	Project amount (RUB, thous.)	Amount of financing (RUB, thous.)	Payback period (years)	Energy saving (per unit)	Industry	Issue date	Type of credit	Reducing of CO ₂ (t per year)
24	Borrower-24	8 386, 40	8 386, 00	2,1	83,3%(dt)	agriculture	30.04.19	credit line	312,9
25	Borrower-25	4 800, 00	3 800, 00	3,4	58,3% (dt)	agriculture	23.05.19	credit line	109,5
26	Borrower-26	6 225, 73	6 225, 00	4,8	56,9% (dt)	agriculture	23.05.19	credit line	94,9
27	Borrower-27	3 788, 00	3 788, 00	1,1	77,9% (dt)	agriculture	17.05.19	credit line	253,5
28	Borrower-28	3 500, 00	3 500, 00	3,8	44,3% (dt)	agriculture	30.05.19	credit line	64,7
29	Borrower-29	4 400, 00	4 400, 00	2,7	76,7% (el)	production	28.05.19	credit line	115,0
30	Borrower-30	16 500, 00	16 500, 00	5,0	62,5% (dt)	agriculture	13.06.19	credit line	130,4
31	Borrower-31	9 561, 58	9 561, 58	4,2	66,4% (dt)	agriculture	24.06.19	credit line	92,7
32	Borrower-32	7 803, 20	4 000, 00	4,7	71,7% (dt)	agriculture	27.06.19	credit line	119,1
33	Borrower-33	8 309, 75	7 500, 00	5,0	57,5% (dt)	agriculture	28.06.19	credit line	84,7
34	Borrower-34	9 300, 00	9 000, 00	4,5	48,1% (dt)	agriculture	18.07.19	credit line	40,7
35	Borrower-35	7 689, 38	7 689, 00	4,8	67,4% (dt)	agriculture	23.07.19	credit line	97,2
36	Borrower-36	18 097, 00	18 000, 00	4,9	69,7% (dt)	agriculture	20.06.19	credit line	64,9
37	Borrower-37	7 868, 92	7 868, 92	4,1	49,4% (dt)	agriculture	17.07.19	credit line	54,9
38	Borrower-38	5 500, 30	3 950, 30	3,6	82,4% (dt)	agriculture	17.07.19	credit line	131,4
39	Borrower-39	11 455, 00	1 200, 00	4,3	75% (dt)	agriculture	05.08.19	credit line	187,7
40	Borrower-40	7 803, 20	7 500, 00	4,6	65,3% (dt)	agriculture	12.08.19	credit line	117,9
41	Borrower-41	7 750, 00	7 750, 00	4,7	42% (dt)	agriculture	14.08.19	credit line	40,8
42	Borrower-42	10 000, 00	9 000, 00	4,6	36,9% (dt)	agriculture	21.08.19	credit line	45,8
43	Borrower-43	11 367, 00	10 230, 00	4,1	74,8% (dt)	agriculture	27.08.19	credit line	167,2
44	Borrower-44	8 092, 58	8 092, 00	4,8	55,1% (dt)	agriculture	06.08.19	credit line	88,2
45	Borrower-45	1 325, 00	1 192, 00	1,4	50,6% (dt)	agriculture	21.08.19	credit line	64,1
46	Borrower-46	3 044, 00	3 044, 00	3,6	51% (dt)	agriculture	29.08.19	credit line	58,7
47	Borrower-47	7 283, 00	7 283, 00	5,0	56,9% (dt)	agriculture	03.09.19	credit line	62,0
48	Borrower-48	6 285, 90	6 285, 00	5,0	55,6% (dt)	agriculture	30.09.19	credit line	78,2
49	Borrower-49	7 689, 38	7 689, 00	4,6	55,6% (dt)	agriculture	18.09.19	credit line	90,2

N	Customer	Project amount (RUB, thous.)	Amount of financing (RUB, thous.)	Payback period (years)	Energy saving (per unit)	Industry	Issue date	Type of credit	Reducing of CO ₂ (t per year)
50	Borrower-50	9 682, 00	9 600, 00	4,9	65% (dt)	agriculture	19.09.19	credit line	81,4
51	Borrower-51	7 803, 20	7 500, 00	4,9	60% (dt)	agriculture	19.09.19	credit line	93,9
52	Borrower-52	5 000, 00	5 000, 00	4,1	55,4% (dt)	agriculture	01.08.19	credit line	97,0
53	Borrower-53	11 950, 77	11 950, 00	3,8	69,7% (dt)	agriculture	16.09.19	credit line	215,9
54	Borrower-54	10 900, 00	10 900, 00	4,9	61,7% (dt)	agriculture	23.09.19	credit line	100,7
55	Borrower-55	4 431, 75	3 324, 00	4,7	75% (el)	trade	04.10.19	finance lease	93,9
56	Borrower-56	7 420, 00	6 420, 00	4,6	65,3% (dt)	construction	18.09.19	credit line	64,7
57	Borrower-57	24 000, 00	19 200, 00	2,7	67,4% (dt)	agriculture	03.10.19	credit line	622,2
58	Borrower-58	6 774, 49	5 759, 17	4,3	70% (dt)	agriculture	27.09.19	credit line	109,5
59	Borrower-59	4 500, 00	3 560, 00	3,5	70,2% (dt)	agriculture	25.10.19	credit line	24,0
60	Borrower-60	5 837, 35	5 837, 00	2,0	76% (dt)	agriculture	22.11.19	credit line	198,2
61	Borrower-61	8 084, 00	6 884, 00	4,1	47,6% (dt)	agriculture	20.11.19	credit line	62,6
62	Borrower-62	1 417, 00	1 275, 00	0,6	46,6% (dt)	production	05.06.19	credit line	1 065,5
63	Borrower-63	11 000, 00	11 000, 00	5,0	59,5% (dt)	agriculture	04.10.19	credit line	137,7
64	Borrower-64	5 927, 00	5 927, 00	3,4	40,5% (dt)	agriculture	26.12.19	credit line	53,2
65	Borrower-65	19 123, 16	19 123, 16	3,9	70,6% (dt)	agriculture	12.12.19	credit line	337,9
66	Borrower-66	5 000, 00	3 000, 00	5,0	60,8% (dt)	agriculture	24.12.19	credit line	77,6
67	Borrower-67	10 641, 86	9 600, 00	5,0	66,8% (dt)	agriculture	23.12.19	credit line	100,8
68	Borrower-68	5 500, 00	4 950, 00	1,5	63,5% (dt)	agriculture	30.12.19	credit line	206,5
69	Borrower-69	690, 00	690, 00	2,4	51,1% (el)	production	19.12.19	credit line	2,5
70	Borrower-70	6 553, 40	5 890, 00	2,6	68,8% (dt)	agriculture	13.12.19	credit line	172,1
71	Borrower-71	2 500, 00	2 500, 00	2,7	48,1% (dt)	agriculture	27.12.19	credit line	65,2
72	Borrower-72	6 686, 69	5 530, 00	2,0	80% (dt)	agriculture	20.12.19	credit line	250,3
73	Borrower-73	24 900, 00	22 410, 00	4,5	80% (dt)	agriculture	25.12.19	credit line	250,3
74	Borrower-74	9 176, 80	9 176, 00	4,9	31,8% (dt)	agriculture	19.12.19	credit line	21,9
75	Borrower-75	5 500, 30	5 000, 00	1,9	70,9% (dt)	agriculture	18.12.19	credit line	205,4

N	Customer	Project amount (RUB, thous.)	Amount of financing (RUB, thous.)	Payback period (years)	Energy saving (per unit)	Industry	Issue date	Type of credit	Reducing of CO ₂ (t per year)
76	Borrower-76	6 400, 00	6 400, 00	3,1	70,0% (dt)	agriculture	16.12.19	credit line	65,7
77	Borrower-77	6 224, 60	4 000, 00	4,5	53,4% (dt)	agriculture	16.12.19	credit line	82,5
78	Borrower-78	7 689, 38	5 300, 00	4,7	54,3% (dt)	agriculture	13.12.19	credit line	74,3
79	Borrower-79	10 500, 00	9 450, 00	2,5	63,6% (dt)	agriculture	13.12.19	credit line	122,2
80	Borrower-80	9 089, 98	6 057, 00	4,9	58,3% (dt)	agriculture	12.12.19	credit line	87,6
81	Borrower-81	10 000, 00	9 000, 00	2,0	81% (dt)	agriculture	24.12.19	credit line	319,2
82	Borrower-82	2 685, 00	2 685, 00	2,1	49,5% (dt)	agriculture	16.12.19	credit line	86,1
83	Borrower-83	5 837, 35	5 830, 00	2,5	71,4% (dt)	agriculture	10.12.19	credit line	156,5
84	Borrower-84	5 000, 00	4 000, 000	4,2	47,5% (dt)	trade	02.12.19	credit line	25,5
85	Borrower-85	5 500, 30	5 200, 00	3,2	45,8% (dt)	agriculture	22.11.19	credit line	68,8
86	Borrower-86	5 500, 30	5 500, 00	1,5	68,4% (dt)	agriculture	10.12.19	credit line	176,3
87	Borrower-87	32 000, 00	32 000, 00	5	86,7% (dt)	production	18.12.19	credit line	244,1
88	Borrower-88	1 320, 00	1 056, 00	0,5	68,8% (dt)	agriculture	26.12.19	credit line	172,1
89	Borrower-89	2 817, 34	2 700, 00	4,3	44,9% (dt)	agriculture	06.12.19	credit line	46,0
90	Borrower-90	11 750, 00	9 000, 00	2,5	75,5% (el)	production	13.12.19	credit line	43,7
91	Borrower-91	14 000, 00	14 000, 00	4,7	63,3% (el)	agriculture	25.12.19	credit line	19,0
92	Borrower-92	4 300, 00	3 800, 00	2,0	68,3% (dt)	agriculture	20.12.19	credit line	168,2
93	Borrower-93	4 200, 00	4 200, 00	4,0	51,8% (dt)	agriculture	18.12.19	credit line	77,4
94	Borrower-94	9 561, 58	9 561, 58	5,0	57,1% (dt)	agriculture	18.12.19	credit line	70,7



Annex 6

List of projects financed under the placement of Green bonds (Projects) as of 01.01.2020:

N	Customer	Project amount (RUB, thous.)	Amount of financing (RUB, thous.)	Payback period (years)	Energy saving ¹⁹ (per unit)	Industry	Issue date	Type of credit	Reducing of CO ₂ (t per year)	Stage of implementation
1	Borrower-1	5 837,35	5 837,00	2,0	76% (dt)	agriculture	22.11.19	credit line	198,2	implemented
2	Borrower-2	5 500,30	5 200,00	3,2	45,8% (dt)	agriculture	22.11.19	credit line	68,8	implemented
3	Borrower-3	5 837,35	5 830,00	2,5	71,4% (dt)	agriculture	10.12.19	credit line	156,5	implemented
4	Borrower-4	5 500,30	5 500,00	1,5	68,4% (dt)	agriculture	10.12.19	credit line	176,3	implemented
5	Borrower-5	8 084,00	6 884,00	4,1	47,6 (dt)	agriculture	10.12.19	credit line	62,6	implemented
6	Borrower-6	19 123,16	19 123,16	3,9	70,6% (dt)	agriculture	12.12.19	credit line	337,9	implemented
7	Borrower-7	9 089,98	6 057,00	4,9	58,3% (dt)	agriculture	12.12.19	credit line	87,6	implemented
8	Borrower-8	6 553,40	5 890,00	2,6	68,8% (dt)	agriculture	13.12.19	credit line	172,1	implemented
9	Borrower-9	7 689,38	5 300,00	4,7	54,3% (dt)	agriculture	13.12.19	credit line	74,3	implemented
10	Borrower-10	10 500,00	9 450,00	2,5	63,6% (dt)	agriculture	13.12.19	credit line	122,2	implemented
11	Borrower-11	11 750,00	9 000,00	2,5	75,5% (el)	production	13.12.19	credit line	43,7	implemented
12	Borrower-12	6 400,00	6 400,00	3,1	70,0% (dt)	agriculture	16.12.19	credit line	65,7	implemented
13	Borrower-13	6 224,60	4 000,00	4,5	53,4% (dt)	agriculture	16.12.19	credit line	82,5	implemented
14	Borrower-14	2 685,00	2 685,00	2,1	49,5% (dt)	agriculture	16.12.19	credit line	86,1	implemented
15	Borrower-15	5 500,30	5 000,00	1,9	70,9% (dt)	agriculture	18.12.19	credit line	205,4	implemented
16	Borrower-16	32 000,00	32 000,00	5	86,7% (dt)	production	18.12.19	credit line	244,1	implemented
17	Borrower-17	4 200,00	4 200,00	4,0	51,8% (dt)	agriculture	18.12.19	credit line	77,4	implemented
18	Borrower-18	9 561,58	9 561,58	5,0	57,1% (dt)	agriculture	18.12.19	credit line	70,7	implemented
19	Borrower-19	690,00	690,00	2,4	51,1% (el)	production	19.12.19	credit line	2,5	implemented
20	Borrower-20	9 176,80	9 176,00	4,9	31,8% (dt)	agriculture	19.12.19	credit line	21,9	implemented
21	Borrower-21	6 686,69	5 530,00	2,0	80% (dt)	agriculture	20.12.19	credit line	250,3	implemented
22	Borrower-22	4 300,00	3 800,00	2,0	68,3% (dt)	agriculture	20.12.19	credit line	168,2	implemented

¹⁹ Energy saving is an indicator that reflects the efficiency of using energy resources, namely, the consumption of less energy for the same level of production or technological processes.

N	Customer	Project amount (RUB, thous.)	Amount of financing (RUB, thous.)	Payback period (years)	Energy saving (per unit)	Industry	Issue date	Type of credit	Reducing of CO ₂ (t per year)	Stage of implementation
23	Borrower-23	10 641,86	9 600,00	5,0	66,8% (dt)	agriculture	23.12.19	credit line	100,8	implemented
24	Borrower-24	10 000,00	9 000,00	2,0	81% (dt)	agriculture	24.12.19	credit line	319,2	implemented
25	Borrower-25	24 900,00	22 410,00	4,5	80% (dt)	agriculture	25.12.19	credit line	250,3	implemented
26	Borrower-26	14 000,00	14 000,00	4,7	63,3% (el)	agriculture	25.12.19	credit line	19,0	implemented
27	Borrower-27	5 927,00	5 927,00	3,4	40,5% (dt)	agriculture	26.12.19	credit line	53,2	implemented
28	Borrower-28	1 320,00	1 056,00	0,5	68,8% (dt)	agriculture	26.12.19	credit line	172,1	implemented
29	Borrower-29	5 500,00	4 950,00	1,5	63,5% (dt)	agriculture	30.12.19	credit line	206,5	implemented
Subtotal		255 179,05	234 056, 75							

Excess of the nominal value of issues of Green bonds in circulation over the cost of Projects as of 01.01.2020: 11 943,30 thousand rubles.

Option list of projects financed under the placement of Green bonds (Projects) after the reporting date:

N	Customer	Project amount (RUB, thous.)	Amount of financing (RUB, thous.)	Payback period (years)	Energy saving (per unit)	Industry	Issue date	Type of credit	Reducing of CO ₂ (t per year)	Stage of implementation
30	Borrower-30	2 730,00	2 600,00	2,1	57,4% (dt)	agriculture	27.02.20	credit line	89,2	implemented
31	Borrower-31	1 700,00	1 700,00	1,6	49,5% (dt)	agriculture	27.02.20	credit line	76,7	implemented
32	Borrower-32	4 050,00	3 000,00	2,0	65,3% (dt)	agriculture	11.03.20	credit line	147,3	implemented
33	Borrower-33	6 350,00	4 350,00	4,6	52,0%(dt)	agriculture	25.03.20	credit line	50,9	implemented
34	Borrower-34	1 475,00	1 327,00	1,7	57,1% (dt)	agriculture	27.03.20	credit line	62,6	implemented
35	Borrower-35	6 736,79	5 400,00	3,0	64,9% (dt)	agriculture	30.03.20	credit line	150,6	implemented
36	Borrower-36	2 780,00	2 224,00	1,6	59,7% (dt)	agriculture	30.03.20	credit line	120,4	implemented
Subtotal:		25 821,79	20 601,00							
Total amount:		281 000,85	254 657,75							

Excess of the nominal value of issues of Green bonds in circulation over the cost of Projects as of 01.04.2020: 0 py6.

Supplementary information:

The volume of financed Projects from the allocated Green bonds totaled 254 657,75 thousand rubles, while 250 000,00 thousand rubles are the funds from the allocated Green bonds, and the remaining amount - is the Bank's own sources.

As of 01.04.2020, the entire amount of funds raised in the Green bank bonds issue is directed to financing Projects in accordance with the GBF.

The funds raised in the Green bonds issue will be allocated on financing and refinancing of energy efficiency projects in the industrial sector, agribusiness, housing and communal services and the services sector, which meet the criteria listed in Bank's Green Bond Framework.