

Green, Social and Sustainable Bond Framework

September 2021, Center-invest Bank

1. Introduction

Center-invest Bank is the largest private regional bank in southern Russia and a positive example of business social responsibility based on the ESG banking business model. The Corporate Social Responsibility of the Bank is aimed at positive changes in society, meets the strategic interests of the Bank and is implemented in the interests of present and future generations.

ESG banking is not an addition or alternative to existing banking practices, but a global trend that is gaining popularity among politicians, regulators, investors, customers, management and bank employees. ESG banking takes into account a wider range of environmental, social and management risks. This requires additional costs, but expands the range of considered alternatives, tools and allows you to quickly adapt to new challenges.

Thanks to the best international practices and accumulated experience, the Bank uses integrated reporting and considers its development as a process of reproduction of operational, financial, informational, intellectual, human and social capital, taking into account the impact on the environment, society and management. In the ESG principles, it is important to assess the impact on society, ecology and ecosystem development.

Shareholders structure of Center-invest Bank includes: the founders of the Bank V.V. Vysokov and T.N. Vysokova (22,06%), ESG banks and Funds (53,51%) such as European Bank for Reconstruction and Development (United Kingdom), German investment and development Corporation DEG, the largest Austrian Bank Erste Group Bank AG and the Swiss fund ResponsAbility Investments AG, specializing in ESG investments.

Center-invest Bank is a participant and/or signatory of the following organizations and initiatives

- Principles of Responsible Banking (PRB) of the Financial Initiative of the United Nations Environment Programme (UNEPFI);
- Standards and Code of Membership of the Global Alliance for Banking on Values (GABV).

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

- UN Global Compact (UNGC);
- Principles of Responsible Investments (PRI);
- Equator Principles (EP).

Center-invest Bank is also guided by:

- Sustainable Development Goals (SDGs);
- Paris Climate Agreement;
- OECD Guidelines for Multinational Enterprises;
- Triple bottom line (TBL) (people, planet, profit);
- Recommendations on disclosure by public joint-stock companies of non-financial Information related to the activities of such companies (Bank of Russia);
- Practical recommendations of the banking community on the implementation of ESG-banking in Russia (Association of Banks of Russia).

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 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.

Together with the Bank's shareholders – EBRD and DEG, as well as with the participation of IFC, since 2004 the Bank has implemented corporate rules and procedures that take into account international best practices and include codes of corporate conduct and ethics, policies for certain areas of activity, namely:

- Code of Corporate Conduct (2004);
- Code of Corporate Ethics (2004);
- Information Policy (2007);
- Risk Management Policy (2020);
- Credit policy (2018);
- Internal Control Policy (2020);
- Anti-Corruption and Fraud Policy (2020);
- Environmental and social policy (2010 as amended in 2011, 2012, 2014, 2019)

The Environmental and Social Policy approved by the Board of Directors of the Bank in 2010 was developed jointly with the EBRD and the IFC and is based on their best practices in the field of "sustainable financing" and practice in implementing energy-efficient projects: www.centriinvest.ru/ru/investors/esg/eco-and-social

This Policy is based on universally recognized principles of promoting “environmentally healthy and sustainable development” in all its activities in the field of banking operations, investment and technical cooperation as one of the fundamental aspects of the Bank's rational business.

A member of the Executive Board of the Bank shall be appointed to be responsible for compliance with the principles and approaches outlined in the Bank's Environmental and Social Policy. A member of the Executive Board is responsible for transmitting the provisions of the policy to all employees and is responsible for its implementation. The policy provisions also guided by all credit committees of the Bank. On an annual basis, an environmental report is prepared and made publicly available, which reflects the main results of work over the past year. The Bank's environmental reports are available on the Bank's official website at: www.centriinvest.ru/ru/investors/esg/eco-otchet

Environmental responsibility is one of the Bank's priority areas along with providing traditional banking products and services. The Bank aims to take care of the environment, including through the economical consumption of resources (electricity, paper, fuel, etc.). Center-invest Bank has been implementing a program to increase energy efficiency since 2005, providing targeted loans to enterprises and population for the introduction of modern technologies and measures to reduce energy consumption. As of July 1, 2021, the Bank invested over 19.3 billion rubles in 22 thousand projects. Reduction of carbon dioxide (CO₂) from the implementation of these projects amounted to more than 230 thousand tons, which contributes to the conservation of the ecology of southern Russia.

Furthermore, Center-invest Bank shares the values of the World Wide Fund for Nature (WWF) in preserving nature and preventing degradation of the natural environment. For several years the Bank has supported the environmental campaign “Earth Hour”: for one hour the illumination of buildings and roof advertising of the bank's office buildings are turned off as a sign of concern for the future of the planet.

At the time of approval of this document (September, 2021), Center-Invest Bank has successfully placed two issues of green bonds in the Sustainable Development Sector of the Moscow Exchange. In accordance with the Exchange Bonds Program approved by the Board of Directors, the Bank plans to place the following types of bonds on the Moscow Exchange in the Sustainable Development Sector:

- green bonds: meet the criteria for financing green projects listed below;
- social bonds: meet the criteria for financing social projects listed below;
- sustainable development bonds: meet the criteria for financing green or social projects listed below. The funds raised from the issuance of such bonds are used to finance green and social projects, while the share of projects of each type (green, social) must be at least 20% of the bond issue.

In accordance with this Procedure and principles, the Bank may issue exchange-traded bonds to finance and refinance loans for projects that comply with section 2 Use of proceeds of this Procedure.

In accordance with this Procedure, the Bank can issue both bonds (green, social, sustainable) and attract loans both for financing a separate project and for a portfolio (pool) of projects.

These Procedure and principles for the allocation of funds raised in the framework of issuing green, social, sustainable development bonds are based on the Green Bonds Principles (GBP 2021), the Principles of Social Bonds (SBP 2021), the Standards (Guidelines) of Sustainable Development Bonds (SBG, 2021) published by the International Association of Capital Markets (ICMA), draft Methodological recommendations on the classification of financial instruments as financial instruments aimed at financing sustainable (including green) development projects (VEB.RF). The Bank aims to maintain the growth and integrity of the sustainable financing market.

Financing of projects at the expense of funds raised from the placement of green, social and sustainable development bonds is most consistent with solving the tasks provided for by the following UN Sustainable Development Goals:

1. Poverty eradication;
2. Elimination of hunger;
3. Good health and well-being;
4. Quality education;
5. Gender equality;
6. Clean water and sanitation;
7. Affordable and clean energy;
8. Decent work and economic growth;
9. Industrialization, innovation and infrastructure;
10. Reducing inequality;
11. Sustainable cities and communities;
12. Rational consumption and production;
13. Combating climate change.

2. Use of proceeds

2.1. Green Bonds

The economy of southern Russia faces various environmental and climate risks. Environmental risks are associated with hazardous emissions and waste, conservation of biodiversity, responsible production and consumption. The economy of the South is exposed to both physical and transitional climate risks, which affects its key industries. Modern technologies, training in sustainable practices and effective management can reduce negative effects and strengthen the positive impact on the environment and the ecosystem.

Center-invest Bank holds a leading position in Russia in lending to energy efficiency projects in the housing and communal services sector and is one of the few banks in Russia that provides loans to homeowners' associations (homeowners associations) for on carrying out the capital repairs allowing to reduce expenses for operation of houses.

The funds raised as part of the placement of green bonds will be used to finance or refinance renewable energy and energy efficiency projects in the industrial sector, agribusiness, housing and utilities and services, which meet the criteria listed below and are able to bring additional environmental returns with a focus on projects that include elements aimed at solving priority environmental problems specific to the region in which the Bank operates, such as, as mitigation of the consequences of climate change and adaptation measures to it, desertification, conservation of biological diversity, energy and resource conservation and can be measured by quantitative and qualitative characteristics, namely:

Categories of Green projects	Selection criteria	Possible projects
Renewable energy sources	<p>A) Increase energy production from renewable sources.</p> <p>B) A reduction in the consumption of primary energy.</p> <p>C) Reducing the final consumption of a renewable energy source.</p> <p>D) Reduction of other types of energy that may ultimately be associated with the use of a renewable source.</p>	Projects aimed at the construction, modernization or purchase/acquisition of infrastructure related to renewable energy sources, incl. solar heating systems, wind power plants, bio and hydrogen fuel equipment.
Efficient use of energy	<p>A) Reduction in primary energy consumption.</p> <p>B) Reducing the final consumption of energy or fuel.</p> <p>C) Reduction of other types of energy, which may ultimately be associated with the use of energy or fuel.</p> <p>At the same time, there is a decrease in specific energy consumption (physical energy savings per unit of output) by at least 20% compared to the baseline level (before the project implementation) for projects to which this applies.</p>	Projects aimed at investing in technologies, equipment, systems that allow for measurable improvements in the use of energy, modernization of heat supply systems, installation of boilers, modernization of heat pumps, ventilation, air conditioning, improvement of enclosing structures, including thermal insulation of the roof, ceiling, floor and / or exterior walls.
Environmentally friendly transport	<p>A) Reduction of the final consumption of electricity or fuel</p> <p>B) Reducing other types of energy that may ultimately be associated with the use of electricity or fuel.</p> <p>At the same time, the specific energy consumption (physical energy savings per unit of production) is reduced by at least 20% compared to the baseline level (before the project implementation).</p>	Projects aimed at the acquisition and subsequent use of energy-efficient (economical) commercial transport and agricultural machinery, as well as environmentally friendly transport (for example, electric, hybrid, public, rail, multi-modal transport), modernization of infrastructure for environmentally friendly energy vehicles.
Sustainable agriculture	A) Increase in the area of land on which agricultural activities are carried out.	Projects aimed at the creation, modernization, acquisition of infrastructure for irrigation systems, including the use of

	B) Increase the productivity of animal farming. C) Reducing the use of natural resources.	wastewater; reduction of CH ₄ release during the digestive process of cattle. Projects aimed at the efficient use of resources: zero-tillage technologies, restoration of degraded land, use of agricultural waste.
Construction	A) The number and volume of loans granted for the implementation of projects related to construction according to green standards or energy-efficient capital repairs. B) The number of residential and non-residential premises put into operation after construction according to green standards or repaired as part of an energy-efficient capital repair C) The number and volume of mortgage loans issued for the purchase of residential and non-residential premises built according to green standards or renovated as part of an energy-efficient capital repair.	Projects aimed at the construction, major repairs of residential and non-residential buildings, provided that the energy saving effect is achieved (at least 20%). Mortgage lending for the purchase of real estate in buildings recognized as "green" according to Russian and/or international standards.
Waste management	A) The number and volume of loans granted for the implementation of projects related to the disposal of household and industrial waste.	Projects aimed at the disposal of household and industrial waste, including those related to the production of a closed cycle.
Territorial development and ecosystem protection	A) The number and volume of loans granted for the implementation of projects related to ecological tourism. B) The number and volume of loans granted for the implementation of projects for the protection of water bodies, land, plants and animals.	Projects aimed at the infrastructure and development of ecotourism facilities; projects related to the protection of water bodies, coastal zones, restoration of land, forests, rare plants and animals.

2.2. Social Bonds

The funds raised as part of the placement of social bonds will be used to finance or refinance projects in the industrial sector, agribusiness, housing and communal services, trade and services, as well as lending to the population that meet the criteria listed below and can bring a positive socio-economic effect mainly in relation to target social groups. Priority projects are aimed at solving social problems specific to the regions of the Bank's presence, namely:

Categories of social projects	Selection criteria and impact indicators	Possible projects
Access to basic and critical infrastructure	A) The number of households, self-employed, SMEs, representatives of other target social groups who have received access to the basic infrastructure. B) The number and volume of loans granted for the implementation of projects.	Projects related to providing access to the population and enterprises belonging to the category of SMEs to basic infrastructure: water supply, sanitation, energy supply, heat supply, sewerage, wastewater treatment.
	C) The number of households, self-employed, SMEs, representatives of other target social groups who have received access to critical infrastructure. D) The number and volume of loans granted for the implementation of projects.	Projects related to providing access to the population and enterprises belonging to the category of SMEs to critical infrastructure: information and telecommunication networks and services.
	E) Increasing the number of people who have access to public transport infrastructure. F) Reducing the number of persons injured as a result of road accidents (road traffic injuries and fatal accidents). G) Creating a system for providing assistance to victims of road accidents. H) The number and volume of loans granted for the implementation of projects	Projects related to public transport infrastructure, including for low-mobility groups of the population and road safety.

Access to significant social services	<p>A) Increasing the number of the population who have been trained or received educational services.</p> <p>B) Increasing the number of people who have gained access to contactless access services, payment and monitoring of food costs in educational, scientific and cultural institutions.</p> <p>C) The number and volume of loans granted for the implementation of projects.</p>	<p>Projects related to ensuring the availability of education and awareness services for target social groups, as well as foreign citizens, volunteers, teachers and educators on financial literacy programs, responsible consumption, waste management and biodiversity conservation.</p> <p>Projects for the implementation of contactless access systems, payment and monitoring of food costs in educational, scientific and cultural institutions.</p>
	<p>D) Increasing the number of people who have gained access to the infrastructure of medical care, physical education and sports.</p> <p>E) Increasing the range of medical services or the bed fund.</p> <p>F) Increasing the number of people who have received the opportunity to use medicines and medical devices.</p> <p>G) Increasing the number of people involved in programs for a healthy lifestyle, proper nutrition and giving up bad habits.</p> <p>H) The number of medical personnel who have received support or access to retraining and retraining programs.</p> <p>I) The number and volume of loans granted for the implementation of projects.</p>	<p>Projects aimed at providing health services, maintaining a healthy lifestyle and engaging in mass sports:</p> <ul style="list-style-type: none"> • Creating and modernizing the infrastructure for providing medical services, providing medicines and medical products and organizing accessible forms for physical culture and sports. • Support and popularization of healthy lifestyle practices, healthy nutrition and rejection of bad habits. • Launch of training and support programs for medical personnel, including those mobilized for the prevention and control of the consequences of natural disasters, man-made disasters and pandemics.
Small business support	<p>A) The number of established SMEs, including those with the status of a social enterprise, registered self-employed.</p> <p>B) The number of self-employed, SMEs (women entrepreneurs, young entrepreneurs, social enterprises that have received access to financing.</p> <p>C) Maintaining or increasing the number of employees in organizations belonging to small business entities.</p> <p>D) Increasing the share of small and medium-sized businesses in supply chains.</p> <p>E) The Number of self-employed and small and medium-sized enterprises that received funding at a rate below the average interest rates on loans to non-financial organizations, including small and medium business, for more than 1 year (according to the Bank of Russia of the last reporting date prior to the issuance of credit).</p> <p>F) The Number and volume of loans for projects.</p> <p>G) Increase productivity and / or reduce costs per unit of production.</p>	<p>Implementation of projects aimed at creating and supporting small and medium-sized businesses, including financing small and medium-sized businesses:</p> <ul style="list-style-type: none"> • Support for social enterprises. • Support for women engaged in entrepreneurial activities. • Support for new businesses, youth entrepreneurship, as well as acceleration programs for SMEs.
Food Security	<p>A) The number of organizations that have received funding for the main activities related to the use of sustainable agriculture technologies.</p> <p>B) Increasing the share of agricultural exports.</p> <p>C) Increasing the reserves of the national intervention fund.</p> <p>D) Increasing in productivity and / or a reduction in the use of resources of agricultural enterprises.</p> <p>E) An increase in the share of products related to organic production. As well as products or raw materials with improved characteristics.</p> <p>F) The number of organizations included in the unified state register of organic producers.</p> <p>G) The number and volume of loans granted for the implementation of projects.</p>	<p>Projects focused on solving the following tasks:</p> <ul style="list-style-type: none"> • Support of small forms of management, as well as personal subsidiary farms. • Solving problems of food security. • Application of sustainable agriculture technologies.
Affordable housing	<p>A) The area of residential premises purchased by a household (including all family members) does not exceed the norm for providing the area of residential premises per person in the region.</p> <p>B) Increasing the area of residential premises per household member, including if the cost of 1m² of purchased residential premises is lower than the average cost of 1m² of similar premises in this municipality.</p> <p>C) The number of households that have improved their housing conditions, including in cases when, before the improvement of housing conditions, the area of residential premises (taking into account all family</p>	<p>Projects related to the solution of the following tasks:</p> <ul style="list-style-type: none"> • Insufficient provision of housing for households. • The need for resettlement. • Providing the opportunity to purchase affordable housing.

	members) did not exceed the norm for providing the area of residential premises per person in the region. D) The number and volume of loans granted for the implementation of projects.	
Support for potentially vulnerable social groups	A) The number of households that received funding at a rate below the average interest rates on loans to individuals for longer than 1 year (according to the Bank of Russia of the last reporting date prior to the issuance of credit). B) The number of households having in its composition of the target social groups that received access to housing, goods and services. C) The number and volume of loans granted for the implementation of projects. D) The number of households (the "Borrower's Family") purchasing residential premises, goods or services that have an income for each family member not higher than the median per capita income in the region. E) The number of households paying for a mortgage loan, as well as related payments for housing and communal services, in the amount of more than 30% of total income. F) The number of borrowers-women who are not married, including with one or more dependents, whose income for each family member does not exceed the median per capita income in the region. G) The number of households whose members permanently live in rural areas, while the income for each family member does not exceed the median per capita income for the region.	Projects related to the solution of the following tasks: <ul style="list-style-type: none"> • Insufficient provision of housing, basic goods and services. • Improving the standard of living of households with low income. • Support for women who are self-employed, including of maintaining employment. • Support for other targeted social groups.
Sustainable tourism	A) Increasing or maintaining the number of employees in organizations providing services in the field of sustainable tourism. B) Increasing the number of professionally trained personnel employed in tourist complexes. C) Increasing the number of Russian and foreign tourists who visited sustainable tourism facilities, including accommodation in collective accommodation facilities. D) The number and volume of loans granted for the implementation of projects	Projects related to the following tasks: <ul style="list-style-type: none"> • Creation of a sustainable tourism infrastructure. • Development of ethno-cultural, fishing, event and agrotourism, including related to the preservation of the traditions of the Cossacks.
Human and Fauna	A) Increasing the number of rare plant or animal. B) The number of veterinary care points, including on the territory of rural settlements. C) The number of animals that received assistance and care in accordance with the standards. D) The number and volume of loans provided for the implementation of projects	Projects related to the following tasks: <ul style="list-style-type: none"> • Ensuring biodiversity. • Protection and veterinary care for animals. • Fight poaching. • Creation of an infrastructure for accommodation animals, including zoo shelters. • Creation of infrastructure for the safe movement of wild animals.

The examples of projects and impact indicators specified in paragraphs 2.1. and 2.2. of this Procedure do not limit the Bank's ability to direct the attracted funds to other green or social projects, as well as the achievement of other impact indicators, if this meets national and/or international criteria and principles of responsible financing.

To determine the target social groups, the Bank is guided by international and national recommendations and criteria in the field of financing social projects. The following target social groups are recognized as the most relevant for the Bank:

- Persons receiving insignificant income;
- Persons with disabilities, as well as people with disabilities;
- Persons of retirement and pre-retirement age;
- Persons living in localities with an average per capita income below the average for the subject of the Russian Federation;

- Persons who are members of large and / or young families;
- Orphans, children left without parental care, persons from among orphans and children left without parental care; persons who lost both parents or a single parent during the period of education; children from single-parent families;
- Persons related to labor migrants, refugees and internally displaced persons;
- Persons permanently residing in rural settlements;
- Persons affected by the impact of a natural disaster, fire, armed conflict, as well as those belonging to a risk group due to their professional or social activities;
- Women;
- Persons with low housing security who live in housing that is in a state of disrepair, recognized as emergency and subject to demolition;
- Self-employed, individual entrepreneurs, owners of micro and small businesses.

3. Process for Project Preliminary Evaluation and Selection

According to the provisions of the Environmental and Social Policy, all funded Projects at the stage of consideration are subject to classification according to the level of environmental and social risks (low, medium or high risk). The Bank tries to minimize its potential impact on the environment, including industry guidelines for the protection of the environment, health and labor. If this is not possible, the Bank may refuse to finance such a project. The Environmental and Social Policies also contain a list of projects prohibited for financing (Center-invest Bank's Environmental and Social Prohibition List, Appendix 1) and projects of category A, requiring increased attention.

In summary, the process of selecting projects in the Bank is as follows:

1. The responsible credit officer conducts a preliminary screening for the assignment of the project to the Prohibited List.
 - 1a. If a project falls under one or more activities from the Prohibited List, it is immediately transferred to the ESG Secretary.
 - 1b. If the project does not belong to the types of activities from the Prohibited List, the responsible loan officer analyzes it for compliance with one or more criteria of section 2 of this document and transmits the relevant information in the form of a professional judgment to the ESG Secretary.
2. The ESG Secretary:
 - 2a. Evaluates the information on the compliance of the project with one of the activities from the Prohibited List;
 - 2b. Assesses the professional judgment on the subject of:
 - compliance of the project with the criteria of section 2 of this document;
 - ESG-profile of the borrower or a group of interrelated borrowers;
 - absence of significant direct or indirect environmental or social harm (DNSH).
 - 2c. Forms its own conclusion for the credit committee or returns the question to the responsible credit officer for revision;
3. The collegial body – the Credit Committee of the bank makes a decision on the possibility and conditions of financing the project.

In some cases (for example, the complexity of the project, the amount of funding), it is possible to involve Treasury employees, RMS, and other experts to assess possible ESG risks and determine whether the project complies with this Procedure.

This algorithm describes only part of the credit process, complementing the existing procedures for assessing the financial situation, compliance with compliance requirements and compliance with AML/CFT legislation.

In accordance with the requirements of the "Environmental and social policy" of the Bank for each Project financed by the issue of green bonds, the responsible credit officer of the Bank calculates a specific reduction in energy consumption and reduction of carbon dioxide (CO₂) emissions into the atmosphere. Such calculations serve as a basis for measuring the Bank's environmental performance.

All projects financed by issuing social bonds should be directed to the purposes related to the financing and/or refinancing of projects aimed at the development of public life and meet the criteria for compliance with social projects described above.

4. Management of the Register of issued bonds

The Bank may issue green, social and sustainable development bonds in the form of separate issues, separate issues within the framework of the bonds program or within the framework of the bonds program, combining the issues of green, social and sustainable development bonds. green, social and sustainable development bonds may be admitted to organized trading or traded on the OTC market

The Bank creates a Register of issued bonds in order to record the expenditure of funds raised as part of the placement of green, social and sustainable development bonds. The register of issued green, social and sustainable development bonds is reviewed quarterly by senior treasury officers.

The Bank intends to maintain the total amount of Projects financed within the framework of the placement of target bonds, not less than the total nominal value of the green, social and sustainable development bonds in circulation. During periods when the nominal value of the bonds in circulation exceeds the value of the Projects financed within the framework of the placement of the target bonds, 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 of the loan issued to Finance the Project, the Bank is obliged to exclude the Project from the Register and make every effort to replace the Project with another such Project, so that the total amount of Projects financed under this Program corresponds to the amount of the placed green, social and sustainable development bonds.

The Bank undertakes to continuously monitor projects throughout the entire period of co-storage of green, social and sustainable development 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 credit issued for financing a specific project ceases to meet the quantitative and qualitative criteria necessary for inclusion in the Green, Social and Sustainable Development Bonds Register, the Bank undertakes to exclude this loan from the list and replace it with another loan to finance a project that meets the established criteria.

The register of issued green, social and sustainable development bonds will contain information sufficient to identify each target bond and related Projects financed as part of the placement of green, social and sustainable development bonds. The register of issued bonds will serve as the basis for the compilation of the Environmental Report and ESG Report.

5. Reporting

Center-invest Bank is committed to the principles of corporate ethics, accountability and stakeholder engagement. He systematically publishes information on the results of its activities to solve environmental and social problems and maintains a meaningful dialogue with all parties interested in the activities. He promotes these best practices among its customers.

Bank publishes an annual report on sustainable development (ESG-Report) www.centriinvest.ru/ru/investors/reports/annual, including, in particular, summary information on reducing greenhouse gas emissions, environmental expenditures, environmental and social impacts associated with the Bank's project portfolio, as well as information concerning achievement of environmental and social indicators by the bank itself.

Annually, since 2008, the Bank has been publishing an Environmental report, which is available on the official website of the Bank at the link: www.centriinvest.ru/en/sustainability/environmentreports. In each Environmental Report, the Bank discloses a list of all Projects funded over the past year.

Projects that were from the green bond will be allocated in a separate section 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

Projects that will be financed from the funds from the placement of green, social or sustainable development bonds will be disclosed annually no later than July 15 of the year following the reporting year, within a separate section of the Environmental Report or ESG-Report, indicating the total volume of projects, the volume financed from the funds from the placement of green, social or sustainable development bonds, the level of reduction in specific energy consumption, the amount of reduction in carbon dioxide emissions, the social effect, indicating the goals and directions of project implementation, an indication of the stage at which the projects are being implemented as of the date of signing the decision on the issue of bonds or an indication that the implementation of projects has not been started as of the date of signing the decision on the issue of bonds, indicating the planned start date for the implementation of projects and (or) the conditions under which the implementation of projects will be started. In cases where this applies to the essence of projects financed by funds from the placement of green, social or sustainable development bonds, the Bank discloses the sectoral section of the organizations being credited or the target social groups in whose interests the project is being implemented.

6. External assessment

Bank "Center-invest" can attract an external verifier of bonds issue. In this case, the independent conclusion of the external verifier will be posted on the official website of the Bank. An external verifier can also separately check the report on the disposal of green, social and sustainable development bonds.

7. Conclusion

In the future, the Bank may update the Procedure and Principles for placing funds raised under the issue of green, social and sustainable development bonds, as well as include other acceptable categories of assets, loans and projects in this Procedure.

This Procedure, as well as changes to it, are approved by the Board of Directors and are verified for compliance with international and/or Russian standards in the field of sustainable development financing. If changes are made to this Procedure, the Bank ensures that these changes are verified within a reasonable time.