

## SECOND PARTY OPINION (SPO)

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Sustainability Quality of the Issuer and Green Bond Framework

Cassa di Risparmio di Asti

15 July 2025

### VERIFICATION PARAMETERS

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Type(s) of instruments contemplated

- Green Bonds

Relevant standards

- Green Bond Principles (GBP), as administered by the International Capital Market Association (ICMA) (as of June 2025)

Scope of verification

- Banca di Asti Green Bond Framework (as of July 9, 2025)
- Banca di Asti Eligibility criteria (as of July 9, 2025)

Lifecycle

- Pre-issuance verification

Validity

- Valid as long as the cited Framework remains unchanged

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## SCOPE OF WORK

Cassa di Risparmio di Asti (“the Issuer,” “the Company”, or “Banca di Asti”) commissioned ISS-Corporate to assist with its Green Bonds by assessing three core elements to determine the sustainability quality of the instruments:

1. Banca di Asti’s Green Bond Framework (as of July 9, 2025), benchmarked against the International Capital Market Association’s (ICMA) Green Bond Principles (GBP).
2. The Eligibility criteria — whether the project categories contribute positively to the United Nations Sustainable Development Goals (U.N. SDGs) and how they perform against ISS-Corporate’s proprietary issuance-specific key performance indicators (KPIs) (see Annex 1).
3. Consistency of Green Bonds with Banca di Asti’s sustainability strategy, drawing on the key sustainability objectives and priorities defined by the Issuer.

## BANCA DI ASTI OVERVIEW

Banca di Asti engages in banking activities. It operates through the following business segments: savings collection and credit disbursement, the provision and intermediation of payment and insurance services, the disbursement of loans against the assignment of one-fifth of salary and pension (through the subsidiaries Pitagora Spa and We Finance Spa). The main interlocutors of the Cassa di Risparmio di Asti Group are private savers and small and medium-sized enterprises (artisan, commercial, agricultural and industrial), without excluding primary companies of significant size, operating in its reference market (Piedmont, Lombardy, Liguria, Veneto and Valle d'Aosta). The company was founded on January 25, 1842 and is headquartered in Asti, Italy.

### *ESG risks associated with the Issuer's industry*





Banca di Asti is classified in the Public and Regional Banks industry, as per ISS ESG's sector classification. Key sustainability issues faced by companies<sup>1</sup> in this industry are sustainability impacts of lending and other financial services/products, customer and product responsibility, sustainable investment criteria, labor standards and working conditions, and business ethics.

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

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<sup>1</sup> Please note that this is not a company-specific assessment but rather areas that are of particular relevance for companies within this industry.

## ASSESSMENT SUMMARY

SPO SECTION	SUMMARY	EVALUATION <sup>2</sup>
<p><b>Part I:</b></p> <p><b>Alignment with GBP</b></p>	<p>The Issuer has defined a formal concept for its Green Bonds regarding use of proceeds, processes for project evaluation and selection, management of proceeds and reporting. This concept is in line with the GBP.</p>	<p><b>Aligned</b></p>
<p><b>Part II:</b></p> <p><b>Sustainability quality of the Eligibility criteria</b></p>	<p>The Green Bond will (re)finance the following eligible asset categories:</p> <p>Green categories: Green Buildings, Renewable Energy, Clean Transportation.</p> <p>Product and/or service-related use of proceeds categories<sup>3</sup> individually contribute to one or more of the following SDGs:</p> <div style="display: flex; justify-content: center; gap: 10px;">   </div> <p>The use of proceeds categories improve the operational impacts of Banca di Asti’s borrower(s) and mitigate potential negative externalities of its sector/their sectors on one or more of the following SDGs:</p> <div style="display: flex; justify-content: center; gap: 10px;">   </div> <p>The environmental and social risks associated with the use of proceeds categories and the financial institution are managed.</p>	<p><b>Positive</b></p>
<p><b>Part III:</b></p> <p><b>Consistency of Green Bonds with Banca di Asti’s sustainability strategy</b></p>	<p>The key sustainability objectives and the rationale for issuing Green Bonds are clearly described by the Issuer. All the project categories considered are in line with the Issuer’s sustainability objectives.</p>	<p><b>Consistent with Issuer’s sustainability strategy</b></p>

<sup>2</sup> The evaluation is based on the Banca di Asti’s Green Bond Framework (July 9, 2025, version), on the selection criteria as received on July 9, 2025.

<sup>3</sup> Green Building, Renewable Energy, Clean Transportation.

## SPO ASSESSMENT

### PART I: ALIGNMENT WITH THE GREEN BOND PRINCIPLES

This section evaluates the alignment of the Banca di Asti’s Green Bond Framework (as of July 9, 2025) with the GBP.

GBP	ALIGNMENT	OPINION
<p><b>1. Use of proceeds</b></p>	<p>✓</p>	<p>The use of proceeds description provided by Banca di Asti’s Green Bond Framework is <b>aligned</b> with the GBP.</p> <p>The Issuer’s green categories align with the project categories as proposed by the GBP. Criteria are defined clearly and transparently. Disclosure of an allocation period and commitment to report by project category has been provided and environmental benefits are described.</p> <p>The Issue defines a look-back period until January 2020, in line with best market practice.</p>
<p><b>2. Process for project evaluation and selection</b></p>	<p>✓</p>	<p>The process for project evaluation and selection description provided by Banca di Asti’s Green Bond Framework is <b>aligned</b> with the GBP.</p> <p>The project selection process is defined. ESG risks associated with the project categories are identified and managed appropriately. Moreover, the projects selected show alignment with the Issuer’s sustainability strategy and market-wide taxonomies, in line with best market practice. The Issuer defines exclusion criteria for harmful projects categories.</p> <p>The Issuer involves various stakeholders and clearly defines responsibilities in the process for project evaluation and selection and is transparent about it, which is in line with best market practice. Additionally, it provides information on how the selection and evaluation process fits within the context of their overarching objectives, strategy, policy and/or</p>

GBP	ALIGNMENT	OPINION
		<p>processes relating to environmental sustainability, in line with best market practice.</p>
<p><b>3. Management of proceeds</b></p>	<p>✓</p>	<p>The management of proceeds provided by Banca di Asti’s Green Bond Framework is <b>aligned</b> with the GBP.</p> <p>The net proceeds collected will equal the amount allocated to eligible projects. The net proceeds are tracked appropriately and managed on an aggregated basis for multiple green bonds (portfolio approach). Moreover, the Issuer discloses the temporary investment instruments for unallocated proceeds.</p>
<p><b>4. Reporting</b></p>	<p>✓</p>	<p>The allocation and impact reporting provided by Banca di Asti’s Green Bond Framework is <b>aligned</b> with the GBP.</p> <p>The Issuer commits to disclose the allocation of proceeds transparently and report with appropriate frequency. The reporting will be publicly available on the Issuer’s website. Banca di Asti has disclosed the type of information that will be reported and explains that the level of expected reporting will be at the project category level. Moreover, the Issuer commits to report annually until the proceeds have been fully allocated.</p> <p>The Issuer discloses structure, roles and responsibilities in the monitoring and reporting process, and commits to get the allocation report audited by an external party, in line with best market practices.</p>

## PART II: SUSTAINABILITY QUALITY OF THE ELIGIBILITY CRITERIA

### A. CONTRIBUTION OF THE GREEN BONDS TO THE U.N. SDGs<sup>4</sup>

The Issuer can contribute to the achievement of the SDGs by providing specific services/products that help address global sustainability challenges, and by being a responsible actor, working to minimize negative externalities in its operations along the entire value chain. This section assesses the SDG impact of the use of proceeds (UoP) categories financed by the Issuer in two different ways, depending on whether the proceeds are used to (re)finance:

- Specific products/services
- Improvements of operational performance


#### 1. Products and services

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

The assessment of UoP categories for (re)financing specific products and services is displayed on a three-point scale:






Each of the Green Bonds’ use of proceeds categories has been assessed for its contribution to, or obstruction of, the SDGs:

USE OF PROCEEDS (PRODUCTS/SERVICES) <sup>5</sup>	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p><b>Green Buildings<sup>6</sup></b></p> <p><i>7.1 Construction of new buildings</i></p> <p><i>7.7 Purchase and ownership of buildings</i></p>	<p><b>Contribution</b></p>	

<sup>4</sup> The impact of the UoP categories on U.N. SDGs is assessed with proprietary methodology and may therefore differ from the Issuer’s description in the Framework.

<sup>5</sup> The review is limited to the examples of projects spelled out in the Framework.

<sup>6</sup> We note that the Issuer has aligned its selection criteria with the technical screening criteria 7. 1 and 7.7 for a substantial contribution to Climate Change Mitigation of the EU Taxonomy Delegated Act (June 2021).

USE OF PROCEEDS (PRODUCTS/SERVICES) <sup>5</sup>	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS	
<p><b>Renewable energy<sup>7</sup></b></p> <p>4.1 Electricity production from solar photovoltaic technology.</p> <p>4.3 Power generation from wind energy.</p> <p>4.5 Electricity generation from hydropower.</p> <p>5.7 Anaerobic digestion of organic waste.</p>	<p><b>Contribution</b></p>		
<p><b>Clean transportation<sup>8</sup></b></p> <p>6.4 Management of personal mobility devices, cycling.<sup>9</sup></p>		<p><b>Contribution</b></p>	
<p><b>Clean transportation<sup>10</sup></b></p> <p>6.5 Transportation by motorcycles, passenger cars and light commercial vehicles.</p>		<p><b>Contribution</b></p>	

<sup>7</sup> We note that the Issuer has aligned its selection criteria with the technical screening criteria 4.1, 4.3, 4.5 for a substantial contribution to Climate Change Mitigation of the EU Taxonomy Delegated Act (June 2021). For anaerobic digestion of organic waste, only some selection criteria with the technical screening criteria 5.7 for a substantial contribution to Climate Change Mitigation of the EU Taxonomy Delegated Act (June 2021) have been selected.

<sup>8</sup> We note that the Issuer has aligned its selection criteria with the technical screening criteria 6.4 for a substantial contribution to Climate Change Mitigation of the EU Taxonomy Delegated Act (June 2021).

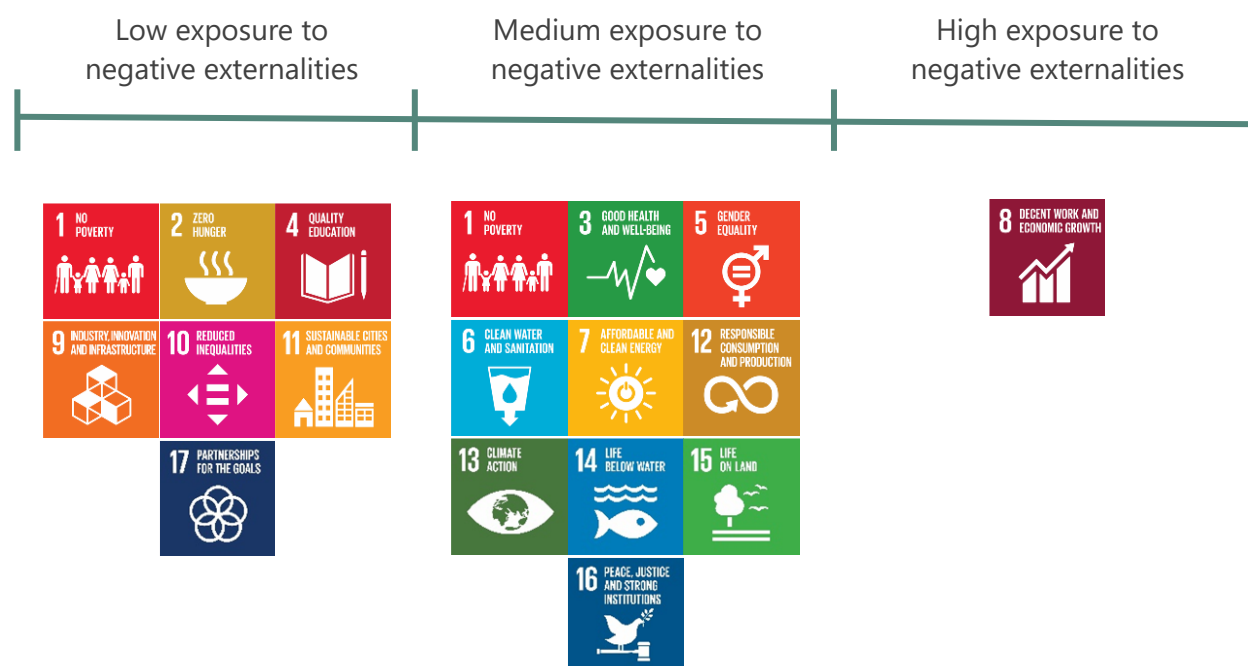
<sup>9</sup> This category refers to sale, purchase, leasing and rental of transportation or personal mobility devices

<sup>10</sup> We note that the Issuer has aligned its selection criteria with the technical screening criteria 6.5 for a substantial contribution to Climate Change Mitigation of the EU Taxonomy Delegated Act (June 2021).



**2. Improvements of operational performance (processes)**

The below assessment qualifies the direction of change (or “operational impact improvement”) resulting from the operational performance projects (re)financed by the UoP categories, as well as related SDGs impacted. The assessment displays how the UoP categories mitigate the exposure to the negative externalities relevant to the Issuer’s business model and sector of the Issuer’s clients.

According to ISS ESG’s SDG Impact Rating methodology, potential impacts on the SDGs related to negative operational externalities in the Real Estate, Road Transportation and Transportation Infrastructure sector (which Banca di Asti finances) are the following:



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

USE OF PROCEEDS (PROCESSES)	OPERATIONAL IMPACT IMPROVEMENT <sup>11</sup>	SUSTAINABLE DEVELOPMENT GOALS
<p><b>Green Buildings</b></p> <p>7.2 Renovation of existing buildings.<sup>12</sup></p>	<p>✓<sup>13</sup></p>	 

<sup>11</sup> Only the direction of change is displayed. The scale of improvement is not assessed.

<sup>12</sup> We note that the Issuer has aligned its selection criteria with the technical screening criteria 7. 2 for a substantial contribution to Climate Change Mitigation of the EU Taxonomy Delegated Act (June 2021).

<sup>13</sup> We note that the Issuer has aligned its selection criteria with the technical screening criteria for a substantial contribution to Climate Change Mitigation of the EU Taxonomy Delegated Act (June 2021).

USE OF PROCEEDS (PROCESSES)	OPERATIONAL IMPACT IMPROVEMENT <sup>11</sup>	SUSTAINABLE DEVELOPMENT GOALS
<p><b>Clean Transportation</b></p> <p>6.4 Management of personal mobility devices, cycling.<sup>14</sup></p>	<p>✓<sup>15</sup></p>	

<sup>14</sup> This category refers to financing and operation of transportation or personal mobility devices.

<sup>15</sup> We note that the Issuer has aligned its selection criteria with the technical screening criteria 6.4 for a substantial contribution to Climate Change Mitigation of the EU Taxonomy Delegated Act (June 2021).

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

The table below evaluates the eligibility criteria against issuance-specific KPIs. The entirety of the assets are and will be located in Italy.

### ASSESSMENT AGAINST KPIs

#### Integration of ESG guidelines into the financing process

Cassa di Risparmio di Asti has adopted an institution-wide ESG risk integration strategy that aligns with both its regional focus and its long-term sustainability objectives. The Bank operates primarily in Italy, particularly in the regions of Piedmont and Lombardy, and applies its ESG due diligence across all financing and investment activities—not only those related to its Green Bond Framework.

The Bank’s ESG evaluation framework encompasses both qualitative and quantitative methods. At the core is its Climate Change Risk score, applied during credit origination and review. This score assesses physical risk—such as exposure to extreme weather events or changing climatic conditions—and transition risk, which evaluates the counterparty’s vulnerability to policy shifts, technological developments, or market trends arising from the shift to a low-carbon economy.

To further institutionalize ESG considerations, the Bank integrates environmental and climate-related risks into its Internal Capital Adequacy Assessment Process (ICAAP). This involves mapping ESG risks across its portfolio, estimating their materiality through the Exposure Method, and applying thresholds that flag transactions with significant sustainability exposure. Where risks are deemed material, mitigation actions are determined based on a three-tier strategy: development (supporting ESG-aligned growth), containment (limiting exposure), or divestment (full or partial withdrawal from the relationship).

#### Labor, health and safety



Cassa di Risparmio di Asti’s borrowers are exclusively located in Italy, a country that has ratified all eight fundamental ILO conventions and is subject to the European Union’s mandatory occupational health and safety standards. Italian legislation—including Legislative Decree 81/2008<sup>16</sup>—establishes one of the EU’s most comprehensive regulatory frameworks for labor protections, requiring robust H&S management, risk prevention, and formal accountability. While ISO 45001 or IFC Performance Standards are not mandatory, national

<sup>16</sup> Legislative Decree 81/2008: <https://www.normattiva.it/atto/caricaDettaglioAtto?atto.dataPubblicazioneGazzetta=2008-04-30&atto.codiceRedazionale=008G0104&atto.articolo.numero=0&atto.articolo.sottoArticolo=1&atto.articolo.sottoArticolo1=0&glid=1eedc298-073a-4e0e-a39e-9f30ae496f5f&tabID=0.48411000396875103&title=lbl.dettaglioAtto>

compliance obligations and regulatory enforcement provide strong assurance of high labor and workplace safety standards across all financed activities.

**Biodiversity**



All assets financed under the Green Bond Framework are located in Italy, an Equator Principles Designated Country with strong national and EU-aligned environmental protections. Biodiversity is safeguarded through compliance with binding legislation, including the EU Habitats<sup>17</sup> and Birds Directives<sup>18</sup> and the Natura 2000 Network, which collectively ensures the protection of endangered species and ecologically sensitive areas. While the Issuer does not require adherence to the IFC Performance Standards or conduct biodiversity-specific due diligence beyond legal compliance, the national regulatory context provides robust safeguards aligned with international environmental and sustainability standards.

**Community dialogue**



All assets financed under the Green Bond Framework are located in Italy, an Equator Principles Designated Country, with community dialogue integrated into part of the planning process for all in-scope projects. Banca di Asti maintains<sup>19</sup> that emphasizes open communication and community trust-building. Engagement is conducted through public-facing channels such as client reviews, local partnerships with schools and municipalities, and responsiveness to feedback as part of ongoing service improvements. While borrowers are not required to follow IFC Performance Standards, the Bank relies on Italian and EU legislation to ensure social protections.

Community-related risks are also addressed through robust internal governance mechanisms. This includes a formal grievance system that ensures timely, consistent responses and a dedicated whistleblowing channel in accordance with EU Directive 2019/1937 and Italian Legislative Decree 24/2023. This channel is accessible to external stakeholders and ensures confidentiality and impartial case management.

Transparency obligations are enforced through policies aligned with the Italian Banking Act<sup>20</sup> and EU standards, guaranteeing clarity and fairness in communications. Although biodiversity-specific community dialogue

<sup>17</sup> EU Habitats Directive: [https://environment.ec.europa.eu/topics/nature-and-biodiversity/habitats-directive\\_en](https://environment.ec.europa.eu/topics/nature-and-biodiversity/habitats-directive_en)

<sup>18</sup> EU Birds Directive: [https://environment.ec.europa.eu/topics/nature-and-biodiversity/birds-directive\\_en](https://environment.ec.europa.eu/topics/nature-and-biodiversity/birds-directive_en)

<sup>19</sup> Stakeholder engagement strategy (Group’s consolidated report) p. 279: [gruppo-banca-di-asti -bilancio-consolidato-31-12-2024.pdf](https://www.banca-di-asti.it/it/risorse/gruppo-banca-di-asti-bilancio-consolidato-31-12-2024.pdf)

<sup>20</sup> Italian Banking Act: <https://www.normattiva.it/atto/caricaDettaglioAtto?atto.dataPubblicazioneGazzetta=1993-09-30&atto.codiceRedazionale=093G0428&atto.articolo.numero=0&atto.articolo.sottoArticolo=1&atto.articolo.sottoArticolo1=0&qId=0a018124-9a6c-4b66-8d4a-c8241eb3d3cc&tabID=0.19249473596811728&title=lbl.dettaglioAtto>

frameworks or consultative panels are not formally mandated, the Bank's domestic operational scope—entirely within an Equator Principles Designated Country—ensures adherence to strong regulatory expectations for social accountability and local community protection.

### **Inclusion**



Cassa di Risparmio di Asti applies a non-discriminatory lending approach as part of its institutional commitment to inclusive finance. While no standalone anti-discrimination credit policy exists, safeguards are embedded within the Group's Sustainability Policy<sup>21</sup> and internal client engagement procedures. These provisions ensure that borrowers are treated equitably regardless of age, gender, ethnicity, disability, religion, or socio-economic background. The Bank emphasizes personalized and respectful service, explicitly committing to fair access to credit in alignment with human rights principles. This framework aims to protect vulnerable populations from exclusion throughout the credit evaluation process.

### **Data protection and information security**



Banca di Asti implements a formal cybersecurity governance system that ensures borrower-related data collection complies with robust internal and regulatory security standards. Information security responsibilities are clearly defined across operational, control, and oversight functions, and are governed by the Group's ICT Risk and Information Security Policies. These policies establish a multilayered risk management model in line with Italian supervisory regulations, supported by a Group-wide IT risk methodology and internal control system. Data classification and access rights are managed in accordance with the Group's Data Governance framework.

Regarding outsourcing, the Bank applies strict provisions through its Group Information Security Policy, which requires that IT service contracts with external providers include minimum cybersecurity standards. Vendor compliance and service quality are actively monitored by the ICT and Security Functions. In accordance with section 8.7 of the Group's Data Protection Policy, external data processors are formally appointed, subject to evaluation by the Data Protection Officer and Privacy Delegate. These provisions ensure the reliability and regulatory compliance of third-party processors. While GDPR compliance forms part of the Bank's framework, the broader system ensures comprehensive oversight aligned with national supervisory guidance.

### **Responsible treatment of customers with debt repayment problems**

<sup>21</sup> Sustainability policies: [politiche-di-gruppo-in-materia-di-sostenibilita.pdf](#)

Cassa di Risparmio di Asti adopts a responsible lending approach aimed at preventing and mitigating repayment difficulties across both corporate and retail portfolios. The Bank assesses each case individually and promotes customized debt restructuring solutions, such as instalment suspension (principal and/or interest), term extension, and renegotiation to streamline total borrower exposure. The Group explicitly avoids punitive measures like late fees or additional interest, favouring instead client-oriented resolution strategies.

The Issuer has some preventive measures in place, such as an accounting system equipped with an integrated monitoring framework where specific credit anomaly triggers are detected, and, in the event of late payments, specific payment reminders are sent to their clients inviting them to contact their local managers in order to assess possible debt restructuring initiatives if they are unable to settle the arrears. For all customers, a catalog of specific debt restructuring initiatives to be used for possible forbearance measures is provided.



Banca di Asti also has debt counselling measures, such as a credit observation office and an abnormal credit management office, which, among other responsibilities, support the Territorial Network in managing positions with repayment difficulties, sometimes also liaising with customers and their advisors. Moreover, the management of individual positions is specific and personalized, handled by the territorial manager, with the possible support of specialized headquarters structures.

The forced sale of mortgages is carried out in court and managed by a sales representative in accordance with the provisions of the Civil Code, and contact with customers aimed at a possible out-of-court settlement of the debt is handled by the offices prior to the Non-Performing Loans Department. If a position reaches the Non-Performing Loans Department, proceedings are generally initiated. However, if at that stage the customer contacts the bank to initiate negotiations, the Department will handle the negotiations. Foreclosure is considered a last resort, and legal proceedings are drawn up by the Group's external lawyers.

### **Sales practices**



Cassa di Risparmio di Asti has measures in place to ensure ethical sales practices are in place. The Bank includes ethical considerations in the calculation of bonus payments, and applies a structured approach to responsible sales practices that spans incentives, training, and post-sale monitoring. The Bank's sales incentive system balances fixed and variable remuneration and aligns performance rewards with both financial and qualitative metrics, including ESG-related objectives for senior personnel. These incentives are not linked to specific

products, but to the Banks's overall performance. Mandatory training on transparency and reputational risk mitigation is delivered through a multiyear education plan, targeting sales, advisory, and credit staff. Training content includes responsible marketing and sales behaviour in compliance with the Bank's internal Transparency Policies. Product distribution is monitored regularly—at least annually and in response to material risk triggers—to ensure alignment between product characteristics and client needs. The Bank updates or withdraws products that no longer meet suitability thresholds and communicates all market definition changes to external distributors. These practices indicate a formal commitment to aligning product offerings with client expectations across the entire sales process. Moreover, Banca di Asti regularly screens customers' risk profiles against the risk profile of their investment through an automated check that monitors adequacy parameters. The results of this check are communicated to the customer every six months and are subject to specific first- and second-level internal control activities.

### Responsible marketing



Cassa di Risparmio di Asti has implemented internal policies and procedures that ensure responsible marketing practices across all products financed under its Green Bond Framework. The Group's Product Distribution and Transparency Policies formalize a structured approach to client information, requiring that all promotional and pre-contractual materials be clear, comprehensive, and accessible. Key safeguards include a prohibition on hidden costs and unclear contract terms, mandatory disclosure of total product costs (including fees and commissions), and alignment of offerings with the target market. Clients must receive up-to-date illustrative materials outlining product risks and features both in-branch and via the Bank's public website. Periodic reporting is also provided to account holders to maintain transparency over the life of the customer relationship. While the Bank does not explicitly cite a standalone responsible marketing code, its internal governance framework demonstrates a systematic commitment to pricing clarity, informed decision-making, and transparency in line with EU consumer protection expectations.

### Exclusion criteria

The Issuer applies exclusion criteria to financing, investment, and strategic relationships that cover both sector-specific and ethical concerns:

- Companies listed on national or international blacklists
- Production of weapons of mass destruction and military equipment
- Money transfer institutions and gold-buying operations
- Individuals involved in political fundraising as electoral agents
- Entities suspected of illicit activity or lacking ethical and commercial integrity

- Organizations violating human rights or presenting high risks of money laundering or terrorist financing

These exclusions are embedded in the Green Bond Framework and Group-wide policies, including the Code of Ethics,<sup>22</sup> which mandates due diligence on all partners.

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<sup>22</sup> [Microsoft Word - Codice Etico](#)

## PART III: CONSISTENCY OF THE GREEN BONDS WITH BANCA DI ASTI'S SUSTAINABILITY STRATEGY

*Key sustainability objectives and priorities defined by the Issuer*

TOPIC	ISSUER APPROACH
<b>Strategic ESG objectives</b>	<p>The Issuer focuses on Institutional Positioning, Sustainable Business, and Direct Impact. These sustainability pillars have been defined through a materiality analysis using the European Taxonomy and Principle for Responsible Banking as reference.</p>
<b>ESG goals/targets</b>	<p>To achieve its strategic ESG objectives, the Issuer has set the following goals:</p> <ul style="list-style-type: none"> <li>▪ Institutional Positioning: aimed at outlining and clearly and transparently affirming the Group's sustainability positioning through ESG ratings and possible membership in international initiatives.</li> <li>▪ Sustainable Business: aimed at supporting the transition to a low-carbon economy through the provision of dedicated financing, investment and insurance products.</li> <li>▪ Direct Impact: aimed to exclusive use of 100% renewable energy and the goal of achieving carbon neutrality for Scope 1 and 2 emissions by 2030. Furthermore, the Group's objective is to maintain the sustainability certifications obtained.</li> <li>▪ On Diversity and Inclusion, the Bank aims to reduce the gender income gap, setting a threshold of payment difference at 5% by 2027.</li> <li>▪ The Bank commits to increase contributions to support initiatives in the social, sports and cultural fields for at least 75% of the overall budget allocated annually to promotional interventions, i.e., CapEx of €1.3 million/year.</li> </ul> <p>These goals are part of the Issuer's 2025-2027 strategy plan, which are regularly monitored and reported.</p>
<b>Action plan</b>	<p>The Issuer has an Industrial Plan in place to achieve its goals. financial budget to achieve the specific ESG targets of EUR 277 M of new landing by 2027.</p>
<b>Climate transition strategy</b>	<p>The Bank commits to reduce GHG emissions trough energy efficiency plan, conversion to hybrid or electric vehicles. This includes:</p> <ul style="list-style-type: none"> <li>▪ Maintaining 100% renewable energy</li> </ul>

TOPIC	ISSUER APPROACH
	<ul style="list-style-type: none"> <li>▪ Increase in electricity production from owned photovoltaic plants, including through the establishment of dedicated companies</li> <li>▪ Reaching carbon neutrality of the Group’s Scope 1 and 2 by 2030</li> </ul>
<b>Sustainability reporting</b>	The Issuer reports on its ESG performance and initiatives annually. The report is prepared according to the Corporate Sustainability Reporting Directive.
<b>Industry associations, collective commitments</b>	<p>The Bank adheres to various initiatives and trade associations related to ESG issues, including:</p> <ul style="list-style-type: none"> <li>▪ ABI Lab, through the “ESG Training” initiative and participation in the Green Banking Observatory, with the aim of promoting the culture of sustainability in the banking sector.</li> <li>▪ ACRI, the association of banking foundations and savings banks, which is a signatory of the UN Global Compact, the United Nations initiative to promote sustainable business practices globally.</li> <li>▪ Valore D, a business association that promotes an inclusive culture for the growth of companies and the country.</li> </ul> <p>These memberships reflect the Bank's commitment to incorporating and promoting ESG principles into its strategies and operations.</p>
<b>Previous sustainable or sustainability-linked issuances or transactions and publication of sustainable financing framework</b>	-

*Rationale for issuance*

Banca di Asti wants to be an active partner in the transition to a production and consumption model that pursues objectives of environmental neutrality, respect for human rights and good corporate governance for the benefit of People, Businesses and the Communities in which it operates.

The Bank, in line with the indications of the European Community, intends to contribute to redirecting capital toward sustainable investments and for this reason has chosen to proceed with the issuance of Green Bonds.

**Opinion:** *The Issuer clearly describes the key sustainability objectives and the rationale for issuing Green Bonds. All the project categories financed are aligned with the Issuer's sustainability objectives.*

## DISCLAIMER

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## ANNEX 1: METHODOLOGY

The ISS-Corporate SPO provides an assessment of labeled transactions against international standards using ISS-Corporate's proprietary [methodology](#).

## ANNEX 2: QUALITY MANAGEMENT PROCESSES

### SCOPE

Banca di Asti commissioned ISS-Corporate to compile a Green Bonds SPO. The second-party opinion process includes verifying whether the Green Bond Framework aligns with the GBP and assessing the sustainability credentials of its Green Bonds, as well as the Issuer's sustainability strategy.

### CRITERIA

Relevant standards for this second-party opinion:

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

### ISSUER'S RESPONSIBILITY

Banca di Asti's responsibility was to provide information and documentation on:

- Framework
- Eligibility criteria
- Documentation of ESG risk management at the asset level

### ISS-CORPORATE'S VERIFICATION PROCESS

Since 2014, ISS Group, which ISS-Corporate is part of, has built up a reputation as a highly reputed thought leader in the green and social bond market and has become one of the first CBI-approved verifiers.

This independent second-party opinion of the Green Bonds to be issued by Banca di Asti has been conducted based on proprietary methodology and in line with the ICMA GBP.

The engagement with Banca di Asti took place in June and July 2025.

### ISS-CORPORATE'S BUSINESS PRACTICES

ISS-Corporate has conducted this verification in strict compliance with the ISS Group Code of Ethics, which lays out detailed requirements in integrity, transparency, professional competence and due care, professional behavior and objectivity for the ISS business and team members. It is designed to ensure that the verification is conducted independently and without any conflicts of interest with other parts of the ISS Group.

## About this SPO

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

ISS-Corporate assesses alignment with external principles (e.g., the Green/Social Bond Principles), analyzes the sustainability quality of the assets and reviews the sustainability performance of the Issuer itself. Following these three steps, we draw up an independent SPO so investors are as well-informed as possible about the quality of the bond/loan from a sustainability perspective.

Please visit ISS-Corporate's [website](#) to learn more about our services for bond issuers.

For more information on SPO services, please contact [SPOsales@iss-corporate.com](mailto:SPOsales@iss-corporate.com).

### Project team

Project lead	Project support	Project support	Project supervision
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