

Second-Party Opinion

CA Immo Sustainability Financing Framework



Evaluation Summary

Sustainalytics is of the opinion that the CA Immo Sustainability Financing Framework is credible and impactful and aligns with the Sustainability Bond Guidelines 2021, Green Bond Principles 2021, Social Bond Principles 2021, Green Loan Principles 2021, and Social Loan Principles 2021. This assessment is based on the following:



USE OF PROCEEDS The eligible categories for the use of proceeds - Green Buildings, Renewable Energy, Energy Efficiency, Clean Transportation, Affordable Housing - aligned with those recognized by the Green Bond Principles, Social Bond Principles, Green Loan Principles, and Social Loan Principles. Sustainalytics considers that investments in the eligible categories will lead to positive environmental or social impacts and advance the UN Sustainable Development Goals, specifically SDG 7, 9 and 11.



PROJECT EVALUATION / SELECTION CA Immobilien Anlagen AG 's internal process in evaluating and selecting projects is overseen by the Sustainability Financing Committee and the Executive Board will have final approval of projects. Group wide environmental and social risk management processes are applicable to all allocation decisions made under the Framework. Sustainalytics considers these risk management practices to be adequate and the project selection process in line with market practice.



MANAGEMENT OF PROCEEDS CA Immobilien Anlagen AG 's Finance Department is responsible for managing proceeds raised from any issuance and intends to fully allocate proceeds within 24 months of the date of issuance. Unallocated proceeds will be held in cash or cash equivalents. This is in line with market practice.



REPORTING CA Immobilien Anlagen AG intends to report on allocation and impact of proceeds on its website on an annual basis until full allocation. In addition, CA Immobilien Anlagen AG is committed to reporting on relevant impact metrics. Sustainalytics views CA Immobilien Anlagen AG 's allocation and impact reporting as aligned with market practice.

Evaluation Date	April 14, 2022
Issuer Location	Vienna, Austria

Report Sections

Introduction.....	2
Sustainalytics' Opinion	3
Appendices	10

For inquiries, contact the Sustainable Finance Solutions project team:

Charles Cassaz (Amsterdam)
Project Manager
charles.cassaz@sustainalytics.com
(+31) 20 205 02 09

Aoife McCarthy (Amsterdam)
Project Support

Nazli Selin Ozbilgin (Amsterdam)
Project Support

Julie Malinur (Amsterdam)
Project Support

Enrico Tessadro (Amsterdam)
Client Relations
susfinance.emea@sustainalytics.com
(+44) 20 3880 0193

Introduction

CA Immobilien Anlagen AG (“CA Immo”, or the “Company”) is an integrated investor, manager and developer of office properties headquartered in Vienna, Austria. The Company operates across in Germany, Austria and several countries in the Central and Eastern Europe (CEE) region with majority of its property portfolio in Germany.

CA Immo has developed the CA Immo Sustainability Financing Framework (the “Framework”) under which it intends to issue sustainability bonds, loans, promissory notes and convertible bonds¹ and use the proceeds to finance and refinance, in whole or in part, existing and future projects that aim to improve the environmental performance of the building stock and increase access to affordable housing in Germany, Austria and CEE. The Framework defines eligibility criteria in five areas:

1. Green Buildings
2. Renewable Energy
3. Energy Efficiency
4. Clean Transportation
5. Affordable Housing

CA Immo engaged Sustainalytics to review the CA Immo Sustainability Financing Framework, dated April 2022, and provide a Second-Party Opinion on the Framework’s environmental and social credentials and its alignment with the Sustainability Bond Guidelines 2021 (SBG), Green Bond Principles 2021 (GBP), Social Bond Principles 2021 (SBP)², Green Loan Principles 2021 (GLP), and Social Loan Principles 2021 (SLP)³. This Framework has been published in a separate document.⁴

Scope of work and limitations of Sustainalytics’ Second-Party Opinion

Sustainalytics’ Second-Party Opinion reflects Sustainalytics’ independent⁵ opinion on the alignment of the reviewed Framework with the current market standards and the extent to which the eligible project categories are credible and impactful.

As part of the Second-Party Opinion, Sustainalytics assessed the following:

- The Framework’s alignment with the Sustainability Bond Guidelines 2021, Green Bond Principles 2021, and Social Bond Principles 2021, as administered by ICMA, and the Green Loan Principles 2021 and Social Loan Principles 2021, as administered by LMA, APLMA, and LSTA;
- The credibility and anticipated positive impacts of the use of proceeds; and
- The alignment of the issuer’s sustainability strategy and performance and sustainability risk management in relation to the use of proceeds.

For the use of proceeds assessment, Sustainalytics relied on its internal taxonomy, version 1.11, which is informed by market practice and Sustainalytics’ expertise as an ESG research provider.

As part of this engagement, Sustainalytics held conversations with various members of CA Immo’s management team to understand the sustainability impact of their business processes and planned use of proceeds, as well as management of proceeds and reporting aspects of the Framework. CA Immo representatives have confirmed (1) they understand it is the sole responsibility of CA Immo to ensure that the information provided is complete, accurate or up to date; (2) that they have provided Sustainalytics with all

¹ Sustainalytics has communicated to CA Immo that for standard convertible bonds, once the conversion has occurred the SPO is no longer valid for the assessed securities falling under this asset class. In the case of mandatory convertible bonds, proceeds should be allocated prior to the conversion date to be eligible. CA Immo has confirmed understanding of this specific consideration on convertible bonds.

² The Sustainability Bond Guidelines, Green Bond Principles, and Social Bond Principles are administered by the International Capital Market Association and are available at <https://www.icmagroup.org/green-social-and-sustainability-bonds/sustainability-bond-guidelines-sbg/>

³ The Green Loan Principles and Social Loan Principles are administered by the Loan Market Association, Asia Pacific Loan Market Association and Loan Syndications & Trading Association and are available at: <https://www.lsta.org/content/green-loan-principles/#> and <https://www.lsta.org/content/social-loan-principles-slp/>

⁴ The CA Immo Sustainability Financing Framework is available on CA Immobilien Anlagen AG’s website at: <https://www.caimmo.com/en/company/sustainability-csr/>

⁵ When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not the least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics’ hallmarks is integrity, another is transparency.

relevant information and (3) that any provided material information has been duly disclosed in a timely manner. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics' opinion of the Framework and should be read in conjunction with that Framework.

Any update of the present Second-Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and CA Immo.

Sustainalytics' Second-Party Opinion, while reflecting on the alignment of the Framework with market standards, is no guarantee of alignment nor warrants any alignment with future versions of relevant market standards. Furthermore, Sustainalytics' Second-Party Opinion addresses the anticipated impacts of eligible projects expected to be financed with bond and loan proceeds but does not measure the actual impact. The measurement and reporting of the impact achieved through projects financed under the Framework is the responsibility of the Framework owner. The Second-Party Opinion is valid for issuances aligned with the respective Framework for which the Second-Party Opinion was written for a period of twenty-four (24) months from the evaluation date stated herein.

In addition, the Second-Party Opinion opines on the potential allocation of proceeds but does not guarantee the realised allocation of the bond and loan proceeds towards eligible activities.

No information provided by Sustainalytics under the present Second-Party Opinion shall be considered as being a statement, representation, warrant or argument, either in favour or against, the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that CA Immo has made available to Sustainalytics for the purpose of this Second-Party Opinion.

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the CA Immo Sustainability Financing Framework

Sustainalytics is of the opinion that the CA Immo Sustainability Financing Framework is credible, impactful and aligns with the four core components of the GBP, SBP, GLP, and SLP. Sustainalytics highlights the following elements of CA Immo's Sustainability Finance Framework:

- Use of Proceeds:
 - The eligible categories – Green Buildings, Renewable Energy, Energy Efficiency, Clean Transportation, Affordable Housing – are aligned with those recognized by the GBP, SBP, GLP, and SLP. Sustainalytics is of the opinion that financed projects and activities will lead to improved environmental performance of building stock and increase access to affordable housing in Germany, Austria, and CEE.
 - Within the Green Buildings category, the Company intends to finance or refinance the development, acquisition and refurbishment of new and existing commercial buildings.
 - The construction of commercial buildings includes those that have achieved or intend to achieve green buildings certification schemes such as LEED (Gold or above), DGNB (Gold or above), BREEAM (Excellent or above) or those that have primary energy demand at least 10% lower than the threshold set for local NZEB requirements. This aligns with market practice.
 - Refurbishments and renovations are intended to result in at least a 30% reduction in primary energy demand compared to pre-renovation or achieve green building certification levels previously stated. CA Immo may also finance buildings renovation that complies with the applicable requirements for "major renovation" implementing Directive 2010/31/EU. Sustainalytics notes that the performance standard reflected in the EU Taxonomy,⁶ which requires meeting the relevant cost-optimal minimum energy performance requirements in accordance with the EPBD, could vary by region (EU Member States). Sustainalytics, therefore encourages CA Immo to report on the actual

⁶ European Commission, "Climate Delegated Act – Annex 1", (2021), at: https://ec.europa.eu/finance/docs/level-2-measures/taxonomy-regulation-delegated-act-2021-2800-annex-1_en.pdf

primary energy demand performance level (or energy savings) achieved compared to the reference buildings as defined based on existing building stock within the region. Sustainalytics considers these investments to align with market practice.

- For acquisition and ownership of buildings, the Issuer will target buildings that have achieved or are intended to achieve BREEAM (Very Good or Above). Sustainalytics notes that BREEAM Very Good is in line with market practice in some contexts, while in others BREEAM Excellent is preferred. Sustainalytics encourages the selection of BREEAM buildings that score high enough in the Energy category to fulfill the requirements for BREEAM Excellent in that category. In addition, buildings include those that have a primary energy demand at least 10% lower than the threshold set for NZEB requirements, and for buildings built before 31st December 2020, that have at least an EPC label A⁷ or is within the top 15% of national or regional building stock based on primary energy demand. Sustainalytics considers these criteria to align with the EU Taxonomy.
- Within the Renewable Energy category, CA Immo intends to finance or refinance the installation, maintenance and repair of renewable energy projects including solar photovoltaic systems, solar hot water systems, and electric heat pumps. Sustainalytics considers these investments to align with market practice.
- Under the Energy Efficiency category, the Company intends to finance or refinance installation or replacement of energy efficiency equipment and technologies such as insulation, windows, HCAV systems, LED lighting, smart building and energy management systems, water management devices, among others. Sustainalytics considers these investments to align with market practice.
- Within the Clean Transportation category, CA Immo intends to finance or refinance the installation, maintenance and repair of electric vehicle charging stations, which Sustainalytics considers aligning with market standards.
- Under the Affordable Housing category, the Company may finance or refinance the construction, renovation and maintenance of affordable housing projects in accordance with the applicable definition within the respective government jurisdictions in which it is located.
 - In Munich, CA Immo's key residential market, local regulation on affordable⁸ and social⁹ housing incorporates key considerations around affordability of housing such as subsidies for low- and middle-income households as well as caps on rent charged based on income levels.
 - One example within CA Immo's portfolio includes the Munich Eggartensiedlung Co-operative Housing project. The project incorporates key concerns regarding housing affordability in Munich with (i) up to 50% (versus 40% stipulated by regulation) of the 1,750-2,000 residential units dedicated to subsidized housing; (ii) rent control in place for over 60 years which is significantly longer than average.¹⁰
 - Sustainalytics notes that in the case of affordable housing projects, allocation will be pro-rated to the share of affordable housing to prevent the financing of regular private sector housing. The Company has committed to reporting on the details of its allocation. Sustainalytics is of the opinion that the provision of affordable housing will contribute to positive social impacts.
- Project Evaluation and Selection:
 - CA Immo will establish a Sustainability Financing Committee ("Committee") comprised of representatives from various departments such as capital markets, corporate communications, debt funding services, development and asset management. The Committee will meet on a semi-annual basis to select and evaluate eligible projects. CA Immo's Executive Board will provide final approval on projects selected by the Committee.

⁷ In line with the European Commission's, "Climate Delegated Act – Annex 1", (2021), at: https://ec.europa.eu/finance/docs/level-2-measures/taxonomy-regulation-delegated-act-2021-2800-annex-1_en.pdf

⁸ Landeshauptstadt Munchen Sozialreferat, "Income limit: Munich Model", at: LHM_Einkommensgrenze_Muenchen_Modell.pdf

⁹ Landeshauptstadt Munchen Sozialreferat, "Income limit: Subsidized housing, social housing", at: [LHM_Einkommensgrenzen_Stufe-III.pdf\(muenchen.de\)](LHM_Einkommensgrenzen_Stufe-III.pdf(muenchen.de))

¹⁰ CA Immo website, Development of Eggarten-Siedlung is making steady progress, published September 2019 at: <https://www.caimmo.com/en/press-corner/news/news-detail/quartiersentwicklung-eggarten-siedlung-schreitet-voran/>

- The Company's management board integrates group wide implementation of environmental and social risk management, which are applicable to all allocation decisions made under the Framework. Sustainalytics considers these management systems to be adequate and aligned with market expectation.
- Based on the establishment of a dedicated committee for project evaluation and selection, Sustainalytics considers this process to be in line with market practice.
- Management of Proceeds:
 - The Company's process for the management of proceeds will be overseen by the Finance Department. The Finance Department will track allocation to eligible proceeds and will manage proceeds on a portfolio basis. Pending full allocation, unallocated proceeds will be held in cash deposits on a temporary basis in accordance with relevant internal treasury policies. CA Immo intends to fully allocate proceeds within 24 months of the date of issuance.
 - Based on a defined process and disclosure of temporary allocation of proceeds, Sustainalytics considers this process to be in line with market practice.
- Reporting:
 - CA Immo intends to report on the allocation and impact of proceeds on its website on an annual basis until fully allocated. Allocation reporting will include total amount of proceeds per category, the proportion of proceeds allocated to refinancing, and unallocated amounts. Impact reporting will include metrics such as building CO₂ emissions intensity, building energy intensity, the share of renewable energy in total electricity consumption, number of affordable housing units made available, among others.
 - Based on a commitment to both allocation and impact reporting, Sustainalytics considers this process to be in line with market practice.

Alignment with Sustainability Bond Guidelines 2021

Sustainalytics has determined that the CA Immo Sustainability Financing Framework aligns with the four core components of the GBP, SBP, GLP, and SLP. For detailed information please refer to Appendix 1: Sustainability Bond/ Sustainability Bond Programme External Review Form.

Section 2: Sustainability Performance of CA Immo

Contribution of Framework to CA Immobilien Anlagen AG 's sustainability strategy

Sustainalytics is of the opinion that CA Immo demonstrates a commitment to sustainability with a focus on the decarbonization of the Company's building stock. CA Immo's sustainability strategy defines six key environmental and social focus areas including (i) climate and energy (ii) sustainable procurement and supply chain, (iii) resource conservation and circular economy and (iv) sustainable urban district development.¹¹

CA Immo aims to achieve carbon neutrality across its portfolio by 2050, with an intermediate target of reducing the average scope 1 and 2 GHG emission intensity of the investment portfolio by 50% by 2030, compared to a 2019 baseline. In addition, the Company aims for all construction projects completed from 2030 onwards to be climate neutral in operation. To support CA Immo's GHG emissions targets, the Company has defined several measures and targets, including converting all its electricity contracts to 100% electricity from renewable energy sources in the investment portfolio by 2023 and establishing a digital energy monitoring and management system by 2025. In 2020, the average scope 1 and 2 GHG emission intensity of CA Immo's portfolio (excluding tenant energy purchase) decreased by approximately 11% compared to 2019.¹² Additionally, at the end of 2021, CA Immo installed 154 electric vehicle charging stations in their buildings.¹³

Under sustainable procurement and supply chain and sustainable urban district development pillars, CA Immo requires its construction service providers to comply with DGNB Gold or LEED Gold requirements, for example in terms of material certification and worker protection, and the Company implements these standards in all new office developments for their own long-term portfolio. As of December 2021, 44 office and 2 hotel properties are certified under DGNB, LEED or BREAM, representing 75% of the Company's total office portfolio.¹⁴

¹¹ CA Immo, "Sustainability", at: <https://www.caimmo.com/en/company/sustainability/>

¹² CA Immo, "CA Immo Annual Report 2021", available at: <https://www.caimmo.com/en/investor-relations/financial-reports/>

¹³ CA Immo Sustainable Financing Framework, available at: <https://www.caimmo.com/en/company/sustainability-csr/>

¹⁴ CA Immo, "CA Immo Annual Report 2021", available at: <https://www.caimmo.com/en/investor-relations/financial-reports/>

In addition, CA Immo has identified resource conservation and circular economy as an area of focus. The Company aims to increase the share of recycled and recyclable waste and reduce water consumption. To achieve this, CA Immo will implement professional waste management and water consumption monitoring in building operations as well as a green lease program for resource-saving and sustainable building use. In 2020, the waste recycling rate was 21%, which is three percent above the 2019 value.¹⁵

Sustainalytics is of the opinion that the CA Immo Sustainability Financing Framework is aligned with the Company's overall sustainability strategy and initiatives and will further the Company's action on its key environmental priorities.

Approach to managing environmental and social risks associated with the projects

While Sustainalytics recognizes that the use of proceeds from the Framework will be directed towards eligible projects that are expected to have a positive environmental and social impact, Sustainalytics is aware that such eligible projects could also lead to negative environmental and social outcomes. Some key environmental and social risks associated with the eligible projects could include occupational health and safety, land and biodiversity concerns associated with large-scale construction projects, and emissions generated in the construction.

Sustainalytics is of the opinion that CA Immo is able to manage and/or mitigate potential risks through the implementation of the following policies and processes, which are available within CA Immo's Annual Report 2021.¹⁶

- CA Immo's risk management department supports the Company's Board of Directors in evaluating the risk environment and elaborating strategies and meets quarterly. CA Immo's has also a risk management system in place comprised with representatives from all business lines and the CFO.
- With regards to occupational health and safety, CA Immo incorporates health and safety aspects during the planning and construction phases of all development project, for those working on site and for the benefit of future building users. Coordinators for safety and health issues are involved in the planning phase, undertake regular safety inspections, and intervene directly in case they identify any dangerous conditions. Additionally, the Company carries out health and safety assessments in all buildings during building operation. In 2021, 95% of the Company's total investment portfolio was inspected for health and safety issues, and no regulatory violations or penalties were reported.
- For construction services, the Company requires and monitors that its contractors comply with occupational health and safety regulations, workplace and working time regulations, and collective bargaining agreements.
- To address environmental risks associated with large-scale development projects, CA Immo includes environmental considerations in the due diligence conducted during its pre-investment processes. This process includes risks such as site contamination as well as soil pollution.
- To minimize emissions generated in construction, the Company takes into consideration the CO₂ footprint of conventional materials and on-site energy generation and utilizes environmentally sustainable materials such as bio-based materials and energy-saving technologies, where feasible. During the procurement phase, CA Immo requires its construction service providers to comply with the sustainability standards according to DGNB Gold or LEED Gold requirements, for example in terms of material certification and worker protection.

Based on these policies, standards and assessments, Sustainalytics is of the opinion that CA Immo has implemented adequate measures and is well-positioned to manage and mitigate environmental and social risks commonly associated with the eligible categories.

Section 3: Impact of Use of Proceeds

All five use of proceeds categories are aligned with those recognized by GBP and SBP. Sustainalytics has focused on two categories below where the impact is specifically relevant in the local context.

Importance of green buildings in Germany, Austria and Central and Eastern Europe

¹⁵ CA Immo, "CA Immo Annual Report 2021", available at: <https://www.caimmo.com/en/investor-relations/financial-reports/>

¹⁶ CA Immo, "CA Immo Annual Report 2021", available at: <https://www.caimmo.com/en/investor-relations/financial-reports/>

The building sector is a significant contributor towards GHG emissions in the EU, accounting for 36% of total CO₂.¹⁷ Buildings are also the largest energy consumer in the region, being responsible for nearly 40% of the energy consumption.¹⁸ In 2018, residential and commercial buildings' share of total energy consumption accounted for 35% in Germany¹⁹ and 33% in Austria.²⁰ The buildings sector also has accounted for up to significant portions of CEE nations total energy consumption, such as Romania 41.6% (2019)²¹, the Czech Republic 37% (2019)²² and Poland 33% (2021).²³

Approximately 35% of the EU's building stock is over 50 years old, and almost 75% of these buildings are considered energy inefficient.²⁴ According to the European Commission, the renovation and retrofit of existing buildings has the potential to reduce the EU's total energy consumption by 5-6% and to lower total CO₂ emissions by about 5%.²⁵ The EU has prioritized the "energy efficiency first principle" under which it has committed to improving its building energy performance by at least 32.5% relative to the projected energy use in 2030.²⁶ In line with the principle, GHG emissions from the EU's building stock would need to be reduced by 60%, final energy consumption by 14% and energy consumption from heating and cooling by 18% by 2030 relative to 2015.²⁷ In order to achieve these targets, the EU's Renovation Wave strategy aims to double annual energy renovation rates by 2030.²⁸ Additionally, the Energy Performance of Buildings Directive requires all new buildings from 2021 to be nearly zero-energy buildings. The Directive focuses on the modernization of buildings and switching away from fossil fuel powered heating and cooling systems and wasteful appliances through the implementation of energy efficiency measures such as smart technologies. Moreover, the EU aims to use a wide range of clean construction techniques and materials whilst also focusing on the end stage of buildings' life cycles, including demolition as well as recycling and reuse stages.²⁹

Energy efficiency interventions in the building stock and the increased adoption of green building practices in Germany, Austria and CEE countries could result in considerable environmental benefits in the EU. The CEE nations introduced measures and strategies to achieve potential improvements in the environmental performance of buildings. For example, Germany has developed a roadmap for buildings to be climate neutral by 2050 with an interim target of 66-67% CO₂ reduction by 2030, compared to the 1990 level.³⁰ Based on this roadmap, the government identified its buildings' renovation as one of the most important sources of energy savings and set a target to achieve an 80% reduction in the primary energy demand of its buildings by 2050.³¹ The Austrian government has committed to reducing the country's CO₂ from the building stock by achieving 63.5% high-efficiency renewable energy share.³² Romania aims for at least a 60% reduction in energy consumption by 2050, compared to its pre-renovation program level. The Romanian Government also aims to support energy efficiency interventions in the building stock, promote green building construction and disincentivize the real estate market to produce energy inefficient buildings.³³ By implementing several policies to target its building stock, the Czech Republic expects to reduce its energy use by 24% in its buildings

¹⁷ European Commission, "Green Buildings", at: https://europa.eu/climate-pact/about/priority-topics/green-buildings_en

¹⁸ Ibid.

¹⁹ German Energy Agency, "Statistics & facts", at: <https://www.dena.de/en/topics-projects/energy-efficiency/buildings/>

²⁰ IEA, "Austria 2020 - Energy Policy Review", at: https://iea.blob.core.windows.net/assets/ea419c67-4847-4a22-905a-d3ef66b848ba/Austria_2020_Energy_Policy_Review.pdf

²¹ European Commission, "The 2021-2030 Integrated National Energy and Climate Plan (2020)", at: https://energy.ec.europa.eu/system/files/2020-06/ro_final_necp_main_en_0.pdf

²² IEA, "Czech Republic 2021 - Energy Policy Review", at: <https://iea.blob.core.windows.net/assets/301b7295-c0aa-4a3e-be6b-2d79aba3680e/CzechRepublic2021.pdf>

²³ European Commission, "Improving the energy efficiency of Poland's buildings", at: <https://cordis.europa.eu/article/id/435871-improving-the-energy-efficiency-of-poland-s-buildings>

²⁴ European Commission, "Energy Performance of Buildings in the European Union", at: https://energy.ec.europa.eu/topics/energy-efficiency/energy-efficient-buildings/energy-performance-buildings-directive_en?cookies=disabled

²⁵ Ibid.

²⁶ European Commission, "Energy efficiency directive", at: https://energy.ec.europa.eu/topics/energy-efficiency/energy-efficiency-targets-directive-and-rules/energy-efficiency-directive_en

²⁷ European Commission, "A Renovation Wave for Europe - greening our buildings, creating jobs, improving lives", at: https://eurlex.europa.eu/resource.html?uri=cellar:0638aa1d-0f02-11eb-bc07-01aa75ed71a1.0003.02/DOC_1&format=PDF

²⁸ European Commission, "Renovation Wave", at: https://ec.europa.eu/energy/topics/energy-efficiency/energy-efficient-buildings/renovation-wave_en

²⁹ European Commission, "Energy performance of buildings directive", at: https://ec.europa.eu/energy/topics/energy-efficiency/energy-efficient-buildings/energy-performance-buildings-directive_en

³⁰ Federal Ministry for the Environment, Nature Conservation, and Nuclear Safety (Germany), "Climate Action Plan 2050 – Germany's long-term low greenhouse gas emission development strategy", at: <https://www.bmuv.de/en/topics/climate-adaptation/climate-protection/national-climate-policy/climate-action-plan-2050-germanys-long-term-low-greenhouse-gas-emission-development-strategy#c12744>

³¹ German Energy Agency, "Statistics & facts", at: <https://www.dena.de/en/topics-projects/energy-efficiency/buildings/>

³² UNFCCC, "Long-Term Strategy 2050 - Austria", at: https://unfccc.int/sites/default/files/resource/LTS1_Austria.pdf

³³ European Commission, "National Long-Term Renovation Strategy (2020)", at: https://energy.ec.europa.eu/system/files/2021-04/ro_2020_ltrs_en_version_0.pdf

by 2050, compared to its 2020 level.³⁴ The government of Poland also focuses on energy efficiency projects, which includes renovation of its existing buildings, aiming to reduce its energy consumption by 30% by 2030.³⁵

Based on above context, Sustainalytics is of the opinion that CA Immo's green buildings will provide a meaningful contribution toward decarbonization efforts in Germany, Austria and CEE markets. Specifically, investments in more energy efficient buildings and the pursuit of green building certification are expected to reduce energy demand and carbon intensity.

Importance of affordable housing projects in Germany

The insufficient supply of affordable housing is becoming Germany's most significant issues.³⁶ The lack of affordable housing causes an increase in the number of homeless people or individuals who temporarily live in shelters. In recent years, the decline in social housing stock relative to increased population growth has also contributed to a lack of affordable housing units in Germany. Germany has among the lowest shares of social housing in the EU, with social housing representing only 2.7% of the country's total housing stock.³⁷

According to the Federal Working Group for Assistance for Homeless, approximately 417,000 people experienced homelessness in 2020.³⁸ A mismatch of supply and demand contributes to rising house and rental prices, creating housing affordability and inclusive growth challenges.³⁹ The effects of the housing problem are expected to be further exacerbated in cities such as Munich, where there is a scarcity of land for the construction of housing units and an influx of immigrants, which is expected to put added pressure on existing housing.⁴⁰ The government has already undertaken an ambitious social housing construction programmes and has launched several initiatives to solve this problem, such as (i) the "Wohnen in München" programme that includes a commitment of EUR 870 million towards municipal housing between 2017-21; (ii) the "LaSie" project that aims to densify existing buildings as well as create new areas in the outskirts; and (iii) the "Wohnen für Alle" programme focused on developing 3,000 affordable housing units for low-income population through public-private partnerships.⁴¹ According to Housing Europe Report, the country needs more than 225,000 new social and affordable housing units.⁴² The German Government has set a target to create 350,000 new housing units per year, of which approximately 80,000 should be social housing, to meet underlying demand and ensure a supply of affordable housing.⁴³

Based on above context, Sustainalytics finds investments planned in affordable housing projects in Germany to contribute to the development of affordable housing and lead to positive social outcomes.

Alignment with/contribution to SDGs

The Sustainable Development Goals (SDGs) were set in September 2015 by the United Nations General Assembly and form an agenda for achieving sustainable development by the year 2030. The bonds issued under the CA Immo Sustainability Financing Framework advances the following SDGs and targets:

Use of Proceeds Category	SDG	SDG target
Green Buildings	9. Industry, innovation and infrastructure	9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.

³⁴ Buildings Performance Institute Europe, "A Review of EU Member States' 2020 Long-Term Renovation Strategies", at: https://www.bpie.eu/wp-content/uploads/2020/09/LTRS-Assessment_Final.pdf

³⁵ Government of Poland, "Energy Policy of Poland - Until 2040", at: <https://www.gov.pl/web/climate/energy-policy-of-poland-until-2040-epp2040>

³⁶ BAG W - Bundesarbeitsgemeinschaft Wohnungslosenhilfe e.V., "Increasing number of homeless people (2021)", at: <https://www.bagw.de/de/presse/show/news.9754.html>

³⁷ Housing Europe report, "The State of Housing in Europe 2021", at: https://www.stateofhousing.eu/The_State_of_Housing_in_the_EU_2021.pdf

³⁸ BAG W - Bundesarbeitsgemeinschaft Wohnungslosenhilfe e.V., "Increasing number of homeless people (2021)", at: <https://www.bagw.de/de/presse/show/news.9754.html>

³⁹ Housing Europe, "The State of Housing in Europe (2021)", at: https://www.stateofhousing.eu/The_State_of_Housing_in_the_EU_2021.pdf

⁴⁰ La Fabrique de la Cite, "Munich - Affordable Housing: the future may be polycentric (2019)", at: <https://www.lafabriquedelacite.com/en/publications/munich-affordable-housing-the-future-may-be-polycentric/>

⁴¹ Ibid.

⁴² Housing Europe, "The State of Housing in Europe 2021", at: https://www.stateofhousing.eu/The_State_of_Housing_in_the_EU_2021.pdf

⁴³ The Federal Government, "More housing and affordable rents", at: <https://www.bundesregierung.de/breg-en/news/merkel-mietertag-1638296>

	11. Sustainable Cities and Communities	11.3 By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries
Renewable Energy	7. Affordable and clean energy	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix
Energy Efficiency	7. Affordable and clean energy	7.3 By 2030, double the global rate of improvement in energy efficiency
Clean Transportation	11. Sustainable cities and communities	11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons
Affordable Housing	11. Sustainable cities and communities	11.1 By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums

Conclusion

CA Immo has developed the CA Immo Sustainability Financing Framework under which intends to issue and originate sustainability bonds and loans and promissory notes and convertible bonds and use the proceeds to finance and refinance Green Buildings and Affordable Housing projects. Sustainalytics considers that the projects funded by the sustainability financing proceeds are expected to provide positive environmental and social impact.

The CA Immo Sustainability Financing Framework outlines a process by which proceeds will be tracked, allocated, and managed, and commitments have been made for reporting on the allocation and impact of the use of proceeds. Furthermore, Sustainalytics believes that CA Immo Sustainability Financing Framework is aligned with the overall sustainability strategy of the company and that the use of proceeds categories will contribute to the advancement of the UN Sustainable Development Goals 7, 9 and 11. Additionally, Sustainalytics is of the opinion that CA Immo has adequate measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects funded by the proceeds.

Based on the above, Sustainalytics is confident that CA Immobilien Anlagen AG is well-positioned to issue sustainability financing and that that CA Immo Sustainability Financing Framework is robust, transparent, and in alignment with the four core components of the Green Bond Principles (2021), Social Bond Principles (2021), Green Loan Principles (2021), and Social Loan Principles (2021).

Appendices

Appendix 1: Sustainability Bond / Sustainability Bond Programme - External Review Form

Section 1. Basic Information

Issuer name:	CA Immobilien Anlagen AG
Sustainability Bond ISIN or Issuer Sustainability Bond Framework Name, if applicable:	CA Immo Sustainability Financing Framework
Review provider's name:	Sustainalytics
Completion date of this form:	April 14, 2022
Publication date of review publication: Original publication date <i>[please fill this out for updates]</i> .	Update to CA Immo Sustainability Bond Framework Sustainalytics SPO, published in October 2020 and reviewed in November 2021 October 2020

Section 2. Review overview

SCOPE OF REVIEW

The following may be used or adapted, where appropriate, to summarise the scope of the review.

The review assessed the following elements and confirmed their alignment with the GBP and SBP:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Use of Proceeds | <input checked="" type="checkbox"/> Process for Project Evaluation and Selection |
| <input checked="" type="checkbox"/> Management of Proceeds | <input checked="" type="checkbox"/> Reporting |

ROLE(S) OF REVIEW PROVIDER

- | | |
|---|--|
| <input checked="" type="checkbox"/> Consultancy (incl. 2 nd opinion) | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification | <input type="checkbox"/> Rating |
| <input type="checkbox"/> Other <i>(please specify)</i> : | |

Note: In case of multiple reviews / different providers, please provide separate forms for each review.

EXECUTIVE SUMMARY OF REVIEW and/or LINK TO FULL REVIEW *(if applicable)*

Please refer to Evaluation Summary above.

Section 3. Detailed review

Reviewers are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.

1. USE OF PROCEEDS

Overall comment on section (*if applicable*):

The eligible categories for the use of proceeds - Green Buildings, Renewable Energy, Energy Efficiency, Clean Transportation, Affordable Housing - aligned with those recognized by the Green Bond Principles, Social Bond Principles, Green Loan Principles, and Social Loan Principles. Sustainalytics considers that investments in the eligible categories will lead to positive environmental or social impacts and advance the UN Sustainable Development Goals, specifically SDG 9 and 11.

Use of proceeds categories as per GBP:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Renewable energy | <input checked="" type="checkbox"/> Energy efficiency |
| <input type="checkbox"/> Pollution prevention and control | <input type="checkbox"/> Environmentally sustainable management of living natural resources and land use |
| <input type="checkbox"/> Terrestrial and aquatic biodiversity conservation | <input checked="" type="checkbox"/> Clean transportation |
| <input type="checkbox"/> Sustainable water and wastewater management | <input type="checkbox"/> Climate change adaptation |
| <input type="checkbox"/> Eco-efficient and/or circular economy adapted products, production technologies and processes | <input checked="" type="checkbox"/> Green buildings |
| <input type="checkbox"/> Unknown at issuance but currently expected to conform with GBP categories, or other eligible areas not yet stated in GBPs | <input type="checkbox"/> Other (please specify): |

If applicable please specify the environmental taxonomy, if other than GBPs:

Use of proceeds categories as per SBP:

- | | |
|---|---|
| <input type="checkbox"/> Affordable basic infrastructure | <input type="checkbox"/> Access to essential services |
| <input checked="" type="checkbox"/> Affordable housing | <input type="checkbox"/> Employment generation (through SME financing and microfinance) |
| <input type="checkbox"/> Food security | <input type="checkbox"/> Socioeconomic advancement and empowerment |
| <input type="checkbox"/> Unknown at issuance but currently expected to conform with SBP categories, or other eligible areas not yet stated in SBP | <input type="checkbox"/> Other (please specify): |

If applicable please specify the social taxonomy, if other than SBP:

2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Overall comment on section (if applicable):

CA Immobilien Anlagen AG 's internal process in evaluating and selecting projects is overseen by the Sustainability Financing Committee and the Executive Board will have final approval of projects. Group wide environmental and social risk management processes are applicable to all allocation decisions made under the Framework. Sustainalytics considers these risk management practices to be adequate and the project selection process in line with market practice.

Evaluation and selection

- | | |
|---|---|
| <input checked="" type="checkbox"/> Credentials on the issuer's social and green objectives | <input checked="" type="checkbox"/> Documented process to determine that projects fit within defined categories |
| <input checked="" type="checkbox"/> Defined and transparent criteria for projects eligible for Sustainability Bond proceeds | <input checked="" type="checkbox"/> Documented process to identify and manage potential ESG risks associated with the project |
| <input checked="" type="checkbox"/> Summary criteria for project evaluation and selection publicly available | <input type="checkbox"/> Other (please specify): |

Information on Responsibilities and Accountability

- | | |
|---|---|
| <input checked="" type="checkbox"/> Evaluation / Selection criteria subject to external advice or verification | <input checked="" type="checkbox"/> In-house assessment |
| <input checked="" type="checkbox"/> Other (please specify): CA Immo also intends to commission an independent review within 1 year of the issuance of a Sustainability instrument | |

3. MANAGEMENT OF PROCEEDS

Overall comment on section (if applicable):

CA Immobilien Anlagen AG 's Finance Department is responsible for managing proceeds raised from any issuance and intends to fully allocate proceeds within 24 months of the date of issuance. Unallocated proceeds will be held in cash or cash equivalents. This is in line with market practice.

Tracking of proceeds:

- | |
|---|
| <input checked="" type="checkbox"/> Sustainability Bond proceeds segregated or tracked by the issuer in an appropriate manner |
| <input checked="" type="checkbox"/> Disclosure of intended types of temporary investment instruments for unallocated proceeds |
| <input type="checkbox"/> Other (please specify): |

Additional disclosure:

- | | |
|--|---|
| <input type="checkbox"/> Allocations to future investments only | <input checked="" type="checkbox"/> Allocations to both existing and future investments |
| <input type="checkbox"/> Allocation to individual disbursements | <input checked="" type="checkbox"/> Allocation to a portfolio of disbursements |
| <input type="checkbox"/> Disclosure of portfolio balance of unallocated proceeds | <input type="checkbox"/> Other (please specify): |

4. REPORTING

Overall comment on section (if applicable):

CA Immobilien Anlagen AG intends to report on allocation and impact of proceeds on its website on an annual basis until full allocation. In addition, CA Immobilien Anlagen AG is committed to reporting on relevant impact metrics. Sustainalytics views CA Immobilien Anlagen AG 's allocation and impact reporting as aligned with market practice.

Use of proceeds reporting:

- | | |
|--|--|
| <input type="checkbox"/> Project-by-project | <input checked="" type="checkbox"/> On a project portfolio basis |
| <input type="checkbox"/> Linkage to individual bond(s) | <input type="checkbox"/> Other (please specify): |

Information reported:

- | | |
|---|--|
| <input checked="" type="checkbox"/> Allocated amounts | <input checked="" type="checkbox"/> Sustainability Bond financed share of total investment |
| <input type="checkbox"/> Other (please specify): | |

Frequency:

- | | |
|--|--------------------------------------|
| <input checked="" type="checkbox"/> Annual | <input type="checkbox"/> Semi-annual |
| <input type="checkbox"/> Other (please specify): | |

Impact reporting:

- | | |
|--|--|
| <input type="checkbox"/> Project-by-project | <input checked="" type="checkbox"/> On a project portfolio basis |
| <input type="checkbox"/> Linkage to individual bond(s) | <input type="checkbox"/> Other (please specify): |

Information reported (expected or ex-post):

- | | |
|---|--|
| <input checked="" type="checkbox"/> GHG Emissions / Savings | <input type="checkbox"/> Energy Savings |
| <input type="checkbox"/> Decrease in water use | <input type="checkbox"/> Number of beneficiaries |
| <input type="checkbox"/> Target populations | <input checked="" type="checkbox"/> Other ESG indicators (please specify): Buildings' energy intensity, share of renewable |

energy as % of total electricity consumption, primary energy demand of development projects, share and surface of certified buildings, buildings water consumption intensity, waste intensity, number of affordable housing units made available

Frequency:

- Annual Semi-annual
 Other (please specify):

Means of Disclosure

- Information published in financial report Information published in sustainability report
 Information published in ad hoc documents Other (please specify):
 Reporting reviewed (if yes, please specify which parts of the reporting are subject to external review):

Where appropriate, please specify name and date of publication in the useful links section.

USEFUL LINKS (e.g. to review provider methodology or credentials, to issuer’s documentation, etc.)

SPECIFY OTHER EXTERNAL REVIEWS AVAILABLE, IF APPROPRIATE

Type(s) of Review provided:

- Consultancy (incl. 2nd opinion) Certification
 Verification / Audit Rating
 Other (please specify):

Review provider(s):

Date of publication:

ABOUT ROLE(S) OF REVIEW PROVIDERS AS DEFINED BY THE GBP AND THE SBP

- i. Second-Party Opinion: An institution with sustainability expertise that is independent from the issuer may provide a Second-Party Opinion. The institution should be independent from the issuer’s adviser for its Sustainability Bond framework, or appropriate procedures such as information barriers will have been implemented within the institution to ensure the independence of the Second-Party Opinion. It normally entails an assessment of the alignment with the Principles. In particular, it can include an assessment of the

issuer's overarching objectives, strategy, policy, and/or processes relating to sustainability and an evaluation of the environmental and social features of the type of Projects intended for the Use of Proceeds.

- ii. **Verification:** An issuer can obtain independent verification against a designated set of criteria, typically pertaining to business processes and/or sustainability criteria. Verification may focus on alignment with internal or external standards or claims made by the issuer. Also, evaluation of the environmentally or socially sustainable features of underlying assets may be termed verification and may reference external criteria. Assurance or attestation regarding an issuer's internal tracking method for use of proceeds, allocation of funds from Sustainability Bond proceeds, statement of environmental or social impact or alignment of reporting with the Principles may also be termed verification.
- iii. **Certification:** An issuer can have its Sustainability Bond or associated Sustainability Bond framework or Use of Proceeds certified against a recognised external sustainability standard or label. A standard or label defines specific criteria, and alignment with such criteria is normally tested by qualified, accredited third parties, which may verify consistency with the certification criteria.
- iv. **Green, Social and Sustainability Bond Scoring/Rating:** An issuer can have its Sustainability Bond, associated Sustainability Bond framework or a key feature such as Use of Proceeds evaluated or assessed by qualified third parties, such as specialised research providers or rating agencies, according to an established scoring/rating methodology. The output may include a focus on environmental and/or social performance data, process relative to the Principles, or another benchmark, such as a 2-degree climate change scenario. Such scoring/rating is distinct from credit ratings, which may nonetheless reflect material sustainability risks.

Disclaimer

Copyright ©2022 Sustainalytics. All rights reserved.

The information, methodologies and opinions contained or reflected herein are proprietary of Sustainalytics and/or its third party suppliers (Third Party Data), and may be made available to third parties only in the form and format disclosed by Sustainalytics, or provided that appropriate citation and acknowledgement is ensured. They are provided for informational purposes only and (1) do not constitute an endorsement of any product or project; (2) do not constitute investment advice, financial advice or a prospectus; (3) cannot be interpreted as an offer or indication to buy or sell securities, to select a project or make any kind of business transactions; (4) do not represent an assessment of the issuer's economic performance, financial obligations nor of its creditworthiness; and/or (5) have not and cannot be incorporated into any offering disclosure.

These are based on information made available by the issuer and therefore are not warranted as to their merchantability, completeness, accuracy, up-to-dateness or fitness for a particular purpose. The information and data are provided "as is" and reflect Sustainalytics' opinion at the date of their elaboration and publication. Sustainalytics accepts no liability for damage arising from the use of the information, data or opinions contained herein, in any manner whatsoever, except where explicitly required by law. Any reference to third party names or Third Party Data is for appropriate acknowledgement of their ownership and does not constitute a sponsorship or endorsement by such owner. A list of our third-party data providers and their respective terms of use is available on our website. For more information, visit <http://www.sustainalytics.com/legal-disclaimers>.

The issuer is fully responsible for certifying and ensuring the compliance with its commitments, for their implementation and monitoring.

In case of discrepancies between the English language and translated versions, the English language version shall prevail.

About Sustainalytics, a Morningstar Company

Sustainalytics, a Morningstar Company, is a leading ESG research, ratings and data firm that supports investors around the world with the development and implementation of responsible investment strategies. The firm works with hundreds of the world’s leading asset managers and pension funds who incorporate ESG and corporate governance information and assessments into their investment processes. The world’s foremost issuers, from multinational corporations to financial institutions to governments, also rely on Sustainalytics for credible second-party opinions on green, social and sustainable bond frameworks. In 2021, Climate Bonds Initiative named Sustainalytics the “Largest Approved Verifier for Certified Climate Bonds” for the fourth consecutive year. The firm was also recognized by Environmental Finance as the “Largest External Reviewer” in 2021 for the third consecutive year. For more information, visit www.sustainalytics.com.

