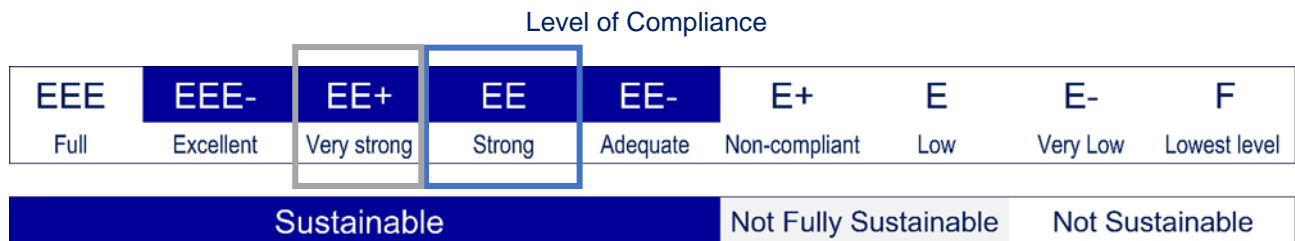


Standard Ethics Rating [corpSER]: **EE**  
 Long Term Expected corpSER [2y to 3y]: **EE+**

**Issuer:** Centotrenta Servicing S.p.A.  
**Listing:** Non listed company  
**ISIN:** -  
**Market Capitalisation:** -  
**Sector:** Financials  
**Industry:** Financials  
**Type of rating:** Corporate Standard Ethics Rating [SER]  
**Date:** 1 July 2024  
**Expiry Date:** 18 May 2025  
**Last action:** 1 July 2024  
**Previous SER:** EE Outlook Stable  
**Type of document:** Rating Report



### Summary

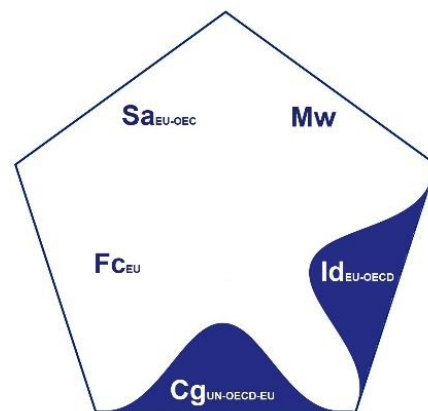
Centotrenta Servicing is an unlisted company operating as a servicer in the Italian securitisation market. In 2023, the Company became part of the Sesa Group. The corporate structure and the composition of the Board of Directors changed following the entry of the new majority shareholder.

Centotrenta is not subject to reporting obligations and communicates its ESG (Environmental, Social, Governance) objectives and voluntary strategies through its corporate website. Given its size and field of activity, Centotrenta’s environmental impact is limited.

The Company’s sustainability governance model appears to be appropriate to the Company’s characteristics and size and has recently been implemented in the Company’s structure and main documents, such as the Code of Ethics.

The strategies are aligned with the UN, OECD and EU sustainability requirements (sources referred to in the governance tools). Gender equality, although there is room for further improvement with regard to the composition of top management bodies, was amongst the topics to which the Company paid greater attention.

### Snapshot (adj.)



Each side of the diamond represents one of the five “standards” measured by the Standard Ethics Algorithm. The symbolic representation of a normal (Gaussian) distribution provides an intuitive indication of those areas where the Company probably will, or should, take action. See below for further details.

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## BACKGROUND, METHODOLOGY, RATING

New elements – such as the evolution of the Internet – have created open and transparent financial markets, in which growing segments of the population participate. This has resulted in:

- greater attention to **extra-financial** factors, both tangible and intangible, with repercussions on the level of trust and credibility of issuers;
- new assessments of the quality and long-term durability of listed financial products, related to both companies (stocks, bonds, green bonds) or institutional issuers (such as government bonds).

Standard Ethics has ascertained that we have reached the end of the classic financial era, which was focused exclusively on economic variables. Despite their fallibility and volatility, regulated markets have evolved and are proving to be the most important and independent system in assessing the long-term **sustainability**<sup>1</sup> of numerous human activities.

The Standard Ethics Rating helps refine the strategies, language and ways in which an issuer operates on the market.

### STANDARD ETHICS

Standard Ethics Ltd (SE) is a Self-Regulated Sustainability Rating Agency that issues Non-Financial Solicited Ratings to companies and sovereign nations. The Standard Ethics® brand has been around since 2004 in the world of “sustainable finance” and ESG (Environmental, Social and Governance) studies.

Standard Ethics is supervised by internal control and audit offices. The composition of the Board complies with the international guidelines on diversity of nationality, professional skills, independence and gender equality.

### STANDARD ETHICS RATING

The Standard Ethics Rating, which has been put to the test over the last 15 years, is a Solicited Sustainability Rating (SSR). It has 3 main characteristics:

- **Solicited:** it is issued only at the request of an applicant, by means of a direct, bilateral and regulated agreement.
- **Standard:** it is always comparable to other ratings, as the methodology and issuance parameters are aligned to pre-established guidelines, and the algorithm takes into account the size and typology of the issuer.
- **Independent:** in order to remain third party to investors, Standard Ethics does not provide any individual investor with advice, analysis or data regarding companies under rating, it does not use the data gathered for asset management advisory services (to banks or funds) and it does not share it with third parties.

In short, the Standard Ethics Rating indicates the level of compliance by companies (and sovereign nations) in the field of sustainability on the basis of documents and guidelines published by:

- The European Union;
- The Organisation for Economic Cooperation and Development (OECD);
- The United Nations (UN).

Standard Ethics uses an analyst-driven rating process, meaning the analysis performed does not require applicants to fill out forms and questionnaires or to provide

---

<sup>1</sup> Standard Ethics synthesizes its vision in three cornerstones of sustainability:

1. Sustainable development policies are about the generations of the future; they have taken on a global dimension; and they are implemented on a voluntary basis. It is up to the main supranational organisations, officially recognised by nations across the globe, to establish the definitions, guidelines and strategies related to sustainable development through science.
2. Economic entities do not define the guidelines, goals and strategies on sustainability: they pursue them to the extent deemed possible.
3. Measuring the sustainability of economic entities means providing comparable and third-party data on their overall compliance with international guidelines.

any documents other than those already available and that Standard Ethics does not use artificial intelligence or software either in data analysis or in decision-making.

## SE ANALYSIS UNIT

According to the methodology, guidelines and procedures of Standard Ethics, the Analysis Unit working on this rating has carefully analysed the following areas based on the set-up of the Client (the areas have been divided into about **220** analysis points):

- MARKET AND COMPETITORS (13 analysis points)
- MARKET AND DOMINANT POSITIONS (10 analysis points)
- CONTRACTS, FINANCINGS AND PUBLIC AIDS (7 analysis points)
- MARKET DISTORTIONS, FAVOURITISM & CORRUPTION (8 analysis points)
- OWNERSHIP, SHARE CAPITAL AND SHAREHOLDERS (8 analysis points)
- INTERNAL VOLUNTARY RULES ON OWNERSHIP EXERTION (8 analysis points)
- INDEPENDENCE AND CONFLICT OF INTERESTS (12 analysis points)
- MINORITY MEMBERS PROTECTIONS AND DIRECTORS APPOINTMENT (7 analysis points)
- COMMUNICATION, INFORMATION AND TRANSPARENCY (5 analysis points)
- BOARD OF DIRECTORS AND EXECUTIVE GROUP TRANSPARENCY (9 analysis points)
- INTERNAL VOLUNTARY RULES REGARDING MANAGEMENT (10 analysis points)
- INDEPENDENCE AND CONFLICT OF INTERESTS (13 analysis points)
- DISCLOSURE AND TRANSPARENCY (22 analysis points)
- PARTICIPATION AND VOTE IN GENERAL MEETINGS (5 analysis points)
- EMPLOYMENT AND HUMAN RESOURCES SELECTION (11 analysis points)
- HEALTH, SAFETY AT WORK AND SOCIAL DIALOGUE (16 analysis points)
- ADAPTATION TO CHANGES (6 analysis points)
- ENVIRONMENT (17 analysis points)
- CONSUMERS AND QUALITY (9 analysis points)
- SCIENCE AND TECHNOLOGY (4 analysis points)
- LOCAL COMMUNITIES (3 analysis points)
- BUSINESS PARTNERS (9 analysis points)
- HUMAN RIGHTS (6 analysis points)
- EUROPEAN STRATEGIES (2 analysis points)

## RESEARCH OFFICE AND RATING COMMITTEE

The Research Office compiles a Final Report and issues a rating based on its review of the work of the Analysis Unit.

The Rating Committee analyses the conformity of the collected data and the ensuing conclusions and it approves the issued rating.

Chinese Walls between the Analysis Unit, the Research Office, the Rating Committee and all other company offices ensure maximum transparency. A Compliance Officer oversees all steps and processes.

## SE ALGORITHM OF SUSTAINABILITY ©

Standard Ethics has developed a proprietary algorithm based on five “standards” and a premium variable – “k” – to process the data provided by the Analysis Unit ( $F_{CEU}$ ;  $Sa_{EU-OECD}$ ;  $Mw$ ;  $Id_{EU-OECD}$ ;  $Cg_{UN-OECD-EU}$ ). The balance between the five “standards” is the final pre-assessment underlying the rating.

### **$F_{CEU}$ = Fair competition.**

Main areas: Fair competition, including analysis of dominant positions, market distortions, cartels. Factors that can affect the other variables (Sources: the EU, and the main OECD regulators).

### **$Sa_{EU-OECD}$ = Shareholders’ agreements.**

Main areas: Shareholders’ agreements, rights of minority shareholders, access to information (Sources: the EU and OECD, and the main OECD regulators).

### **$Mw$ = Market weight.**

Main areas: Shareholding structure, weight and type of major shareholders, potential conflicts of interest in relation to other variables (Sources: mainly OECD regulators).

### **$Id_{EU-OECD}$ = Independent directorship.**

Main areas: Structure and quality of boards and executive groups, ESG Risk and Control Management system, Risk Analysis. This standard is most likely to mitigate the risks associated with other variables and can increase the “k” variable. (Sources: the EU and the OECD).

### **$Cg_{UN-OECD-EU}$ = Corporate Governance and Sustainability.**

Main areas: Overall assessment of applicant’s ESG strategies and corporate governance (in terms of

shareholding structure and sustainability) by weighting the various elements also in relation to the balance of the other variables (Sources: the EU, OECD and UN).

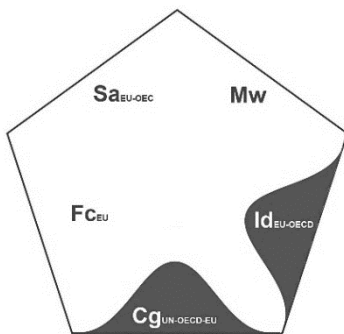
**k = Sustainability at Risk (SaR).** Statistical projections.

$$\frac{(F_{cEU} + S_{aEU-OECD} + I_{dEU-OECD} + M_w * f(S_{aEU-OECD}) * f(I_{dEU-OECD}) + C_{gUN-OECD-EU} * f(F_{cEU}) * f(I_{dEU-OECD}))}{10} + k$$

ISSUED RATING

Standard Ethics Rating [<sup>corp</sup>SER]: **EE**  
 Long Term Expected <sup>corp</sup>SER [2y to 3y]: **EE+**

ALGORITHM – INPUT VALUES (SUMMARY)



The values for each standard are between **0 and 2**.

Assigned and input values are as follows:

- F<sub>cEU</sub>** = 1.9
- S<sub>aEU-OECD</sub>** = 1.9
- M<sub>w</sub>** = 1.5
- I<sub>dEU-OECD</sub>** = 0.8
- C<sub>gUN-OECD-EU</sub>** = 1.4

NB: The variable Mw may be neutral, when below 1, indicating the presence of a major shareholder restraining the influence of a controlling shareholder. The Mw value assigned indicates the type of shareholding and related risks.

Each side of the diamond represents one of the five “standards” measured by the Standard Ethics Algorithm. The symbolic representation of a normal (Gaussian) distribution provides an intuitive indication of those areas where the Company probably will, or should, take action.





## CENTOTRENTA SERVICING REPORT

### 1. MARKET AND DOMINANT POSITIONS

**Centotrenta Servicing S.p.A.** (hereinafter referred to as 'Centotrenta' or 'the Company') is a financial intermediary, based in Italy, which since 2012<sup>2</sup> has been performing **servicing** functions relating to the management of **securitisation transactions**.<sup>3</sup>

The Company is not involved in recovery or investment activities; its exclusive role is to guarantee the proper execution of transactions, in line with its position as Master Servicer.<sup>4</sup>

The assets of its managed portfolios include performing loans, non-performing loans, various probable defaults (so-called Unlikely to Pay, UTP), trade credits, Public Administration receivables, consumer credits, residential mortgages, debenture loans, and different types of assets. The Company is also particularly focused on the real estate securitisation sector.<sup>5</sup>

In 2023, the company became part of the **Sesa Group**, through its subsidiary Base Digitale Group S.r.l.<sup>6</sup>

The **market** in which Centotrenta operates is **open** and **free**, with no barriers to entry. Authorisation practices are in place.

There are no:

- Entities imposing prices or tariffs, not even when it is necessary for business purposes.
- Particular restrictions on advertising in the Company's target sector.<sup>7</sup>

In Italy, the activities carried out by the Company are governed by **Law No. 130/1999**.<sup>8</sup> Certain due diligence, transparency, risk management and consumer rights obligations are uniformly defined at European level.<sup>9</sup>

Centotrenta is subject to the supervision of the **Bank of Italy**.<sup>10</sup>

Inspections were carried out at the Company's premises by the Italian Supervisory Authority in the period between the end of 2020 and early 2021. There was one disciplinary sanction<sup>11</sup> due to internal audit deficiencies,<sup>12</sup> following which the Company took remedial action.<sup>13</sup>

<sup>2</sup> Year in which Centotrenta obtained the authorisation from the Bank of Italy and was included in the registers and lists of Financial Intermediaries. Since then, according to data as at 31.12.2022, Centotrenta has "been appointed as Servicer for more than 235 transactions with 2330 portfolios purchased. The assets (...) currently managed in the capacity of Servicer amount to approx. € 26,279 million. The nominal value of outstanding securities managed by Centotrenta Servicing in various capacities amounts to more than € 21 billion." Source: 130 Servicing – Brochure 2023, page 4.

<sup>3</sup> Source: Articles of Association 2018, pages 4-5.

<sup>4</sup> Source: Bank of Italy communication dated 10.11.2021 'Servicers in securitisation transactions. Risk profiles and supervisory guidelines.'

<sup>5</sup> So-called '7.2' pursuant to Article 7.2. of Law No. 130/1999.

<sup>6</sup> Source: 130 Servicing – Brochure 2024, page 3. By way of clarification, the Sesa Group "signed a partnership agreement, through its subsidiary Base Digitale Group, for the acquisition of 51% of 130 Servicing's capital, thus strengthening its expertise in the field of advisory services and digital platforms for the financial services market." It should be noted that the Sesa Group is a "major player in the field of technological innovation and IT and digital services for businesses, with expected consolidated revenues for the current fiscal year to 30 April 2023 of € 2.850 billion and approximately 5,000 employees." Source: Sesa press release of 21.3.2023. The sale was finalised following the authorisation of the Bank of Italy on 7.9.2023. Source: Interim Management Report as at 31 July 2023, page 10.

<sup>7</sup> It refers to the Provisions laid down by AGCOM (Italian Communications Authority) and AGCM (Italian Competition Authority). For more information please refer to their websites.

<sup>8</sup> It was around the time of the enactment of this law that the Company's history began, with the establishment of Centotrenta Management S.r.l., namely the company that in 2011 set up Centotrenta Servicing S.p.A. Source: corporate website.

<sup>9</sup> In particular, by Regulation (EU) 2017/2402 as amended, so-called 'Securitisation Regulation'.

<sup>10</sup> Source: Bank of Italy, Supervisory Registers and Lists. The Bank of Italy was assigned new tasks following the enactment of Legislative Decree No. 131 of 3.8.2022, by which Italy adapted "its national legislation to the provisions of Regulation (EU) 2017/2402" mentioned above. Please refer to the source for more details. Source: Bank of Italy, 'Implementation methods of Article 4-septies.2 of Legislative Decree 58/1998 (Consolidated Law on Finance, TUF)'.

<sup>11</sup> By order of 15.2.2022, the Bank of Italy imposed an administrative fine of € 40,000 for the deficiencies identified.

<sup>12</sup> As the Bank of Italy reported in 2021 following the introduction of stricter regulations for financial sector operators, "the organisational structures of supervised servicers were not always appropriate for the increased operational complexity, therefore exposing intermediaries to operational and reputational risks. Deficiencies were often identified in their audit systems and in terms of operational risk management, as well as weaknesses in the management of the relationships with special servicers, with regard to both the initial assess-

## 2. CONTRACTS, FINANCINGS AND PUBLIC AIDS

As indicated in previous reports, the Company does not appear to have received any public funding or state aid that may have given rise to distortions of fair competition or to market distortions.

## 3. MARKET DISTORTIONS, FAVOURITISMS AND CORRUPTION

The **Code of Ethics**<sup>14</sup> addresses anti-corruption issues by explicitly adopting the **OECD** guidelines and the **UN** anti-corruption principles as reference points.<sup>15</sup>

Issues related to the prevention of unlawful conduct and the management of related risks are addressed in the **Organisational, Management and Control Model**.<sup>16</sup>

In 2023, Centotrenta updated its **policy**<sup>17</sup> on **whistleblowing**.<sup>18</sup>

The **Company's Head of Compliance** has been entrusted with the coordination of activities connected with **managing the reporting of wrongdoing**.

Wrongdoing can be reported through various channels, including a portal accessible from the institutional website, the possibility of requesting a direct meeting with the Head of Whistleblowing, and ordinary mail. Measures have been adopted to protect the confidentiality of both the whistleblower and the person that has been reported in order to prevent retaliation or discrimination.<sup>19</sup>

There are no particular provisions with regard to **taxation**, which is addressed according to current applicable law.<sup>20</sup>

## 4. INTERNAL VOLUNTARY RULES ON OWNERSHIP

As at 12 September 2023, Centotrenta's share capital amounted to **€ 7,215,000** and was divided into **7,215,000** nominal shares, with a value of € 1 each.<sup>21</sup>

The majority shareholder is **Base Digitale Group** with **50.94%**; the remaining capital is held by **Centotrenta Management S.r.l. (46.08%)** and **Raffaele Faragò (2.98%)**.<sup>23</sup>

Based on the information available to Standard Ethics, there are **no** existing or planned:

- Special rights granted to specific types of shares or bonds benefiting different categories of shareholders.

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*ment of the people in charge and the ongoing monitoring of their recovery performance. This latter activity has sometimes proved, especially with regard to smaller intermediaries, to be lacking in in-depth analysis of the extent and significance of deviations from business plans and, therefore, in critical insights that can be presented to the governing bodies in periodic reports on the performance of managed operations". Source: Bank of Italy communication dated 10.11.2021 'Servicers in securitisation transactions. Risk profiles and supervisory guidelines'.*

<sup>13</sup> For information on internal audits, please refer to section 9 of this Report.

<sup>14</sup> It should be noted that Centotrenta has kept its Code of Ethics after becoming part of Sesa. Source: Company internal source.

<sup>15</sup> Source: Code of Ethics, page 6.

<sup>16</sup> With specific reference to relationships with the Public Administration. The type of model is named after the Italian Legislative Decree No. 231 of 2001, which in turn is based on EU and OECD agreements and treaties against crimes committed by "white-collar workers". The Model includes the full set of ethical and behavioural standards, organisational principles and management procedures adopted by the entity. Behaviours as precursors of possible illegal acts have also been identified. Source: Organisational, Management and Control Model, page 39.

<sup>17</sup> Making the necessary adjustments following regulatory developments (see note below). Source: corporate website.

<sup>18</sup> The issue of whistleblowing is addressed in Italy in Law no. 179, dated 30 November 2017 ('Provisions on the protection of persons reporting infringements or unlawful practices they have become acquainted with while performing their duties in public or private employment') and 'imported' into the corporate Models introduced pursuant to Legislative Decree no. 231/2001. The law addresses the need to fight corruption by providing for a fundamentally important aspect, the protection of the persons who report the breach. It should be noted that the issue of whistleblowing was then addressed by the European Commission in 2018 for implementation purposes, following a campaign aimed at collecting feedback and suggestions ended on 29 May 2018. The European Union's basic act is Directive 2019/1937, dated 23 October 2019, providing "*protection of persons reporting on breaches of EU law*". This Directive came into force on 16 December 2019 and the transposition deadline was 17 December 2021. With regard to Italy, the transposition implementation measures are incorporated in Legislative Decree No. 24/2023.

<sup>19</sup> In particular, the "*Portal allows the whistleblower to choose whether or not to disclose their identity; access to the portal is managed in such a way as to prevent the identification of a whistleblower who wishes to remain anonymous. In any case, the whistleblower may add their personal data at a later stage through the portal. Retaliatory, vexatious or discriminatory acts, whether direct or indirect, for reasons directly or indirectly connected to the reporting of wrongdoing are expressly prohibited*". Source: corporate website.

<sup>20</sup> The Special-Purpose Vehicles (SPV) used by the Company are – to all intents and purposes – tax neutral.

<sup>21</sup> Source: Italian Business Register (excerpt dated 13.2.2024), page 5.

<sup>22</sup> Centotrenta Managing Director.

<sup>23</sup> Source: Management Report on the Financial Statement for the year ended 31 December 2023, Financial Statement 2023, page 7.

- Issuances of securities granting special control rights.
- Restrictions on the transfer of securities.

## 5. OWNERSHIP AND CONFLICTS OF INTEREST

The Company addresses **conflict of interest** issues in a separate internal policy.<sup>24</sup>

No shareholder appears to be involved in regulatory activities for the market in which the Company is operating or in local or national governments.

It should be noted that transactions have been carried out with **Related Parties**.<sup>25</sup>

## 6. PROTECTION OF MINORITY SHAREHOLDERS AND APPOINTMENT OF DIRECTORS

At present, there are **no** specific provisions or voluntary commitments concerning the protection of minority shareholders.

## 7. INTERNAL VOLUNTARY RULES ON DIRECTORS

Centotrenta has adopted a so-called traditional system of governance.

The Company's Board of Directors consists of 9 members<sup>26</sup> and they are all Italian citizens.

There are four independent directors.<sup>27</sup> There is family involvement in ownership and within the Board of Directors.

Gender equality has **not** been achieved.<sup>28</sup>

The members of the Board must act in compliance with the provisions set out in the **Code of Ethics**, the main tool containing voluntary ethical and behavioural standards of Model 231 and the internal Code of Conduct.<sup>29</sup>

Centotrenta Code of Ethics is expressly inspired by **European and international guidelines on sustainability**.<sup>30</sup> The Code makes explicit reference to the Global Compact principles, to the Universal Declaration of Human Rights and some sector-specific sustainability principles<sup>31</sup> defined in ILO, OECD and UN Conventions.<sup>32</sup>

<sup>24</sup> It is called "Policy for Handling Conflicts of Interest". It outlines the operational protocol aimed at identifying, preventing, eliminating and managing any potential situations which could give rise to a conflict of interest in connection with securitisation transactions. In particular, the Policy outlines the principles underpinning the handling of potential conflicts of interest for the Company's Relevant Persons: "prevent or control the exchange of information amongst the Relevant Persons engaged in activities that pose a risk of Conflict of Interest (...); guarantee the separate supervision of Relevant Persons whose main functions entail interests that may conflict with the interests of the Clients involved in the Transaction (...); avoid any direct connection with the remuneration of the Relevant Persons (...); prevent or limit undue influence on the provision of Services by a Relevant Person; prevent or control the participation (...) of a Relevant Person in different services when such participation may negatively impact the handling of Conflicts of interest." Source: Policy for Handling Conflicts of Interest, pages 7-8.

<sup>25</sup> Source: Management Report on the Financial Statement for the year ended 31 December 2023, page 7.

<sup>26</sup> The members of the Board of Directors, who will remain in office until the approval of the Financial Statement for the year ending 31 December 2025, are: Marco Bassilichi (Chairman), Raffaele Faragò (Managing Director), Leonardo Bassilichi, Giovanni Crostarosa Guicciardi, Paola Musile Tanzi, Fabrizio Maria Lorenzo Angelelli, Orazio Lascala, Elisa Gironi, Alessandro Fabbroni. Source: Italian Business Register (excerpt dated 13.2.2024).

<sup>27</sup> Article 22 of the Articles of Association governs the independence requirements as follows: "A board member is considered independent if he/she has not been entrusted with operational responsibilities in the Company, and if he/she, at the same time: does not have any material business or professional relationships (...) with controlling companies or companies controlled by the Company, connected with the Company or subject to joint control (...); is not a kin to any of the members of the Board who are entrusted with operational responsibilities, or to the shareholders, or one of the shareholders, who are/is part of the controlling group (...); does not own, directly or indirectly, shares amounting to more than 5% of the intermediary's share capital having voting rights, nor is a party to shareholders' agreements which have either the aim or the effect of exercising control over the intermediary." Source: Articles of Association, page 11.

<sup>28</sup> There are only 2 female directors (under-represented gender) out of 9 members, 1 more compared to the previous Board of Directors.

<sup>29</sup> The Company has also adopted an ethical guidance document called "130 Dictionary of Value-based Competencies". The Code of Ethics also contains an ethical and value-based premise, which, however, appears to be appropriately separate from the profiles specifically related to sustainability. Source: Code of Ethics, page 5.

<sup>30</sup> The Code makes explicit reference to the Taxonomy Regulation EU/2019/2088 "Sustainability – related disclosures in the financial services sector". The Company also states that it is acting in compliance with the UN Sustainable Development Agenda. Source: Code of Ethics, page 3.

<sup>31</sup> In particular, with regard to the fight against corruption.

<sup>32</sup> Source: Code of Ethics, page 6.

8. DIRECTORS, CONFLICT OF INTERESTS AND RELATED COMMITTEES

There are **no** inconsistencies with the EU and OECD guidelines relating to the participation of directors, managers, auditors or consultants in other companies controlled by shareholders involved in national and local government bodies, judiciary bodies, entities granting licences or financial regulatory authorities.

No directors or senior management members are parties to a shareholders' agreement.

Conflicts of interest are addressed in an internal policy.<sup>33</sup> A specific procedure governs the **Personal Transactions of Relevant Persons**.<sup>34</sup>

The issue of gifts is dealt with by prohibiting their acceptance.<sup>35</sup>

The **Supervisory Board (SB)**, directly appointed by the Board of Directors, is chaired by the Chairman of the Board of Statutory Auditors.<sup>36</sup>

Neither a Remuneration Committee nor a Risk Control Committee has been established. The company has a Credit Committee<sup>37</sup> and a **Transaction Committee**<sup>38</sup> in place and has recently set up a **Gender Equality Steering Committee**.<sup>39</sup>

9. DISCLOSURE, TRANSPARENCY AND INTERESTED PARTIES

Non-financial information is mainly disclosed through the **dedicated section** of Centotrenta **institutional website**. The section, entitled 'Sustainability', is appropriately divided into the three components Environmental, Social and Governance.<sup>40</sup>

Information is clearly presented and can be easily retrieved on the institutional website. Not all sections are up to date.

The Company **does not** issue a Non-Financial Statement<sup>41</sup> or other types of **ESG reports**.<sup>42</sup> As indicated in the previous Report, ESG reports are not urgently required due to governance-side supervision and the fact that there are no material environmental impacts and the supply chain does not significantly involve other stakeholders.

<sup>33</sup> Source: Code of Ethics, page 6.

<sup>34</sup> The Policy identifies "*the personal transactions carried out by or on behalf of the Relevant Persons, on a personal basis or in any case unrelated to the activities carried out by the Relevant Persons on behalf of the Company*", as well as "*Relevant Person; Person whom a Relevant Person is related to; Person with whom the Relevant Person has close ties*" and the various types of personal transactions. Source: Personal Transactions Policy, page 2.

<sup>35</sup> With the exception of gifts, presents and the like that are in line with normal business practices and are of modest value. Source: Internal Code of Conduct, page 3.

<sup>36</sup> The Supervisory Board consists of the following members: Stefano Toschi (Chairman), Celestina Fratianni, Mario Di Giulio. The Board of Statutory Auditors consists of the following members: Stefano Toschi (Chairman), Maria Gimigliano, Paola Mignani. Source: Organisational chart, 11.4.2024.

<sup>37</sup> This Committee, which was set up in 2018, "*supports an operational division responsible for managing receivables for all different types of UTPs, from those with original contracts terminated prior to assignment, to those that have been restructured or for which the original contractual provisions are still in place*". Said Committee consists of 2 directors, the representative of the vehicle involved and the representative of the investor/special servicer. Sources: 130 Servicing – Brochure 2023, page 11; Strategic Plan 2021-2023, page 15.

<sup>38</sup> Introduced in 2021 in order to analyse the most relevant transactions for the Company in a more formal way. It reports directly to the Managing Director. Sources: 130 Servicing – Introduction to the Strategic Plan 2021-2023, page 1; 130 Servicing – Brochure 2023, page 16.

<sup>39</sup> This Committee was established by the Gender Equality Policy, adopted on 6.10.2023. According to this document, the Steering Committee "*will adopt its own code of conduct and will meet at least quarterly*". The Steering Committee's tasks include ensuring the effectiveness of the Gender Equality Policy through the drafting and implementation of a 'strategic plan'. Source: Gender Equality Policy, page 3. The Gender Equality Steering Committee consists of the following members: Giuseppina Cardillo, Paola Musile Tanzi and Raffaele Faragò. Source: Organisational chart, 11.4.2024.

<sup>40</sup> Source: corporate website. It should be noted that some information about sustainability can be found in the Financial Statement 2022. Source: Financial Statement 2022, pages 8-9.

<sup>41</sup> There is no obligation for companies not listed on the stock exchange to issue non-financial reports.

<sup>42</sup> Environmental, Social, Governance.

With regard to **internal audits** and **risk management**, there are **contact persons** for the **Internal Audit function**<sup>43</sup> and for the **Risk Management function**,<sup>44</sup> reporting directly to the Board of Directors.

There are **no** policies and reports in place and/or disclosed regarding the **remuneration** of Board members. However, the Code of Ethics sets out general commitments to act in accordance with the principles of fairness, merit, sustainability and transparency.<sup>45</sup>

The Company addresses **socio-environmental risk** issues in the Code of Ethics, which **excludes** financial relationships with economic entities that violate fundamental human rights or seriously damage health and the environment.<sup>46</sup>

Failure to formally adopt the **comply-or-explain** principle is of little relevance because it is a non-listed company.

## 10. PARTICIPATION AND VOTE IN GENERAL MEETINGS

In view of the current corporate structure, issues related to participation mechanisms and voting procedures at shareholders' meetings have little relevance.

## 11. EMPLOYMENT AND HUMAN RESOURCES SELECTION

As at 15 November 2023, there were 131 employees.<sup>47</sup>

Relations with staff are governed by the **Code of Ethics**, which focuses on the dignity of the worker, the promotion of equal opportunities, the fight against discrimination, and the enhancement of professional development.<sup>48</sup>

These principles are incorporated and explained in the **new Staff Regulations**.<sup>49</sup> The Regulations cover the most varied aspects of the relationship with employees and contractors and include an **Employee Selection, Evaluation and Recognition Policy**.<sup>50</sup>

**Remuneration** aspects are addressed with commitments to ensure that the merit, fairness and equal opportunity principles are adhered to.<sup>51</sup>

In December 2023, Centotrenta obtained the **Certification for Gender Equality UNI PdR 125:2022**.

Measures to ensure **gender neutrality** with regard to employee and contractor selection and management processes,<sup>52</sup> and, more generally, to the work environment<sup>53</sup> are provided for in the Staff Regulations.

A more systematic approach to these issues is taken by the **new dedicated policy**, published on the corporate website. The policy identifies four **action areas**<sup>54</sup> to

<sup>43</sup> The internal contact person is the independent director Giovanni Crostarosa Guicciardi, Vice-Chairman of the Board of Directors. The function has been outsourced to PwC S.p.A. Source: Organisational chart, 11.4.2024. It should be noted that the Company, "in concertation with the outsourcer PwC, at the time of the renewal of the contract in February 2022, embarked on a process that envisages – also over the next three years – the gradual insourcing of this function in order to adopt procedures for the continuous auditing of the level 3 function". Source: Management Report on the Financial Statement for the year ended 31 December 2023, Financial Statement 2023, page 10.

<sup>44</sup> The internal contact person is the independent member of the Board Roberto Lascala; Salvatore Grimaldi is also present as an internal member. The function has been outsourced to Re.Fi.Mi. S.r.l. Source: Organisational chart, 11.4.2024.

<sup>45</sup> See section 'Management and Staff Remuneration Policies'. Source: Code of Ethics, page 10.

<sup>46</sup> Source: Code of Ethics, page 8.

<sup>47</sup> Number constantly growing since 2019. Source: 130 Servicing – Brochure 2024, page 9. 99% of employees have a permanent contract; 91% of employees work full time. Source: Italian Business Register (excerpt dated 12.2.2024), page 14.

<sup>48</sup> Source: Code of Ethics, page 10.

<sup>49</sup> Adopted on 7.11.2023, the Regulations apply irrespective of the type of contract and are integral part of the employment contract. Source: Staff Regulations 2023, page 5.

<sup>50</sup> Source: Staff Regulations 2023, pages 20-24.

<sup>51</sup> Source: Staff Regulations 2023, pages 17-18 and 22.

<sup>52</sup> It should be noted that these commitments must also be honoured by any external parties (employment agencies) involved in the selection processes. Source: Staff Regulations 2023, page 21.

<sup>53</sup> For example, with regard to communication or representation activities at external events. Source: Staff Regulations 2023, page 23.

<sup>54</sup> These action areas relate to remuneration, parenting and family care tools, management biases and training and awareness-raising. Source: Gender Equality Policy, page 3.

close the gender gap, in addition to establishing the aforementioned **Steering Committee**.<sup>55</sup>

Centotrenta has finally adopted an **internal reporting system for non-inclusive behaviour and harassment and bullying cases**.<sup>56</sup>

## 12. HEALTH, SAFETY AT WORK AND SOCIAL DIALOGUE

The field of activity and the size of the workforce limit the scope for voluntary action in the area of **occupational health and safety**. These issues are consistently addressed by Centotrenta within Compliance.<sup>57</sup>

The company provides for various measures to ensure employee welfare and work-life balance, which the Code of Ethics defines as critical issues.<sup>58</sup>

These measures include the adoption of a **Welfare Plan**, the voluntary introduction of additional leave, the signing of agreements for the benefit of employees, as well as training and awareness-raising projects.<sup>59</sup>

In this context, there are **parenthood support initiatives**, which include tailor-made plans implemented with the help of qualified partners.<sup>60</sup>

Similar work-life balance goals are also pursued through **smart working**. Centotrenta has adopted dedicated **guidelines**, applicable to most employees, which provide for the possibility of working remotely even from abroad.<sup>61</sup> Staff with special needs can take advantage of smart working on the basis of **individual agreements**.<sup>62</sup>

## 13. ADAPTING TO CHANGE

Although this topic plays a fundamental role at EU and OECD level, its impact is limited in the case of Centotrenta due to the operational characteristics and the size of the Company.

## 14. ENVIRONMENT

The Code of Ethics promotes environmentally responsible practices among employees and encourages an open debate on environmental issues with society at large.<sup>63</sup>

In addition, Centotrenta aims to contribute to environmental protection through its **business** choices. In particular, it seeks to achieve a prominent position in the **green** securitisation sector, constantly referring to **parameters set by international organisations**.<sup>64</sup>

There are measures in place<sup>65</sup> that enable the Company to pursue specific Sustainable Development Goals (**SDGs**).<sup>66</sup>

<sup>55</sup> Please refer to section 8 of this Report.

<sup>56</sup> Source: Staff Regulations 2023, pages 23-24.

<sup>57</sup> As indicated in previous Reports, the Company provides a health monitoring service (fit to work medical assessments) and guarantees employee training on safety and on the roles of the Health and Safety Officer, the Prevention and Protection Service Officer, the site doctor and on first aid supplies and fire-fighting equipment. Source: Management Report on the Financial Statement for the year ended 31 December 2023, page 9. In addition, there are several provisions of the already mentioned Staff Regulations.

<sup>58</sup> Source: Code of Ethics, pages 11-12.

<sup>59</sup> Source: Staff Regulations 2023, pages 19-20.

<sup>60</sup> There is mention of courses aimed at "new mothers in cooperation with the association *Primi Gestì*" which "promotes the conscious re-onboarding of mothers returning to work after maternity leave (...) by providing specific professional support during the first stage of child development". Source: corporate website. It should be noted that, in keeping with the previous information provided, initiatives in this area were supported by the Head of Human Resources. The objectives also include raising more awareness about leave and paternity leave for male employees, as well as assisting parents with the various practical tasks that may be involved in taking advantage of parenting services or benefits. Source: Company internal source.

<sup>61</sup> Smart working is available on the basis of a framework agreement for a maximum of 10 working days per month, including part of a day. Source: Centotrenta's Smart Working Guidelines 2024, pages 1-2.

<sup>62</sup> These are categories of employees specifically identified in company documents as having health, parenting or family care needs. Source: Centotrenta's Smart Working Guidelines for Individual Agreements 2023.

<sup>63</sup> Source: Code of Ethics, page 13.

<sup>64</sup> More specifically, "to official parameters and ESG guidelines defined by the European Union, the Organisation for Economic Co-operation and Development and the United Nations." Source: 130 Servicing – Brochure 2023, page 9.

<sup>65</sup> These include the securitisation of tax credits, arising from the *Sisma/Supersisma* Bonus, for companies committed to restructuring programmes aimed at energy requalification and the reduction of building seismic risk. The transaction has been executed by Unicredit

The Company has put in place a reporting process for its emissions.<sup>67</sup>

## 15. CONSUMERS AND QUALITY

Customer relations are addressed in the Code of Ethics.<sup>68</sup>

A dedicated policy governs the handling of complaints, for which a special unit has been set up.<sup>69</sup>

As already indicated in previous Reports, Centotrenta handles the securitisation of Public Administration receivables (Healthcare Receivables),<sup>70</sup> the critical aspects of which are being monitored following appropriate procedures.<sup>71</sup>

Similarly to what has been observed with regard to the environment, the Company considers good business choices to be part of its responsibility towards the customer. In this regard, social securitisation programmes have been put in place.<sup>72</sup>

## 16. SCIENCE AND TECHNOLOGY

The issues have mainly been dealt with from the perspective of process automation pursued by the IT Strategy. Centotrenta has adopted a state-of-the-art Data Quality system, with a proprietary platform<sup>73</sup>, and has developed a blockchain platform, albeit still at the pilot stage.<sup>74</sup>

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Bank in May 2021, with a € 500 million project, whereby Unicredit's clients assigned tax credits to a securitisation vehicle called EBS Finance S.r.l. Unicredit Bank acted as transaction Arranger, whereas Centotrenta as Master Servicer. Source: Standard Ethics Press Release "Security Eco Sisma Bonus Programme" of 1.3.2022. In addition to this transaction, there was 'Volta SPV', a "7.2 securitisation transaction underlying photovoltaic systems, aimed at financing renewable energy projects", and 'SYHO, Save Your Home', which is also relevant in terms of social impacts on customers. Source: corporate website. The declared objective for 2023 was to execute "a certain number of 7.2. real estate securitisation transactions, with more than twice the volume reported in the current year, considering the real estate market's continued interest in an increasingly ESG-oriented construction sector, and a significant momentum for transactions with underlying renewable energy systems, which is also undoubtedly favoured by Italy's need for energy independence". Source: corporate website. Finally, it should be noted that, at the end of 2022, the Company managed 12 real estate securitisation transactions. The assets under management are mainly buildings and photovoltaic systems, whilst the values of the managed operations range from approx. € 1 million to approx. € 300 million. Source: Centotrenta Servicing – Securitizations 7.2, page 11.

<sup>66</sup> In particular, SDGs No. 7 'affordable and clean energy', No. 8 'decent work and economic growth', No. 9 'industry, innovation and infrastructure'. Source: corporate website.

<sup>67</sup> Source: Company internal source.

<sup>68</sup> Source: Code of Ethics, page 7.

<sup>69</sup> Source: Complaints Procedure P11, Complaints Management.

<sup>70</sup> With regard to these transactions, Centotrenta plays a role in ensuring their proper execution: "Some companies have ruled out, or significantly limited, their management of this asset class, since it can pose significant reputational risks. (...) the Company has decided to continue to be involved in this asset class (Public Administration receivables) (...) but does so by implementing all the strategies listed above, so as to manage risks most effectively, excluding however the option of playing the role of Arranger in said transactions, for which it accepts only legal and/or financial roles." The Company also recognizes the positive social impact resulting from the management of this asset class. Source: Company internal source.

<sup>71</sup> In particular, tougher controls were introduced following interventions by the Supervisory and/or judicial authorities in specific cases. Sources: Management Report on the Financial Statement for the year ended 31 December 2023, page 10; Company internal source.

<sup>72</sup> Project SNOWDROP (*Fondo Salva Casa*, a home-owner rescue fund), launched in 2010, can be considered as a Social Impact Bond and offers an innovative solution to people experiencing financial difficulties. The project is targeted to several stakeholders, such as Social Housing Foundations, institutional investors, consumers' associations and social mobility charities, banks, families, and businesses. The programme is divided in the three following stages: (I) establishment of the *Salva Casa* SPV and *Salva Casa* Reoco; (II) finalisation of agreements between the parties; (III) securitisation. Source: Snowdrop Structured Memo, pages 2 ff. "The *Fondo Salva Casa* is a social shock absorber that yields an income, a very balanced protection for all stakeholders. Its primary – but not only – mission is to handle receivables deriving from mortgages for first-time home buyers." Source: corporate website.

<sup>73</sup> Centotrenta has adopted the Sadas Engine technology developed by Sadas S.r.l., which enables the processing and analysis of a large volume of data in the most effective way possible. Sadas Engine is a cutting-edge solution to meet client's needs. Sources: 130 Servicing and Sadas press release of 2.7.2020; 130 Servicing – Brochure 2023, page 13. In addition, it should be noted that contacts have been made with a company specialised in identifying the main critical business operation issues by accessing a company's email system. Source: Company internal source.

<sup>74</sup> Known as "Hypermast" and developed in partnership with IBM, the platform makes it possible to use blockchain technology for the integrated management of all securitisation transactions: "this application may well determine a so-called technological breakthrough in tracing and guaranteeing granular data from portfolios and processes, and additionally increase the efficiency in the calculation of the so-called Asset Valuation Risk (and thus of the Notes) on which the Supervisory Authorities are particularly focussing at present. In this respect, the Company's shareholder, Centotrenta Management S.r.l., has requested the support of Promontory Consulting (an IBM company) for the development of the platform governance model that will enable Centotrenta to present this project to 10 European Originator banks (...) to stimulate their interest in this project." Source: Strategic Plan 2021-2023, pages 45-46. For more detailed information on the project, please refer to the Press Release: 'Hypermast CV' of 20.11.2019.

The partnership with the Sesa Group<sup>75</sup> and recent changes in the internal organisational chart, with the creation of a special **division for digital development**, can also be considered as part of the innovation process.<sup>76</sup>

#### 17. LOCAL COMMUNITIES

The company is committed to supporting local community associations and initiatives<sup>77</sup>, in order to contribute to specific **SDGs**.<sup>78</sup>  
In addition, the Company has various stakeholders in the aforementioned 'social securitisation sector' as interlocutors.<sup>79</sup>

#### 18. BUSINESS PARTNERS

There are **no** specific supply chain control systems in place with regard to ESG themes. However, it is worth noting the Company's commitments to integrity outlined in the Code of Ethics,<sup>80</sup> which is binding for all stakeholders and which, by association, should also be applied to suppliers.

As highlighted in previous analyses, the interactions that Centotrenta has with suppliers and numerous people acting in many different capacities with regard to securitisation transactions (such as recovery of receivables, provision of payment services and functions linked to correct transaction execution transactions), are particularly sensitive.

#### 19. HUMAN RIGHTS

Centotrenta has formally adopted the **United Nations Sustainable Development Goals (SDGs)**,<sup>81</sup> as well as the principles of the **Universal Declaration of Human Rights** and the **ILO Conventions**, all of which are referred to in the Code of Ethics, as guidelines with regard to the protection of human rights in its activities.<sup>82</sup>

#### 20. EUROPEAN AND INTERNATIONAL STRATEGIES

Corporate documentation includes references to European and international sustainability strategies.<sup>83</sup>

#### 21. CONCLUSIONS (SUMMARY)

Centotrenta Servicing is an unlisted company operating as a servicer in the Italian securitisation market. In 2023, the Company became part of the Sesa Group. The corporate structure and the composition of the Board of Directors changed following the entry of the new majority shareholder.

Centotrenta is not subject to reporting obligations and communicates its ESG (Environmental, Social, Governance) objectives and voluntary strategies through its corporate website. Given its size and field of activity, Centotrenta's environmental impact is limited.

The Company's sustainability governance model appears to be appropriate to the Company's characteristics and size and has recently been implemented in the Company's structure and main documents, such as the Code of Ethics.

The strategies are aligned with the UN, OECD and EU sustainability requirements (sources referred to in the governance tools). Gender equality, although there is room for further improvement with regard to the composition of top management

<sup>75</sup> Source: 130 Servicing – Brochure 2024, pages 3-4.

<sup>76</sup> Source: Company internal source.

<sup>77</sup> It is worth mentioning the support given to the Libera Terra brand, active in the management of land confiscated from the Mafia, and a donation to *Fondazione IRCCS Ca' Granda, Ospedale Maggiore Policlinico*. For 2024, the support to the 'Sport Therapy' project promoted by the Maria Letizia Verga ODV Committee is noteworthy. Source: corporate website.

<sup>78</sup> In particular, SDGs No. 1 'no poverty', No. 2 'zero hunger', No. 3 'good health and well being', No. 5 'gender equality', No. 9 'industry innovation and infrastructure', and No. 16 'peace justice and strong institutions'. Source: corporate website.

<sup>79</sup> Project SNOWDROP has attracted considerable interest from the Catholic University in Milan, the project promoter through the CeTIF department, from AMCO, Unicredit and the Cariplo Foundation, which believes that it may qualify as an 'innovative social housing' project. In this respect, Centotrenta will join the Association 'Social Impact Finance', which has been promoting so-called 'social' transactions since 2010. Source: Strategic Plan 2021-23, page 46.

<sup>80</sup> Source: Code of Ethics, page 13.

<sup>81</sup> In the Code of Ethics the Company states that it is committed to "protect human rights and to eliminate any form of discrimination based on gender, age, sexual preference, race, nationality, physical, social and economic conditions, religious and political beliefs." Source: Code of Ethics, page 3.

<sup>82</sup> Source: Code of Ethics, page 6.

<sup>83</sup> In the Code of Ethics and, for example, in the oft-quoted brochure.



bodies, was amongst the topics to which the Company paid greater attention.

\* \* \*

## SOURCES

(Where there are no dates, the most recent versions prevail)

The documents that have been consulted were published by the Client before the delivery of the guidelines.

The main sources are: Internal Code of Conduct, Financial Statements, ESG Reporting; Report on Corporate Governance and Company Ownership; Articles of Association; Bylaw Italian Legislative Decree 231/2001; Internal Regulations; Minutes of the Meetings of the Board of Directors with amendments to the Articles of Association; Regulations of the Shareholders' Meetings; Minutes of Shareholders' Meetings, Notices of Meetings and related explanatory reports; Various procedures including "related party transactions" and "Internal Dealing"; Documents on remuneration, qualitative and quantitative composition of top management bodies and sustainability strategies (at Group level too). Data and information given during meetings with internal functions were also used.

## OTHER SOURCES

**standardethics.eu**

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