Second Party Opinion

SECOND PARTY OPINION

ASSURANCE REPORT

ON

SAMBAZA RIDGE PROPERTY LIMITED (wholly-owned SPV of NAIVAS LIMITED) GREEN BOND FRAMEWORK

FINAL REPORT

15 July 2026

Research, Credit Ratings, Credit Risk Management

OUTLINE

SECOND PARTY OPINION ASSURANCE REPORT

1.0 INTRODUCTION

Naivas Limited ("Naivas", the Sponsor" or "the Company") engaged Agusto & Co. Limited ("Agusto & Co") to provide an independent Second Party Opinion (SPO) on Sambaza Ridge Property Limited (a wholly-owned SPV of Naivas Limited) Green Bond Framework ("the Framework").

This is an independent Second Party Opinion Assurance Report on the Green Bond Framework and the proposed issuances under the Framework to be issued by Sambaza Ridge Property Limited ("Project SPV", "Sambaza" or "Issuer") to fund the construction and development of an IFC-EDGE Certified Warehouse Facility ("Green Distribution Centre", "the Project" or "the Facility") in Kenya in accordance with the International Capital Market Association's (ICMA) Green Bond Principles 2025 (GBP).

We do not express any conclusion over the performance of the Green Bond outside the scope and approach outlined in this document.

2.0 BACKGROUND

Naivas Limited ("Naivas" or "the Company") was incorporated in July 1990 as a Kenyan retailer that has grown from a single store in Rongai, Nakuru County, into the country's largest supermarket chain by sales and branch network. Naivas is headquartered in Nairobi City County and serves millions of customers through a network of over 114 branches spread across the Country. The Company employs over 12,000 staff and works with circa 1,000 suppliers and small and medium enterprises (SMEs), and takes an active approach in engaging and supporting local communities towards homegrown production. Naivas offers a curated selection of products that reflect the everyday realities of Kenyan families, including fresh produce and modern lifestyle essentials.

Over the years, the Company has experienced significant growth in its retail network, operational scale, product diversification and customer demand, necessitating expansion and modernisation of its logistics and distribution infrastructure. Naivas currently operates three distribution centres, but the pace of its retail network growth and the operational complexity associated with managing a diverse product range, including fresh, chilled, ambient, and general merchandise, has resulted in a critical infrastructure gap, which is the absence of a purpose-built, large-scale distribution facility designed for modern, high-volume retail logistics. Consequently, the Company plans to develop a modern, integrated, fit-for-purpose Green Distribution Centre within Northlands Logistics Park in Kiambu County as part of its long-term operational strategy aimed at enhancing logistics and supply chain efficiency, centralised inventory management, fleet coordination, operational scalability and future readiness for automation and technological integration.

The Project will involve the construction and operation of a large-scale logistics and distribution complex comprising warehousing, staging facilities, headquarters office space, cold-chain and fresh produce handling areas, truck marshalling yards, fleet management and warehouse management systems, on-site fuel station, weighbridge and truck wash infrastructure, waste management facilities, staff welfare amenities, security infrastructure and associated utility systems. The Green Distribution Centre has been conceptualised and designed as a high-efficiency logistics facility to achieve the Excellence in Design for Greater Efficiencies (EDGE) certification and support the five-year operational growth projections without requiring major structural redesign. The project has been designed to incorporate Environmental, Social and Governance (ESG) principles through the integration of energy-efficient systems, water conservation measures, waste minimisation, sustainable infrastructure and operational resilience considerations.

In 2020, Naivas formalised its approach to managing environmental, social and governance (ESG) related matters, which led to the development of the Company's Environmental and Social Action Plan (ESAP), thus becoming the foundational document upon which Naivas' ESG programme was built. Consequently, Naivas established and adopted a comprehensive Environmental and Social Management System (ESMS), comprising more than 15 policies and procedures, for identifying, assessing, and managing ESG risks across the Company in a systematic, auditable, and internationally aligned manner.

Naivas' Sustainability Strategy (2026 – 2030) is based on a triple bottom line framework: People (staff, suppliers and communities); Planet (environment and resources); and Profit (business integrity and governance). The Company's sustainability programme is anchored on internationally recognised frameworks and standards, including: the International Financial Corporation (IFC) Performance Standards; Global Reporting Initiative (GRI) Standards; and IFC EDGE Certification. Furthermore, Naivas Limited has aligned its Sustainability Strategy to the following United Nations Sustainable Development Goals (SDGs): SDG 1 (No Poverty), SDG 3 (Good Health and Well Being), SDG 5 (Gender Equality), SDG 6 (Clean Water and Sanitation), SDG 8 (Decent Work and Economic Growth), SDG 9 (Industry, Innovation and Infrastructure), SDG 10 (Reduced Inequality), SDG 11 (Sustainable Cities and Communities), SDG 12 (Responsible Consumption and Production), SDG 13 (Climate Action), SDG 15 (Life on Land), SDG 16 (Peace, Justice and Strong Institutions) and SDG 17 (Partnership for the Goals).

On the back of Naivas Limited's sustainability strategic direction, Sambaza Ridge Property Limited (a wholly-owned SPV of Naivas Limited) developed a Green Bond Framework ("the Framework") in June 2026, which allows the SPV to fund eligible projects, assets, and expenditures that will support the development of an IFC EDGE-certified Green Distribution Centre expected to contribute to improved environmental performance, operational efficiency, and broader socio-economic benefits in Kenya. The Green Bond Framework has been developed in line with the International Capital Market Association (ICMA) Green Bond Principles (2025).

The Project SPV plans to issue its maiden Green Bond to develop and own an IFC-EDGE Certified Warehouse Facility (with Naivas Limited as the anchor tenant under a long-term operating lease agreement), which will serve as the central node of Naivas' supply chain, enabling faster product replenishment to stores, reduced logistics costs, improved cold chain integrity, better inventory management, and a significantly lower carbon footprint per unit of goods distributed. This Facility is aligned with the eligible green project category of Green Buildings under the ICMA Green Bond Principles 2025. Overall, this project is expected to accelerate the Company's sustainability strategy by funding environmentally efficient infrastructure in line with international green bond standards and principles.

The proposed Green Bond will be issued by the Project SPV, subject to the terms of the indicative Bond Term Sheet, to a range of investors by way of a Restricted Public Offer. The Project SPV shall exclusively utilise the net Green Bond proceeds to fund the construction of an IFC-EDGE Certified Warehouse Facility (Eligible Project) that consolidates all warehousing operations, for which Naivas Limited will be the anchor tenant. Out of the total amount earmarked for the execution of the project[1], the Sponsor will provide equity contribution beyond the actual Green Bond financing to successfully execute the project. Table 1 below specifies the indicative use of the Green Bond proceeds under the Framework.

Table 1: Indicative Green Bond Use of Proceeds

Use of Proceeds	Amount (KES'Mns)	% of Proceeds	Eligible Project Categories of GBP
Construction, Development and Operationalisation of IFC EDGE Certified Warehouse Facility*	2,500	100%	Green Buildings
Total	**2,500**	**100%**	

Source: Naivas Limited
*IFC-EDGE Certification requires that buildings must meet at least 20% savings in energy, water and embodied energy in materials for it to be certified as a Green Building, which also aligns with ICMA GBP 2025.

[1] Of the estimated project cost of KES3.5 Billion, the Green Bond will finance KES 2.5 Billion, leaving the equity contribution at KES 1 Billion

3.0 SCOPE OF ASSURANCE ENGAGEMENT

The objective of this assurance engagement is to obtain an independent Second Party Opinion on the conformance of the Green Bond Framework with the material requirements of the Green Bonds Principles 2025 (GBP) published by the International Capital Market Association. This engagement will also cover a review of the alignment of the Framework with Naivas' sustainability strategy and relevant applicable market standards as well as an opinion on the eligibility of projects to be financed under the Green Bond Framework. The following Green Bond Principles have been assessed in this engagement:

- Use of Proceeds
- Process for Project & Assets Evaluation and Selection
- Management of Proceeds
- Reporting

4.0 OUR APPROACH

Agusto & Co. undertook necessary activities to collect sufficient evidence to present factual findings in line with the scope outlined above. Our work constituted a high-level review of the available information, based on the understanding that this information was provided to us by Naivas Limited and its partners in good faith. We have not performed an audit to check the veracity of the information provided to us. The review covered an examination of relevant procedures, policies and processes, as well as verification of data provided by the Company through various sampling techniques and based on our professional judgment. Our assurance procedures included, but were not limited to:

- Assessed the Green Bond Framework against the ICMA Green Bond Principles 2025.
- Reviewed the Framework, including processes, systems, internal procedures and controls in place for the management of Bond proceeds, investment areas for Green Bond proceeds and intended types of temporary investment instruments for the management of unallocated proceeds.
- Checked the list of projects, which are proposed to be associated with the Framework and the Green Bond, as well as their conformance with eligibility requirements as specified in the ICMA GBP 2025.
- Evaluated the procedures regarding environmental objectives, the intended use of Bond proceeds, details of the process and procedure for identifying nominated eligible assets and projects and details of the process and procedure for the management of proceeds.
- Assessed the proposed eligible assets under the Framework and the Green Bond Issuance in line with the Company's sustainability strategy and market standards utilizing relevant criteria where applicable, to verify and validate the expected potential environmental impact of the projects to be financed.
- Assessed background and supporting documents that elaborate further on the information mentioned in the questionnaire and alignment with the International Capital Market Association's Green Bond Principles.
- Conducted interviews with key staff of the Naivas Green Bond Project Team responsible for the Framework and the Bond Issuance on Thursday, 21 May 2026 and Thursday, 4 June 2026.
- Obtained a responsibility letter dated 5 June 2026 from the Company on behalf of the Project SPV confirming representation of alignment with the ICMA GBP and key assertions made in the Framework.

5.0 LIMITATIONS

There are inherent limitations in performing any assurance engagement – for example, assurance engagements are based on selective testing of the information being examined – and fraud, error, or non-compliance may occur and not be detected. There are additional inherent risks associated with assurance over non-financial information, including reporting against standards which require information to be assured against source data compiled using definitions and estimation methods that are developed by the reporting entity. Our assurance was limited to the Second Party Opinion of the Green Bond Framework and relevant information relating to the planned issuances under the Framework. Therefore, our assurance procedures did not constitute an examination or evaluation of the following:

- Credit rating and financial performance of the Issuer
- Environmental, social, or governance impact of the proposed projects, except to the extent required for compliance with the International Capital Market Association's Green Bond Principles
- Any information beyond the defined reporting boundary and period

6.0 ISSUER'S RESPONSIBILITY

Naivas Limited, on behalf of Sambaza Ridge Property Limited, was responsible for preparing the Green Bond Framework and providing information in relation to the following:

- The intended use of the Bond proceeds
- The selection process for the nominated projects.
- The details of the nominated projects and the methodology applied.
- The management systems for internal processes and controls for nominated projects.
- The details of commitments for reporting, including investment areas, management of unallocated proceeds and frequency of periodic reporting.
- Representations regarding conformity with the International Capital Market Association Green Bond Principles 2025 requirements.

7.0 AGUSTO & CO.'S RESPONSIBILITY

The tasks undertaken by Agusto & Co. as part of the review of the Green Bond Framework and the eligibility of projects and assets being financed to meet the ICMA GBP for the proposed Green Bond issuance included the assessment of the following:

- Conformance of the Green Bond Framework with the Green Bond Principles 2025
- Conformance of the Framework with the Company's sustainability strategy and relevant market standards as well as the expected potential impact of the underlying projects under the Green Bond.
- Conformance of intended use of proceeds and management thereof with GBP 2025 requirements
- Conformance with the Internal Processes and Controls as per GBP 2025 requirements.
- Conformance with Reporting Process Prior to Issuance as per GBP 2025 requirements.

8.0 INDEPENDENCE AND QUALITY CONTROL

- As an External Reviewer aligned with the International Capital Market Association's Guidelines as well as an Approved Verifier by the Climate Bonds Standards, Agusto & Co. ensures that the results of the independent Second Party Opinion Report are of the highest quality and reflect an impartial review process of ICMA's Green Bond Principles 2025.
- Agusto & Co. carried out the Assurance procedures in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information established by the International Auditing and Assurance Board (IAASB) of the International Federation of Accountants (IFAC).
- Agusto & Co. and members of the project team are not involved in any way in the issuance or management of Green Bonds. Agusto & Co. has applied internal procedures to confirm there are no conflicts of interest for this assurance engagement.

9.0 FINDINGS AND OPINION

Section 1: Agusto & Co.'s Opinion on the Green Bond Framework

1.1 Use of Proceeds

- The Project SPV intends to use the proceeds from issuances under the Green Bond Framework to finance, in whole or in part, Eligible Green Project Categories. The eligible project categories identified in the Green Bond Framework, which are in tandem with the GBP 2025, include:
  - **Green Buildings**

- The proceeds of the proposed Green Bonds will be broadly used by the Issuer to develop a purpose-built, large-scale green distribution facility designed for modern, high-volume retail logistics, which will deliver operational improvements, automation capability, and stronger supply-chain resilience. Based on our assessment, the identified and qualifying project is aligned with the eligible Green Project categories as per GBP 2025, as shown in Table 2 below:

Table 2: Allocation of Bond Proceeds to Eligible Green Project Category as per GBP

Eligible Green Project per GBP Categories	Use of Proceeds	% Allocation of Green Bond Proceeds
Green Buildings: Buildings must meet IFC-EDGE Certification requirements of at least 20% savings in energy, water and embodied energy in materials.	Construction, Development and Operationalisation of IFC EDGE Certified Warehouse Facility within Northlands Logistics Park in Kiambu County.	100%

Source: Green Bond Framework

- Agusto & Co. undertook a review to determine the eligibility of the nominated green project category enshrined in the Framework and the nominated green project (IFC-EDGE Certified Warehouse Facility) under the Green Bond Issuance in line with the GBP.

In our opinion, the eligible green project category and the expected use of Green Bond proceeds are consistent with guidelines enshrined in the GBP 2025.

1.2 Process for Project Evaluation and Selection

- In line with the Green Bond Framework, the Naivas Steering Committee (SteerCo), comprising the Company's chief executive officer (CEO), executive director, chief commercial officer (CCO), chief operating officer (COO), chief financial officer (CFO) and Project team, is responsible for the selection of the Green Distribution Centre as an eligible green asset, subject to the approval of the Board of Naivas Limited. Pursuant to the establishment of the dedicated SPV, a SteerCo at SPV-level will be formed to assume responsibility for governance and oversight of the Project. This SPV SteerCo will report to the SPV Board, which will be composed of experienced Naivas senior leadership, in line with the Naivas SteerCo. The SPV Board will retain ultimate decision-making authority.

- The Framework describes the process for project evaluation and selection. Potential projects to which proceeds are to be deployed under the Framework will be identified and selected by the SteerCo and will be assessed for alignment with Naivas' ESG priorities and overall environmental objectives. The evaluation process includes an assessment of any existing or potential risks associated with the Project, with a focus on environmental, social, and financial considerations, and in accordance with applicable policies and procedures outlined in Naivas' ESMS Framework. Furthermore, the nominated project has been reviewed to ensure alignment with the principles and guidelines outlined in the Framework, while ensuring compliance with applicable Kenyan regulations. The selected Eligible Green Asset is then approved by the Company's Board (or the SPV Board) for inclusion in the Green Bond issuance. In addition, the Framework clearly states the project evaluation and selection criteria as well as the exclusion list, which the Company will not finance.

- Naivas has adopted a comprehensive Environmental and Social Management System (ESMS), comprising over 15 policies and procedures that cover internal environmental and social risk policies and guidelines that apply to all eligible projects and the management of ESG risks under the Framework. Some of the underlying policies and guidelines include Energy Management Plan, Water Management Plan, Waste Management Plan, Life and Fire Safety Procedure, Emergency Preparedness & Response Plan, Transport Safety Policy Manual, Third Party Management Plan, Stakeholder Engagement Plan, External Communication & Grievance Management Policy and Procedure, Security Management Plan, Food Safety Policy, and Identification of Risks and Impact Procedure. In addition, Naivas conducts its operations under the oversight of key regulatory bodies, including the National Environment Management Authority (NEMA), the Directorate of Occupational Safety and Health Services (DOSHS), the Kenya Bureau of Standards (KEBS), and relevant county governments across all operating regions. Agusto & Co. considers these policies and procedures to be adequate and aligned with market expectations.

Based on the clear description of responsibility, detailed project evaluation and selection criteria, and the application of environmental and social risk management policies (internal and external) as well as a detailed exclusion list, Agusto & Co. concludes that the Framework's project evaluation and selection procedures are in line with the GBP and market practice.

1.3 Management of Proceeds

- In line with the Framework, Sambaza Ridge Property Limited has committed to setting up and maintaining structures to track the use of proceeds to the sole project – IFC-EDGE Certified Warehouse Facility – using a Tracking Register and will maintain a level of allocation to the project that matches the Green Bond proceeds. The SteerCo, supported by the Company's Treasury Department, will be responsible for tracking and managing proceeds, with ultimate responsibility resting on the Board in line with the Framework.

- The Issuer intends to fully allocate the net proceeds from the Green Bond issuance to the eligible green assets (IFC-EDGE Certified Warehouse Facility) within 12 months from the Bond issuance date. Pending the full allocation of the net proceeds, unallocated proceeds will be held in a separate account and managed by the Company's Treasury per the provisions of the Management of Proceeds in the Framework. Agusto & Co. notes that unallocated proceeds may be temporarily held in a liquidity portfolio, including cash, cash equivalents, money market instruments or other short-term liquid investments, before being utilised for the identified eligible green project, in line with the Green Bond Framework.

Based on the commitment to set up and maintain structures to track the use of proceeds as well as a well-defined structure for managing unallocated net proceeds, Agusto & Co. considers the Framework's management of proceeds procedure to be in line with the GBP and standard market practice.

1.4 Reporting

Sambaza Ridge Property Limited intends to report annually on the allocation and impact of the use of proceeds on the Company's website (https://corporate.naivas.info/) to effectively communicate with stakeholders, including investors. The reporting is proposed to include the following:

- **Allocation Reporting:** This allocation reporting is expected to cover reporting on details such as the total amount of proceeds allocated to the eligible asset, the balance of any unallocated proceeds, and the amount and the percentage of new financing versus refinancing (as applicable). In addition, the allocation report will cover the types of temporary investments used for unallocated proceeds and the description of projects financed by the proceeds. This will also cover reporting any changes that have occurred to the earmarked projects and assets and whether those changes have affected their eligibility.

- **Impact Reporting:** The Issuer will report on the environmental and social impacts resulting from funds allocated from the Green Bond proceeds. This will cover, where possible, qualitative and quantitative reporting of the environmental impact resulting from the Green Projects financed. Some of the key impact performance indicators for the eligible green project has been identified in Table 3 below.

Table 3: Key Impact Indicators

Green Project Category	Key Impact Indicators
Green Buildings	1. Green building certification obtained 2. Estimated annual CO_2 equivalent emissions reduction/avoidance (tonnes CO_2eq/year) 3. Total energy saved (kWh) 4. Energy saved per square metre (kWh/m^2) 5. Reduction in energy use (%) 6. Reduction in water consumption (% and m^3) 7. Reduction in embodied carbon in materials (%) 8. Direct and indirect job creation/households impacted

Source: Green Bond Framework

In line with the Issuer's commitments to annual allocation and impact reporting, Agusto & Co. confirms that the Framework appropriately describes the procedures for reporting in line with GBP and with market practice.

Agusto & Co.'s Opinion

Based on the information provided and the work undertaken, Agusto & Co. confirms that the Green Bond Framework is in alignment with the four core components of the ICMA Green Bond Principles 2025 (GBP). For additional information, please refer to Appendix B (Green Bond Assessment Checklist).

Section 2: Sustainability Strategy, Managing Risks and Contribution to SDGs

2.1 Contribution to Naivas Limited's Sustainability Strategy

Naivas Limited is a premier national retail chain in Kenya serving millions of customers through a network of over 114 branches, offering a wide variety including fresh products such as produce, meat, and bakery, as well as a broad range of grocery items, large general merchandise assortment covering categories such as electronics, kitchen and dining and apparel, as well as a one-stop destination for convenience and value shopping. The Company's corporate strategy is hinged on giving its customers a premier shopping experience, offering great value for their everyday family needs, working with partners to deliver sustainable economic growth whilst protecting the environment and supporting the communities. This aligns with Naivas' overarching triple bottom line sustainability strategy (People, Planet & Profit) of running a better and more resilient business; one that values its people, protects the environment and delivers long-term profitability built on trust and integrity. The Company's management anticipates that the green distribution centre as developed and designed by the Project SPV, which will consolidate all of its supply chain activities in one purpose-built warehouse, will result in faster product replenishment to stores, reduced logistics costs, improved cold chain integrity, better inventory management, and a significantly lower carbon footprint per unit of goods distributed.

The Project involves constructing a Grade A, sustainability-certified logistics facility, purpose-built to deliver operational improvements, automation capability, and stronger supply-chain resilience. The facility, to be located within Northlands Logistics Park in Kiambu County in Kenya, is designed to achieve the IFC EDGE Certification, making it a green distribution facility, thus enabling Naivas to align its financing with its sustainability strategy, access sustainable capital, and fund environmentally efficient infrastructure in line with international green bond standards. Furthermore, the Project seeks to improve overall operational sustainability through the integration of rooftop solar photovoltaic systems, water recycling systems, modern waste management infrastructure, energy-efficient systems, improved fire safety systems, and enhanced worker welfare infrastructure. All of this is geared towards modernising and consolidating existing distribution operations into a single integrated logistics facility capable of supporting current and future operational demands.

The Company's management notes that the development of the IFC-EDGE Certified Warehouse Facility will achieve at least a 20% improvement in energy efficiency, water use, and greenhouse gas emissions. As a result, the Issuer aims to achieve the following objectives through this Bond Issuance:

- Support direct emissions reduction driven by improved energy efficiency, reduced operational carbon footprint, and lower embodied carbon in construction materials;
- Improve resource efficiency gains, including reduced water consumption and improved building performance over the asset lifecycle;
- Develop system-level impacts in the retail value chain by enabling more efficient and lower-emission distribution and logistics operations; and
- Facilitate market transformation by demonstrating the feasibility of green-certified logistics infrastructure in an emerging market and supporting the mobilisation of private capital towards climate-aligned assets.

Through these contributions, the Project is expected to support the decarbonisation of the buildings sector, while aligning with the Paris Agreement's objectives of reducing greenhouse gas emissions, enhancing climate resilience, and directing financial flows toward sustainable development pathways and a rapid transition to a low-carbon economy.

In our opinion, the Green Bond Framework is aligned with the Company's overall sustainability strategy and will support the attainment of key environmental and social priorities.

2.2 Approach to Managing Environmental and Social Risks Associated with the Project

In line with the Green Bond Framework, the net proceeds are expected to be channelled towards the already identified eligible project (IFC-EDGE Certified Warehouse Facility) that has a verifiable positive environmental and social impact. However, Agusto & Co. is aware that the development of the eligible projects could also lead to negative environmental and social outcomes. Some of the risks associated with the eligible project broadly cover construction activities, logistics operations, traffic and transportation, workforce relocation, occupational health and safety, waste management, stormwater management and site-specific socio-economic effects. However, key identified risks may include issues related to emission leaks, suspended particulate matter, the release of black carbon polluting the environment, distorting land use and biodiversity risks associated with large-scale development, dust particles, noise environment, waste recovery, hazardous and non-hazardous waste, waste discharge, GHG leakages, occupational health and safety concerns, soil runoff and erosion, degradation of water quality, air pollution, alteration of drainage patterns, flooding hazards, hygiene issues, loss of vegetation and disturbance of site ecology, traffic disruption and road safety risks, child labour, communicable diseases, traffic congestion, community relations, stakeholder participation, and general business governance, practice and ethics.

Based on our review of the project's environmental and social impact assessment (ESIA), Naivas Limited, on behalf of the Project SPV, is putting structures in place to manage or mitigate potential environmental and social risks, not limited to the following:

- The preparation, adoption and implementation of the environmental social impact assessment (ESIA) recommendation for the eligible project in accordance with the Environmental Management and Co-ordination (Strategic and Integrated Environmental Impact Assessments and Environmental Audits) Regulations, 2025.
- Obtaining the National Environment Management Authority (NEMA) approval for the project site in line with the Environmental Management and Coordination Act (EMCA), 1999 (as amended).
- Development and implementation of a site-specific Occupational Health and Safety Plan as well as the implementation of a comprehensive Waste Management Plan.
- Implementation of the Environmental and Social Management Plan (ESMP) to mitigate, enhance, monitor and manage measures aimed at preventing, minimising, or compensating for adverse effects while maximising the project's positive contributions to the environment, local communities, employees and the wider economy.
- Comprehensive implementation of the Company's Environmental and Social Management System (ESMS) in identifying, assessing, and managing ESG risks across the organisation, in a systematic, auditable, and internationally aligned manner.
- Implementation of the Naivas ESG Risk Management Framework, which covers resource use (energy, water, fuels), managing waste compliance, vendor oversight, and regulatory engagement with NEMA. This also includes internal audits, environmental impact assessment (EIA) processes, Extended Producer Responsibility reporting (Packaging Producer Responsibility Organization (PAKPRO), and development of the Company's carbon footprint framework.
- The Company has adopted various International Best Practice Standards and Guidelines which ensure that the potential environmental and social risks related to the Project are identified, analysed, tracked, mitigated and/or adapted and monitored periodically. These include the International Finance Corporation Performance Standards on Environmental and Social Sustainability, GRI Standards, and the IFC EDGE Certification.

Based on our review of the aforementioned policies, standards and practices, Agusto & Co. believes that Naivas has robust internal structures, policies and guidelines and is well-positioned to manage or mitigate environmental, social and governance risks typically associated with eligible projects of this nature.

2.3 Contribution to the United Nations Sustainable Development Goals (SDGs)

In line with Naivas Limited's overarching sustainability strategy and the Green Bond Framework, the deployment of the proceeds of the Green Bond issuance is expected to directly contribute to five United Nations Sustainable Development Goals (SDGs) as noted in Table 4 below due to the attainment of the IFC EDGE Certification for the Green Distribution Centre, which emphasises a minimum of 20% savings on energy use, water use and embodied energy in materials. Nonetheless, the project has indirect linkages with the following SDGs - SDG 1 (No Poverty), SDG 3 (Good Health and Well Being), SDG 5 (Gender Equality), SGD 8 (Decent Work and Economic Growth), SDG 10 (Reduced Inequality), SDG 11 (Sustainable Cities and Communities), SDG 13 (Climate Action), SDG 16 (Peace, Justice and Strong Institutions) and SDG 17 (Partnership for the Goals).

Table 4: Sustainable Development Goals Mapping

Direct Linked SDGs	Description of Eligible Green Project (Use of Proceeds)	Agusto & Co.'s Opinion
6 CLEAN WATER AND SANITATION	Development of an IFC-EDGE Certified Warehouse Facility. Minimum 20% savings in water use through the implementation of water recycling systems and waste infrastructure at the Facility.	Deploying the Green Bond proceeds for the IFC-EDGE certified Warehouse Facility will lead to a minimum 20% reduction in water use, promote water recycling and safe reuse, while ultimately resulting in driving water efficiency and reducing water waste, which supports the direct achievement of SDGs 6.4 & 6.4.1 targets.
7 AFFORDABLE AND CLEAN ENERGY	Development of an IFC-EDGE Certified Warehouse Facility. Minimum 20% savings in energy use through the deployment of rooftop solar photovoltaic and energy-efficient systems at the Facility.	This will result in at least 20% reduction in energy use compared to standard local buildings, directly improving energy efficiency, which is in tandem with SDGs 7.2 & 7.3 targets to increase the share of renewable energy substantially in the global energy mix and to support the global rate of improvement in energy efficiency, respectively.
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Development of an IFC-EDGE Certified Warehouse Facility. Development of climate-resilient operations and utility Infrastructure.	This will result in the development of a climate-resilient infrastructure, thus promoting sustainable industrialisation, which is in line with SDG 9.4 target to 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.
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Development of an IFC-EDGE Certified Warehouse Facility. Minimum 20% savings in embodied energy in materials through the use of recyclable, recoverable, reusable and Kenya Bureau of Standards (KEBS) compliant materials at the Facility.	This will result in at least 20% reduction in embodied carbon in materials, supporting circular resource use, which aligns with the SDG 12.2 target of achieving sustainable management and efficient use of natural resources by 2030.
15 LIFE ON LAND	Development of an IFC-EDGE Certified Warehouse Facility. Implement landscaping and biodiversity enhancement measures.	This development of the IFC-EDGE Certified Warehouse Facility is expected to follow responsible sourcing of materials as well as the incorporation of biodiversity protection through landscaping, which ensures the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, per SDG 15.1 target.

Source: Green Bond Framework and Agusto & Co. Research

10.0 CONCLUSION & OPINION

Based on the assurance procedures conducted and evidence obtained, Agusto & Co. notes that nothing has come to our attention that causes us to believe that, in all material respects, the Sambaza Ridge Property Limited (a wholly-owned SPV of Naivas Limited) Green Bond Framework is not in conformance with the International Capital Market Association's Green Bond Principles 2025. In our assessment, the Green Bond Framework and the identified eligible green project (IFC-EDGE Certified Warehouse Facility) to be financed under the Framework are both in alignment with the ICMA GBP and also consistent with the Company's overarching sustainability strategy.

For Agusto & Co:

Ikechukwu Iheagwam
Associate Director
15 July 2026

Oritsejimi Ogbobine
Associate Director & Head, Consulting
15 July 2026

Nigeria
UBA House (5th Floor)
57 Marina
Lagos, Nigeria

Kenya
Eden Square (7th Floor)
Chiromo Road, Westlands
Nairobi, Kenya

Rwanda
Kigali Heights (4th Floor)
East Wing, KG 7 Ave,
Kigali, Rwanda

Ghana
Accra Atlantic Tower,
Liberation Road, Accra,
Ghana

+234 (1) 270 7222-3
+234 (1) 271 3808
Email: info@agusto.com
@AgustoandCo

www.agusto.com
www.agusto.co.ke
www.agusto.co.rw
www.agustogh.com
www.agustoresearch.com
www.agustoconsulting.com

Agusto&Co.
Second Party Opinion

11.0 APPENDIX

Appendix A: List of Documents Reviewed

1. Sambaza Ridge Property Limited (a wholly-owned SPV of Naivas Limited) Green Bond Framework (June 2026)
2. Sambaza Ridge Property Limited CR 12
3. Naivas Limited Sustainability Strategy 2026 – 2030 (April 2026)
4. Naivas Limited Incorporation documents and CR12
5. Draft Environmental and Social Impact Assessment (ESIA) Report for the Proposed Naivas Distribution Centre, Northlands Logistics Park, Kiambu County, prepared by Green By Choice Limited (2 June 2026)
6. Environmental & Social Review of Naivas Supermarkets Limited, Kenya for Deutsche Investitions-und Entwicklungsgesellschaft mbH (DEG) and Naivas Limited. Final Report (August 2025)
7. Naivas Limited’s Energy Management Plan version 1.0
8. Naivas Limited’s Water Management Plan Version 1.0
9. Naivas Limited’s Waste Management Plan Version 1.2
10. Naivas Limited’s Life and Fire Safety Procedure Version 1.0
11. Naivas Limited’s Emergency Preparedness & Response Plan Version 1.0
12. Naivas Limited Transport Safety Policy Manual Version 1.2
13. Naivas Limited’s Third Party Management Plan Version 1.0
14. Stakeholder Engagement Plan Version 1.0
15. Naivas Limited’s External Communication & Grievance Management Policy and Procedure Version 1.0
16. Naivas Limited’s Security Management Plan Version 1.0
17. Naivas Limited’s Food Safety Policy
18. Naivas Limited’s Identification of Risks and Impact Procedure Version 1.0
19. Naivas Limited’s Management Representation and Responsibility Letter (dated 5 June 2026)
20. The International Capital Markets Association (ICMA) Green Bond Principles June 2025
21. KES 2.5 Billion Medium Term Note Programme Indicative Term Sheet
22. Naivas Limited’s response to Agusto & Co.’s SPO questionnaire
23. Appointment Letter - IFC EDGE Green Building Consultant (Besic Group Limited) for the proposed Naivas Distribution Centre (14 April 2026)
24. Appointment Letter – Environmental and Social Impact Assessment (ESIA) Consultant (Green By Choice Limited) for the proposed Naivas Distribution Centre (9 April 2026
25. Naivas Limited’s ESG Committee Mandate Version 1.0
26. Naivas Limited’s Commitment to Sustainability Document
27. Strategic Environmental Assessment of the Proposed Northlands Masterplan in Ruiru, Kiambu County (March 2016)

Appendix B: Green Bond Assessment Checklist

1. Use of Proceeds Requirement	Agusto & Co.'s Findings
I. The Issuer shall document the Eligible Projects Category which are proposed to be associated with the Bond and which have been assessed as eligible in the Green Bond Framework in line with the GBP.	Agusto & Co. has reviewed the Green Bond Framework and the list of nominated projects to be associated under the various eligible project categories (Green Buildings) and confirms that they are in line with the ICMA Green Bond Principles 2025. Based on the Framework, the Issuer plans to use the net Green Bond proceeds to finance the development of an IFC EDGE Certified Warehouse Facility, which is a purpose-built, large-scale green distribution facility designed for modern, high-volume retail logistics, which will deliver operational improvements, automation capability, and stronger supply-chain resilience for Naivas Limited aimed at accelerating Kenya's ambition to a low-carbon, green and sustainable economy by 2030. Use of Proceeds | Amount (KES'Mns) | % of Proceeds Construction, Development and Operationalisation of IFC EDGE Certified Warehouse Facility | 2,500 | 100% **Total** | **2,500** | **100%**
II. The Issuer shall document clearly the expected environmentally sustainable benefits of the Eligible Projects Category and projects as assessed by the Issuer or an independent third party.	Based on the Framework, the Issuer intends to intensify its efforts to support the decarbonisation of the buildings sector, while aligning with the Paris Agreement's objectives of reducing greenhouse gas emissions, enhancing climate resilience, and directing financial flows toward sustainable development pathways and a rapid transition to a low-carbon economy. Furthermore, Naivas Limited, on behalf of the Project SPV, through the management letter, asserts that the proceeds from the Green Bond will be used solely to support objectives identified in the Framework relating to the development of green buildings (IFC EDGE Certified Warehouse Facility). Overall, this aligns with the Company's overarching sustainability objective of delivering a better and more resilient business; one that values its people, protects the environment and delivers long-term profitability built on trust and integrity.
III. The Issuer shall document clearly what proportion of the net proceeds is estimated for financing vs. refinancing and state the associated projects or portfolios for each and, to the extent relevant, the expected look-back period for refinanced eligible Green Projects.	Based on the Green Bond Framework, the Issuer plans to allocate the entire net proceeds within 12 months to fund the eligible project identified. Based on our assessment, Agusto & Co. confirms that the Framework provides for the bond proceeds to be used to finance and/or refinance eligible projects. However, no portion of the Green Bonds is intended for refinancing and the Issuer is committed to utilising the bond proceeds to finance only the eligible project - IFC EDGE Certified Warehouse Facility.

2. Process for Project Selection and Evaluation Requirement	Agusto & Co.'s Findings
I. The Issuer shall outline the decision-making process and policies which it uses to determine the eligibility of the Projects Category associated with the Green Bond Framework.	The Issuer has established a documented process to nominate eligible projects and assets associated with the Bond issuance in the Framework based on the Company's ESG priorities, environmental objectives and criteria, and compliant with the eligibility project categories of the Green Bond Principles. Although the Naivas Steering Committee (SteerCo) is responsible for evaluating and selecting green projects for consideration, the ultimate decision-making rests with Naivas' Board (or the SPV Board).
II. The Issuer shall outline the process to determine how the projects fit within the eligible Green Projects categories identified in the Green Bond Principles.	The Framework describes the process for project evaluation and selection. Potential projects to which proceeds are to be deployed under the Framework will be identified and selected by the SteerCo in line with Naivas' ESG priorities and overall environmental objectives. The evaluation process includes an assessment of any existing or potential risks associated with the Project, with a focus on environmental, social, and financial considerations, and in accordance with applicable policies and procedures outlined in Naivas' ESMS Framework. Furthermore, the

	nominated project will be reviewed to ensure alignment with the principles and guidelines outlined in the Framework, while ensuring compliance with applicable Kenyan regulations. The selected Eligible Green Asset is then approved by the Company's Board (or the SPV Board) for inclusion in the Green Bond issuance.
III. The Issuer shall outline the sustainability objectives of the Bond and its alignment with the Issuer's broad environmental sustainability objectives and strategy.	In line with the Green Bond Framework, the Issuer plans to achieve the following objectives through this Bond Issuance: • Support direct emissions reduction driven by improved energy efficiency, reduced operational carbon footprint, and lower embodied carbon in construction materials; • Improve resource efficiency gains, including reduced water consumption and improved building performance over the asset lifecycle; • Develop system-level impacts in the retail value chain, by enabling more efficient and lower-emission distribution and logistics operations; and • Facilitate market transformation by demonstrating the feasibility of green-certified logistics infrastructure in an emerging market and supporting the mobilisation of private capital towards climate-aligned assets. In our opinion, the rationale for the Green Bond issuance is in alignment with the Company's objective to support the decarbonisation of the buildings sector while reducing greenhouse gas emissions, enhancing climate resilience and supporting transition to a lower carbon economy, with an overarching goal of delivering a better and more resilient business; one that values its people, protects the environment and delivers long-term profitability built on trust and integrity.
IV. The Issuer shall outline the process, applied to identify and manage potentially material environmental, social or governance (ESG) risks associated with the Eligible Projects Category and any relevant market standards as noted in the Green Bond Framework.	Based on the Green Bond Framework and supporting documents, the Issuer has outlined the process and structures to manage or mitigate potential environmental, social or governance (ESG) risks associated with the Eligible Project. This includes but is not limited to: preparation, adoption and implementation of the environmental social impact assessment (ESIA) recommendation for the eligible project; active implementation of the Environmental and Social Management Plan (ESMP) to mitigate, enhance, monitor and manage measures aimed at preventing, minimising, or compensating for adverse effects while maximising the project's positive contributions to the environment, local communities, employees and the wider economy; and comprehensive implementation of the Environmental and Social Management System (ESMS) in identifying, assessing, and managing ESG risks across the organisation, in a systematic, auditable, and internationally aligned manner. In addition, the Company has adopted various international best practices which ensure that the potential environmental and social risks related to the project are identified, analysed, tracked, mitigated and/or adapted and monitored periodically. These include the International Finance Corporation Performance Standards on Environmental and Social Sustainability, GRI Standards, and the IFC EDGE Certification.
V. The Issuer shall provide information, if relevant, on the alignment of projects with official or market-based taxonomies, related eligibility criteria, including if applicable, exclusion criteria; and also disclose any green standards or certifications referenced in project selection.	The Management of Naivas Limited asserts that reasonable and necessary steps have been taken to ensure that the Framework aligns with the International Capital Market Association's Green Bond Principles. Also, the Framework clearly states the green Bond project evaluation and selection criteria as well as the exclusion list. Based on our assessment, Agusto & Co. opines that the Framework, schedule of eligible project categories, and use of Green Bond proceeds conform with the GBP.

3. Management of Proceeds Requirement	Agusto & Co.'s Findings
I. The Issuer shall document the systems, policies and processes to be used for management of the Net Proceeds, which should include the process that the net Green Bond proceeds should be credited to a sub-account, moved to a sub-portfolio or otherwise tracked by the Issuer in an appropriate manner, to maintain transparency and promote the integrity, and confirmation that the net proceeds will be linked to the investment decisions for the Eligible Green Projects.	The Issuer has a documented process, policies and systems which have been disclosed in the Green Bond Framework. In line with the Framework, the Issuer has committed to setting up and maintaining structures to track the use of proceeds to the sole project (IFC EDGE Certified Warehouse Facility) through the use of a Tracking Register. The SteerCo, supported by the Company's Treasury Department, will be responsible for tracking and managing proceeds, with ultimate responsibility resting on the Company's Board (or SPV Board) in line with the Framework.
II. The Issuer shall establish a process wherein the unallocated net Green Bond proceeds should be credited to a dedicated account or otherwise appropriately tracked by the Issuer, to maintain transparency and promote the integrity of the use of proceeds.	The Issuer intends to fully allocate the net proceeds within 12 months of the issuance to fund the identified project. Pending the full allocation of the net proceeds, unallocated proceeds will be held in a separate account and managed by the Company's Treasury per the provisions of the Management of Proceeds in the Framework.
III. The Issuer shall establish a process that can be used to manage and account for funding to the Eligible Projects and enables proper estimation of the share of the Net Proceeds being used for financing and refinancing.	The Green Bond Tracking Register will be used to manage and account for the funding of eligible projects, to ensure that all the proceeds are being used as earmarked.
IV. The Issuer shall establish a process to disclose to the Investors the intended types of temporary investment instruments for the balance of unallocated proceeds pending the investments or disbursements to eligible Green Projects.	In line with the Green Bond Framework, the unallocated proceeds, which will be held in a separate account and managed by the Company's Treasury, may be temporarily held in a liquidity portfolio, including cash, cash equivalents, money market instruments or other short-term liquid investments, before being utilised for the identified eligible green project.

4. Reporting Requirement	Agusto & Co.'s Findings
I. The Issuer shall prepare a Green Bond Framework and make it publicly available prior to Issuance or at the time of Issuance.	The Issuer has agreed to make the Green Bond Framework and annual reports available on the Company's website - https://corporate.naivas.info/
II. The Issuer shall prepare an up to date report (to be provided annually until fully drawn) on the use of proceeds and as necessary if there are any material developments to the use of proceeds. This should include a list of the Green projects to which the Green Bond proceeds have been allocated and a brief description of the projects and the amounts allocated and their expected impact.	In line with the Green Bond Framework, the Issuer intends to report annually on the allocation of the use of proceeds on the Company's website. The annual allocation reporting will cover details on the total amount of proceeds allocated to the eligible asset, the balance of any unallocated proceeds, the amount and the percentage of new financing versus refinancing (as applicable), types of temporary investments used for unallocated proceeds, the description of projects financed by the proceeds, any changes that have occurred to the earmarked projects and assets and whether those changes have affected their eligibility.
III. Issuers should provide at least annually a list of projects to which Green Bond proceeds have been allocated including a brief description of the projects and the amounts disbursed, as well as the expected environmentally sustainable impact and approach to how and where the update report will be made accessible as long as the Bonds remain outstanding.	In line with the Green Bond Framework, the Issuer intends to report annually on the impact of the use of proceeds on the Company's website. The annual impact report will cover qualitative and quantitative reporting of the environmental impact resulting from the Green Project. The key indicators include: **Project Area** — **Key Impact Indicators** **Green Buildings**: 1. Green building certification obtained 2. Estimated annual CO_2 equivalent emissions reduction / avoidance (tonnes CO_2eq/year) 3. Total energy saved (kWh) 4. Energy saved per square metre (kWh/m^2) 5. Reduction in energy use (%) 6. Reduction in water consumption (% and m^3) 7. Reduction in embodied carbon in materials (%) 8. Direct and indirect job creation/households impacted

The Green Bond Principles · The Social Bond Principles · The Sustainability Bond Guidelines · Climate Transition Finance · ICMA International Capital Market Association

Appendix C: ICMA Green Bond External Review Form

Section 1. Basic Information

Issuer name: Sambaza Ridge Property Limited (wholly-owned SPV of Naivas Limited)

Bond ISIN[2]:

Independent External Review provider's name: Agusto & Co. Limited

Completion date of this form: 10 July 2026

Date of the review: 15 May 2026 – 10 July 2026

Section 2. Overview

SCOPE OF REVIEW

The review:

☒ assessed the 4 core components of the Principles (**complete review**) and confirmed the alignment with the GBP.

- ☒ Use of Proceeds
- ☒ Process for Project Evaluation and Selection
- ☒ Management of Proceeds
- ☒ Reporting

☐ assessed the alignment with other regulations or standards (CBI, EU GBS, ASEAN Green Bond Standard, ISO 14030, etc.); please indicate which ones:

ROLE(S) OF INDEPENDENT REVIEW PROVIDER

- ☒ Second Party Opinion
- ☐ Certification
- ☐ Verification
- ☐ Scoring/Rating
- ☐ Other *(please specify)*:

Does the review include a sustainability quality score[3]?

- ☐ Of the issuer
- ☐ Of the project
- ☐ Of the framework
- ☐ Other (please specify):
- ☒ No scoring

ASSESSMENT OF THE PROJECT(S)

Does the review include:

☒ The environmental and/or social features of the type of project(s) intended for the Use of Proceeds?

---

[2] *The ISIN code is mandatory for publishing the form in the Sustainable Bond Issuers Database.*
[3] *The external review may indicate the provider's opinion of the overall sustainability quality of a bond or bond framework and assess whether it has a meaningful impact on advancing contribution to long-term sustainable development.*

☒ The environmental and/or social benefits and impact targeted by the eligible Green and/or Social Project(s) financed by the Green, Social or Sustainability Bond?

☒ The potentially material environmental and/or social risks associated with the project(s) (where relevant)?

ISSUER'S OVERARCHING OBJECTIVES

Does the review include:

☒ An assessment of the issuer's overarching sustainability objectives and strategy, and the policies and/or processes towards their delivery?

☒ An identification and assessment of environmental, social and governance-related risks of adverse impact through the Issuer's [actions] and explanations on how they are managed and mitigated by the issuer?

☒ A reference to the issuer's relevant regulations, standards, or frameworks for sustainability-related disclosure and reporting?

CLIMATE TRANSITION STRATEGY[4]

Does the review assess:

☐ The issuer's climate transition strategy & governance?

☐ The alignment of both the long-term and short/medium-term targets with the relevant regional, sector, or international climate scenario?

☐ The credibility of the issuer's climate transition strategy to reach its targets?

☐ The level/type of independent governance and oversight of the issuer's climate transition strategy (e.g. by independent members of the board, dedicated board sub-committees with relevant expertise, or via the submission of an issuer's climate transition strategy to shareholders' approval).

☐ If appropriate, the materiality of the planned transition trajectory in the context of the issuers overall business (including the relevant historical datapoints)?

☐ The alignment of the issuer's proposed strategy and targets with appropriate science-based targets and transition pathways [5] that are deemed necessary to limit climate change to targeted levels?

☐ The comprehensiveness of the issuer's disclosure to help investors assess its performance holistically[6]?

Overall comment on this section: Based on the information provided by Naivas Limited, partners and the work undertaken, Agusto & Co. confirms that the Green Bond Framework is aligned with the 4 core components of the Green Bond Principles 2025. Also, the eligible projects are in conformance with the Company's overarching sustainability strategy to support the decarbonisation of the buildings sector while reducing greenhouse gas emissions, enhancing climate resilience and supporting transition to a lower carbon economy, with an overarching goal of delivering a better and more resilient business; one that values its people, protects the environment and delivers long-term profitability built on trust and integrity.

---

[4] *Where issuers wish to finance projects towards implementing a net zero emissions strategy aligned with the goals of the Paris Agreement, guidance on issuer level disclosures and climate transition strategies may be sought from the Climate Transition Finance Handbook.*

[5] *GHG emissions reduction targets that are in line with the scale of reductions required to keep the average global temperature increase to ideally 1.5°C, or at the very least to well below 2°C above pre-industrial temperatures. Science Based Targets Initiative (SBTi) is a branded verification body for science-based targets and SBTi verification is one way for issuers to validate the alignment of their emission reduction trajectories with science-based reference trajectories. In addition, ICMA has published a Methodologies Registry which includes a list of tools to specifically help issuers, investors, or financial intermediaries validate their emission reduction trajectories..*

[6] *Including information such as the respective contribution (e.g. %) of the different measures to the overall reduction, the total expenses associated with the plan, or the issuer's climate policy engagement.*

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

Does the review assess:

☒ the environmental/social benefits of the project(s)?

☒ whether those benefits are quantifiable and meaningful?

☐ for social projects, whether the target population is properly identified?

Does the review assess if the issuer provides clear information on:

☒ the estimated proceeds allocation per project category (in case of multiple projects)?

☒ the estimated share of financing vs. re-financing (and the related lookback period)?

Overall comment on this section: The Issuer intends to use the proceeds from the Green Bond issued under this Framework to finance in whole or in part, the Eligible Green Project Category. Agusto & Co. notes that the eligible green category and the use of the Green Bond Proceeds are consistent with the categories and guidelines outlined in the GBP.

2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Does the review assess:

☒ whether the eligibility of the project(s) is aligned with official or market-based taxonomies or recognised international standards? Please specify which ones.[7]

☒ whether the eligible projects are aligned with the overall sustainability strategy of the issuer and/or if the eligible projects are aligned with material ESG-related objectives in the issuer's industry?

☒ the process and governance to set the eligibility criteria including, if applicable, exclusion criteria?

☒ the processes by which the issuer identifies and manages perceived social and environmental risks associated with the relevant project(s)?

☒ any process in place to identify mitigants to known material risks of negative social and/or environmental impacts from the relevant project(s)?

Overall comment on this section: The Naivas Steering Committee (SteerCo) will be responsible for the evaluation and selection of projects per the criteria defined in the Framework. The Framework describes the detailed process for project evaluation and selection, including the exclusion criteria. Based on the clear description of responsibility and the application of clear project evaluation and selection criteria as well as a detailed exclusion list, Agusto & Co. concludes that the Framework's project evaluation and selection procedures are in line with the GBP and market practice. The Issuer has adopted internal environmental and social risk policies and guidelines that apply to all eligible projects under the Framework. Based on our review, Agusto & Co. believes that Naivas Limited has robust structures, policies and guidelines and is well-positioned to manage or mitigate environmental, social and governance risks typically associated with eligible project categories of this nature.

[7] The EU Taxonomy, CBI Taxonomy, UK Taxonomy, China catalogue, etc.

3. MANAGEMENT OF PROCEEDS

Does the review assess:

☒ the issuer's policy for segregating or tracking the proceeds in an appropriate manner?

☒ the intended types of temporary investment instruments for unallocated proceeds?

☐ Whether an external auditor will verify the internal tracking of the proceeds and the allocation of the funds?

Overall comment on this section:
In line with the Framework, the Issuer has committed to setting up and maintaining structures to track the use of proceeds to the sole project (IFC EDGE Certified Warehouse Facility) through the use of a Tracking Register. The SteerCo, supported by the Company's Treasury Department, will be responsible for tracking and managing proceeds, with ultimate responsibility resting on the Company's Board (or SPV Board) in line with the Framework.
The Issuer intends to fully allocate the net proceeds within 12 months of the issuance to fund the identified project. Pending the full allocation of the net proceeds, unallocated proceeds will be held in a separate account and managed by the Company's Treasury per the provisions of the Management of Proceeds in the Framework.
Based on the commitment to set up and maintain structures to track the use of proceeds as well as a well-defined structure for managing unallocated net proceeds, Agusto & Co. considers the Framework's management of proceeds procedure to be in line with the GBP and standard market practice.

4. REPORTING

Does the review assess:

☒ the expected type of allocation and impact reporting (bond-by-bond or on a portfolio basis)?

☒ the frequency and the means of disclosure?

☒ the disclosure of the methodology of the expected or achieved impact of the financed project(s)?

Overall comment on this section:
The Issuer intends to report annually on the allocation and impact of the use of proceeds on the Company's website for effective communication with stakeholders including investors. These reports will cover reporting on allocation per eligible category and the share of unallocated proceeds as well as qualitative and quantitative reporting of the environmental impact resulting from the Green Projects financed. Based on the Issuer's commitments to annual allocation and impact reporting, Agusto & Co. confirms that the Framework appropriately describes the procedures of reporting in line with GBP and with market practice.

Section 4. Additional Information

Useful links *(e.g. to the external review provider's methodology or credentials, to the full review, to issuer's documentation, etc.)*

(**https://corporate.naivas.info/**)
www.agusto.com; www.agusto.co.ke; https://www.climatebonds.net/resources/press-releases/2022/02/climate-bonds-standard-board-award-agusto-co-approved-verifier; https://www.icmagroup.org/sustainable-finance/external-reviews/

Analysis of the contribution of the project(s) to the UN Sustainable Development Goals:

SDGs	Description
SDG 6: Clean Water and Sanitation	Achieve a minimum 20% reduction in water use, promote water recycling and safe reuse, while ultimately resulting in driving water efficiency and reducing water waste. This supports the direct achievement of SDGs 6.4 & 6.4.1 targets.
SDG 7: Affordable and Clean Energy	This will result in at least a 20% reduction in energy use compared to standard local buildings, directly improving energy efficiency, which is in tandem with SDGs 7.2 & 7.3 targets.
SDG 9: Industry, Innovation and Infrastructure	Development of a climate-resilient infrastructure, thus promoting sustainable industrialisation, which is in line with SDG 9.4 target to 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.
SDG 12: Responsible Consumption and Production	This will result in at least a 20% reduction in embodied carbon in materials, supporting circular resource use, which aligns with SDG 12.2 target of achieving sustainable management and efficient use of natural resources by 2030.
SDG 15: Life on Land	Support responsible sourcing of materials as well as the incorporation of biodiversity protection through landscaping, which ensures the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, per SDG 15.1 target.
Indirect SDG Linkages	The Green Bond has indirect SDG linkages with SDG 1 (No Poverty), SDG 3 (Good Health and Well Being), SDG 5 (Gender Equality), SGD 8 (Decent Work and Economic Growth), SDG 10 (Reduced Inequality), SDG 11 (Sustainable Cities and Communities), SDG 13 (Climate Action), SDG 16 (Peace, Justice and Strong Institutions) and SDG 17 (Partnership for the Goals).

Additional assessment in relation to the issuer/bond framework/eligible project(s):

Agusto & Co. conducted an assessment of the Green Bond Framework alignment with the Green Bond Principles 2025; reviewed the Framework with the Company's overarching sustainability strategy and relevant market standards as well as the expected impact of the projects; checked the intended use of Green Bond proceeds and management thereof with GBP 2025 requirements; reviewed the Issuer's Internal Processes & Controls as per GBP 2025 requirements; and assessed Reporting processes Before Issuance as per GBP 2025 requirements.

Based on the assurance procedures conducted and evidence obtained, Agusto & Co. notes that nothing has come to our attention that causes us to believe that, in all material respects, the Sambaza Ridge Property Limited (a wholly-owned SPV of Naivas Limited) Green Bond Framework is not in conformance with the International Capital Market Association's Green Bond Principles 2025. In our opinion, the Green Bond Framework and the identified eligible green project (IFC EDGE Certified Warehouse Facility) to be financed under the Framework are both in alignment with the ICMA GBP and also consistent with the Company's overarching sustainability strategy.

ABOUT ROLE(S) OF EXTERNAL REVIEW PROVIDERS AS DEFINED BY THE GREEN BOND PRINCIPLES

1. **Second Party Opinion:** An institution with sustainability expertise, that is independent from the issuer may issue a Second Party Opinion. The institution should be independent from the issuer's adviser for its Green 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 Green Bond Principles. In particular, it can include an assessment of the issuer's overarching objectives, strategy, policy and/or processes relating to environmental sustainability, and an evaluation of the environmental features of the type of projects intended for the Use of Proceeds.
2. **Verification:** An issuer can obtain independent verification against a designated set of criteria, typically pertaining to business processes and/or environmental criteria. Verification may focus on alignment with internal or external standards or claims made by the issuer. Also, evaluation of the environmentally 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 Green Bond proceeds, statement of environmental impact or alignment of reporting with the GBP, may also be termed verification.
3. **Certification:** An issuer can have its Green Bond or associated Green Bond Framework or Use of Proceeds certified against a recognised external green 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.
4. **Green Bond Scoring/Rating:** An issuer can have its Green Bond, associated Green 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 performance data, the process relative to the GBP, or another benchmark, such as a 2-degree climate change scenario. Such scoring/rating is distinct from credit ratings, which may nonetheless reflect material environmental risks.

ABOUT AGUSTO & CO.

Agusto & Co. is a leading Pan African credit rating agency and a business information provider, with offices in Nigeria (Lagos), Kenya (Nairobi), Rwanda (Kigali) and Ghana (Accra). Over the last 30 years, we have built a strong reputation for producing credit rating opinions on some of Africa's leading financial institutions, corporate organisations and instruments. Our scope of credit ratings includes financial institutions, insurance, non-bank financial institutions, corporates, funds, asset managers, SMEs, structured products, municipal and corporate debt issues. Agusto & Co. is an Approved Verifier by the [Climate Bonds Standard] with the capacity to perform verification of green bonds, projects and assets in Africa. Also, Agusto & Co. is listed by the [International Capital Market Association (ICMA)] as one of the companies that have aligned with the Guidelines for External Reviewers for the adoption of Green Bond Principles, Social Bond Principles, Sustainability Bond Guidelines and Sustainability-Linked Bond Principles.

ICMA International Capital Market Association

Aligned with ICMA Guidelines for External Reviewers

Agusto&Co. Second Party Opinion

The Green Bond Principles

Climate Bonds Standard Approved Verifier

Nigeria
UBA House (5th Floor)
57 Marina
Lagos, Nigeria

Kenya
Eden Square (7th Floor)
Chiromo Road, Westlands
Nairobi, Kenya

Rwanda
Kigali Heights (4th Floor)
East Wing, KG 7 Ave,
Kigali, Rwanda

Ghana
Accra Atlantic Tower,
Liberation Road, Accra,
Ghana

+234 (1) 270 7222-3
+234 (1) 271 3808
Email: info@agusto.com
@AgustoandCo

www.agusto.com
www.agusto.co.ke
www.agusto.co.rw
www.agustogh.com
www.agustoresearch.com
www.agustoconsulting.com