

CIBC Women in Leadership Bond 2020 Annual Review

Type of Engagement: Annual Review

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Introduction

In 2018, Canadian Imperial Bank of Commerce (“CIBC”) issued the CIBC Women in Leadership bond aimed at financing corporate loans to companies which have, through action or policy, demonstrated a commitment to women in leadership positions. In 2021, CIBC engaged Sustainalytics to review the loans funded through the issued CIBC Women in Leadership bond and provide an assessment as to whether the companies which received loans met the Use of Proceeds criteria and the Reporting commitments outlined in the CIBC Women in Leadership Bond Framework.

Evaluation Criteria

Sustainalytics evaluated the loans funded in 2018 based on whether the companies:

1. Met the Use of Proceeds and Eligibility Criteria outlined in the CIBC Women in Leadership Bond Framework; and
2. Reported on at least one of the Key Performance Indicators (KPIs) for each Use of Proceeds criteria outlined in the CIBC Women in Leadership Bond Framework.

Table 1 lists the Use of Proceeds and Eligibility Criteria.

Table 1: Use of Proceeds and Eligibility Criteria

Use of Proceeds	Eligibility Criteria	Key performance indicators (KPIs)
Criterion #1	A. Minimum of 30% of board positions are held by women; or B. Minimum of 30% of executive positions are held by women; or C. Signatory of the Catalyst Accord 2022 ¹	Allocation of proceeds by category per the Eligibility Criteria
Criterion #2	A. Minimum of one woman on the board and one woman in an executive position	

Issuing Entity’s Responsibility

CIBC is responsible for providing accurate information and documentation relating to the details of the projects that have been funded, including description of projects, amounts allocated, and project impact.

Independence and Quality Control

Sustainalytics, a leading provider of ESG and corporate governance research and ratings to investors, conducted the verification of CIBC’s Social Bond Use of Proceeds. The work undertaken as part of this engagement included collection of documentation from CIBC employees and review of documentation to confirm the conformance with the CIBC Women in Leadership Bond Framework.

¹ The Catalyst Accord 2022 calls on Canadian Boards of Directors and Chief Executive Officers to pledge to accelerate the advancement of women in business through: (i) increase the average percentage of women on boards and women in executive positions in corporate Canada to 30% or greater by 2022, (ii) share key metrics with Catalyst for annual benchmarking of its collective progress.

Sustainalytics has relied on the information and the facts presented by CIBC with respect to the Nominated Projects. Sustainalytics is not responsible nor shall it be held liable if any of the opinions, findings, or conclusions it has set forth herein are not correct due to incorrect or incomplete data provided by CIBC.

Sustainalytics made all efforts to ensure the highest quality and rigor during its assessment process and enlisted its Sustainability Bonds Review Committee to provide oversight over the assessment of the review.

Conclusion

Based on the limited assurance procedures conducted,² nothing has come to Sustainalytics' attention that causes us to believe that, in all material respects, the reviewed loans, funded through proceeds of CIBC's Social Bond Framework, are not in conformance with the Use of Proceeds and Reporting Criteria outlined in the CIBC Women in Leadership Bond Framework. CIBC has disclosed to Sustainalytics that the proceeds of the social bond were fully allocated as of January 6, 2021.

Detailed Findings

Table 3: Detailed Findings

Eligibility Criteria	Procedure Performed	Factual Findings	Error or Exceptions Identified
Use of Proceeds Criteria	Verification of the loans funded by the social bond in 2018 to determine if the companies which received the loans aligned with the Use of Proceeds Criteria outlined in the CIBC Women in Leadership Bond Framework and above in Table 1.	All loans reviewed complied with the Use of Proceeds criteria.	None
Reporting Criteria	Verification of the loans funded by the social bond in 2018 to determine if impact of loans was reported in line with the KPIs outlined in the CIBC Women in Leadership Bond Framework and above in Table 1. For a list of KPIs reported please refer to Appendix 2.	CIBC reported on at least one KPI per Use of Proceeds criteria.	None

² Sustainalytics limited assurance process includes reviewing the documentation relating to the details of the projects that have been funded, including description of projects, estimated and realized costs of projects, and project impact, which were provided by the Issuer. The Issuer is responsible for providing accurate information. Sustainalytics has not conducted on-site visits to projects.

Appendices

Appendix 1: Allocation of Assets by Eligibility Criteria

Sustainalytics has summarized allocation breakdown of net proceeds from the issuance by category as per Criteria 1 and 2. For clarity, please note that both summaries refer to the same net proceeds and the total amount of issuance is US\$ 997,500,000.

Allocated Assets Breakdown by Criterion #1	Allocated Asset (July 31, 2020)
A. & B. & C.	\$24,388,472
A. & B. only	\$85,726,420
A. & C. only	\$124,948,119
A. only	\$611,959,197
B. only	\$66,586,113
C. only	\$83,891,679
Total Allocated	\$997,500,000
Unallocated	Nil
Total	\$997,500,000

Allocated Assets Breakdown by Criterion #2	Allocated Asset (July 31, 2020)
A. only	\$997,500,000
Total Allocated	\$997,500,000
Total Unallocated	Nil
Total	\$997,500,000

Appendix 2: Impact Reporting

Measure	Year over Year Change (July 2019 vs July 2020)
The year-over-year (July 2020 vs July 2019) percentage change in the number of corporations in CIBC's Corporate loan book that meet the Eligibility Criteria of the Women in Leadership Bond	+25%
The percentage change in the aggregate number of women in executive ranks of the corporations that have been allocated to the Women in Leadership Bond	+18%
The percentage change in the aggregate number of women on the Board of Directors of the corporations that have been allocated to the Women in Leadership Bond	+2%

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

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5th Green Bond Pioneer Awards

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GlobalCapital
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Named

2015: Best SRI or Green Bond Research or Rating Firm
2017, 2018, 2019: Most Impressive Second Opinion Provider



The
Green Bond
Principles