



Second-Party Opinion Greenko Group Green Bond Framework

Evaluation Summary

Sustainalytics is of the opinion that the Greenko Group Green Bond Framework is credible and impactful and aligns to the four core components of the Green Bond Principles 2021. This assessment is based on the following:



USE OF PROCEEDS The eligible category for the use of proceeds, Renewable Energy, is aligned with those recognized by the Green Bond Principles. Sustainalytics considers that investments in the eligible category is expected to promote the development of renewable energy in India and advance the UN Sustainable Development Goals, specifically SDG 7.



PROJECT EVALUATION / SELECTION Greenko’s Business Development Department, Greenko Integrated Management System (GIMS) department, and the Environmental, Health, and Safety (EHS) team oversaw the project selection process, including commercial feasibility and eligibility. All eligible projects have undergone a voluntary Environmental and Social Impact Assessment (ESIA) or have an Implementation of Environmental and Social Management System (ESMS) based on the International Finance Corporation’s (IFC’s) Performance Standards on Environmental and Social Sustainability. Sustainalytics considers this to be in line with market practice.



MANAGEMENT OF PROCEEDS Greenko intends to immediately allocate the net proceeds, after bond issuance, towards refinancing the eligible green assets. The amount equal to net proceeds of the green bond will be deposited in bank account for the interim period before being disbursed to eligible assets through Greenko’s subsidiaries. This is in line with market practice.



REPORTING Greenko intends to publish an annual report on its website, once immediately allocated to eligible projects. The allocation reporting will include list of all projects refinanced with descriptions and amounts allocated to each eligible project, as well as relevant impact metrics. Sustainalytics views Greenko’s allocation and impact reporting to be in line with market practice.

Evaluation Date	July 07, 2021 ¹
Issuer Location	Hyderabad, India

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¹ This document is an update of a Second-Party Opinion, originally published on July 2019, to which Sustainalytics has made minor revisions.

Introduction

Greenko Group PLC (“Greenko”, “the “Group”, or the “Issuer”), comprising of Greenko Energy Holdings together with its subsidiaries, develops and operates clean energy projects in India. Greenko’s portfolio includes solar, wind, hydropower, natural gas, and biomass assets in India. Through these assets, the group generates and sells electricity to state utilities, private customers, and other electricity transmission and trading companies. Greenko was founded in 2004 and is headquartered in Hyderabad, India.²

Greenko has developed the Greenko Group Green Bond Framework (the “Framework”) under which Greenko Group and its subsidiaries intend to issue green bond and use the proceeds to finance and/or refinance, in whole or in part, existing and/or future wind and/or solar energy projects that are expected to promote the development of renewable energy in India. The Framework defines eligibility criteria in one green area:

1. Renewable Energy
 - a. Expenditures related to the development and acquisition of wind energy projects;
 - b. Expenditures related to the development and acquisition of solar energy projects.

A list of eligible projects and projected allocations for the 2021 green bond issuance is provided in Appendix 1.

Greenko engaged Sustainalytics to review the Greenko Group Green Bond Framework, dated July 2021, and provide a Second-Party Opinion Update on the Framework’s environmental credentials and its alignment with the Green Bond Principles 2021 (GBP).³ This Framework has been published in a separate document.⁴

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

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

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

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

For the use of proceeds assessment, Sustainalytics relied on its internal taxonomy, version 1.9.1, which is informed by market practice and Sustainalytics’ expertise as an ESG research provider.

As part of this engagement, Sustainalytics held conversations with various members of Greenko’s management team to understand the sustainability impact of their business processes and planned use of proceeds, as well as management of proceeds and reporting aspects of the Framework. Greenko representatives have confirmed that (1) they understand it is the sole responsibility of Greenko to ensure that the information provided is complete, accurate or up to date; (2) they have provided Sustainalytics with all relevant information and (3) any provided material information has been duly disclosed in a timely manner. Sustainalytics also reviewed relevant public documents and non-public information.

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

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

² Greenko Group, About Us: <http://www.greenkogroup.com/about.php#company>

³ The Green Bond Principles are administered by the International Capital Market Association and are available at <https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/>.

⁴ The Greenko Group Green Bond Framework is available on Greenko Group’s website at: <https://greenkogroup.com/sustainablefinancing.php#sustainablefinancing>

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

Sustainalytics' Second-Party Opinion, while reflecting on the alignment of the Framework with market standards, is no guarantee of alignment nor warrants any alignment with future versions of relevant market standards. Furthermore, Sustainalytics' Second-Party Opinion addresses the anticipated impacts of eligible projects expected to be financed with bond proceeds but does not measure the actual impact. The measurement and reporting of the impact achieved through projects financed under the Framework is the responsibility of the Framework owner.

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

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

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the Greenko Group Green Bond Framework

Sustainalytics is of the opinion that the Greenko Group Green Bond Framework is credible and impactful, and aligns to the four core components of the GBP. Sustainalytics highlights the following elements of Greenko's Green Bond Framework:

- Use of Proceeds:
 - The eligible category, Renewable Energy, is aligned with those recognized by the GBP. The eligible projects in this category provide meaningful environmental contributions, including wind and solar assets.⁶
 - As part of the Renewable Energy category, Greenko may finance expenditures related to the development and acquisition of wind and solar energy projects.
- Project Evaluation and Selection:
 - Greenko's Business Development Department oversaw the commercial feasibility of eligible projects, and Greenko Integrated Management System (GIMS) department and the Environmental, Health, and Safety (EHS) team oversaw the project selection based on eligibility criteria.
 - All eligible projects have undergone a voluntary Environmental and Social Impact Assessment or have an Implementation of Environmental and Social Management System based on the International Finance Corporation's Performance Standards (2012) on Environmental and Social Sustainability.
 - Sustainalytics considers Greenko's project selection process to be in line with market practice.
- Management of Proceeds:
 - Greenko intends to immediately allocate the net use of proceeds, after bond issuance, towards refinancing the eligible green assets. The amount equal to net proceeds of the green bond will be deposited in an account for the interim period before being disbursed to Greenko's subsidiaries that own and operate the eligible wind and solar assets.
 - Based on these elements, Sustainalytics considers this process to be in line with market practice.
- Reporting:
 - Greenko intends to publish an annual report on its website, once proceeds will be immediately allocated. Sustainalytics views Greenko's allocation and impact reporting to be in line with market practice.
 - The allocation reporting will include list of all projects refinanced with descriptions and amounts allocated to each eligible project.
 - The impact reporting may include environmental indicators, such as greenhouse gas (GHG) emissions avoided.

⁶ Greenko has also confirmed that some of its eligible projects are registered under VCS (Verified Carbon Standard) program and/or Gold Standard, furthering credibility to its projects' environmental performance in terms of avoided GHG emissions.

- Based on the commitment to both allocation and impact reporting, Sustainalytics considers this process to be in line with market practice.

Alignment with Green Bond Principles 2021

Sustainalytics has determined that the Greenko Group Green Bond Framework aligns to the four core components of the GBP. For detailed information please refer to Appendix 2: Green Bond/Green Bond Programme External Review Form.

Section 2: Sustainability Performance of Greenko

Contribution of framework to Greenko Group's sustainability strategy

Greenko is committed to sustainability and intends to reduce the GHG emissions of its business operations. Sustainalytics is of the opinion that Greenko has demonstrated a commitment to enhance access to renewable energy and mitigate climate change through the following efforts:⁷

- Greenko's vision and mission mention focus on the "decarbonization, digitalization and decentralization of India's energy sector" and building public-private partnerships for "sustainable development."
- Greenko identified the most relevant Sustainable Development Goals for its business where the Group can make significant positive contribution, including the SDG 7: Affordable and Clean Energy. In 2019, Greenko contributed to SDG 7 by reaching 6.2 GW of installed renewable energy capacity across 15 States in India. In addition, the Company estimated that 8.2 Mt of CO₂ emissions were voided through renewable energy generation in 2019.
- Greenko acknowledged to support India's ambitious targets of over 200 GW of renewable energy by 2022, aligning with the national objectives of energy security and climate action. In addition, the Company targets to generate 30 BU⁸ of electricity by 2023.

Sustainalytics is of the opinion that the Greenko Group Green Bond Framework is aligned with the company's overall sustainability strategy and initiatives and will further the Company's action on its key environmental priorities.

Well-positioned to address common environmental and social risks associated with the projects

While Sustainalytics recognizes that the net proceeds from the bond(s) issued under the Framework will be directed towards eligible projects that are expected to have positive environmental impact, Sustainalytics is aware that such eligible projects could also lead to negative environmental and social outcomes. Some key environmental and social risks associated with the eligible projects, could include occupational health and safety, land use and biodiversity issues associated with large-scale infrastructure development, and waste generated in construction.

Sustainalytics is of the opinion that Greenko is able to manage and/or mitigate potential risks through implementation of the following:

- Greenko implemented Environmental and Social Management System (ESMS), under the supervision of its CEO and business vertical heads, through which all Greenko's projects are evaluated to understand the need for Environmental and Social Impact Assessment (ESIA) to be conducted by third parties. The need for ESIA is decided based on the identification and assessment of risks as well as screening of their potential impacts. The procedure includes all relevant environmental and social risks consistent with the International Finance Corporation's Performance Standards PS2 to PS8:⁹ (i) Labor and working conditions, (ii) Resource efficiency and pollution prevention, (iii) Community health, safety and security, (iv) land acquisition and involuntary resettlement, (v) Biodiversity conservation and sustainable management of living natural resources, (vi) Indigenous people and (vii) Cultural heritage.⁷
- Greenko also commissions third-party audits of ESMS implementation status for a certain number of projects every year, that are selected based on the stage of development, type of technology, and the stage of ESMS implementation. The annual updates of such implementation and audits are submitted to the Group's Board of Directors.⁷

⁷ Greenko, "Integrated Report 2019-2020", at: https://www.greenkogroup.com/assets/Investor%20pdfs/IR_2019-20.pdf

⁸ BU mean billion units, where one unit is a kilowatt hour (kWh).

⁹ International Finance Corporation (IFC), Understanding IFC's Environmental and Social Due Diligence Process: <https://www.ifc.org/wps/wcm/connect/b58ead804942ee5da7a5ff4f5ddda76e/IFC+Process.pdf?MOD=AJPERES>

- All internal and external stakeholders involved during the construction projects, including the EPC contractors, and the OEM and civil contractors, adhere to the Group’s Supplier Code of Conduct which incorporates measures to preserve and/or enhance natural capital.⁷
- Greenko conducted materiality assessment to identify environmental, social and economic issues impacting its business and its stakeholders. Some environmental and social factors identified in high or medium priority spectrums include health & safety; climate change and greenhouse gases; as well as biodiversity and environmental protection.⁷

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

Section 3: Impact of Use of Proceeds

The use of proceeds category is aligned with those recognized by the GBP. Sustainalytics has focused on the importance of renewable energy below where the impact is specifically relevant in the local context.

Impact of renewable energy in India’s transition to a low-carbon economy

In order to achieve the commitments of the Paris Agreement, to limit global average temperature increases to well below 2°C and aim to limit the increase to 1.5°C, drastic decreases to global emissions will be required.¹⁰ Considering that GHG emissions from electricity and heat production made up approximately 49% of total fuel combustion in 2014,¹¹ increasing the share of renewable energy generation has the potential to have significant impact on meeting climate goals. According to the International Renewable Energy Agency (IRENA), the total share of renewable energy must rise to approximately 66% of the total primary energy supply (TPES) by 2050 in order to meet the 2°C target.¹² Although renewable energy grew more rapidly than other forms of generation in recent years, meeting a quarter of the global demand growth,¹³ this rate of deployment must be ramped up to meet international targets.

Moreover, in India, the target of 175 GW of solar and wind power by 2022 faces some short-term uncertainties, such as taxes and levies on solar products, and the growth rate of annual solar and wind installed capacities might reduce due to such certainties.¹⁴ In 2019, the Government of India further increased this target to install 450 GW by 2030.¹⁵ India’s total renewable energy capacity was 131 GW in 2019 demonstrating the progress India has made toward its goal as well as the accelerated need to reach its longer term renewable energy target.¹⁵

Considering the momentum needed to maintain and/or accelerate the growth of solar and wind power in India, Sustainalytics believes that Greenko is well positioned to make an impact through the use of proceeds category, and that Greenko’s green bond intends to promote the adoption of renewable energy in India and support the country’s shift towards a low-carbon economy.

Alignment with/contribution to SDGs

The Sustainable Development Goals (SDGs) were set in September 2015 by the United Nations General Assembly and form an agenda for achieving sustainable development by the year 2030. The bond(s) issued under the Greenko Group Green Bond Framework advances the following SDG and target:

Use of Proceeds Category	SDG	SDG target
Renewable Energy	7. Affordable and Clean Energy	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix.

¹⁰ European Commission, Paris Agreement: https://ec.europa.eu/clima/policies/international/negotiations/paris_en

¹¹ World Bank Group, CO₂ emissions from electricity and heat production: <https://data.worldbank.org/indicator/EN.CO2.ETOT.ZS>

¹² IRENA, Global Energy Transformation: https://www.irena.org/-/media/Files/IRENA/Agency/Publication/2018/Apr/IRENA_Report_GET_2018.pdf

¹³ IEA, Global Energy & CO₂ Status Report- 2017: <https://www.iea.org/publications/freepublications/publication/GECO2017.pdf>

¹⁴ The Economic Times, India unlikely to achieve 100 GW solar power target of 2022: <https://economictimes.indiatimes.com/industry/energy/power/india-unlikely-to-achieve-100-gw-solar-power-target-of-2022/articleshow/67899655.cms>

¹⁵ India Energy Outlook 2021, at: https://iea.blob.core.windows.net/assets/1de6d91e-e23f-4e02-b1fb-51fdd6283b22/India_Energy_Outlook_2021.pdf

Conclusion

Greenko has developed the Greenko Group Green Bond Framework under which Greenko Group and its subsidiaries may issue green bonds and use the proceeds to finance and/or refinance wind and solar energy projects. Sustainalytics considers that the projects funded by the green bond proceeds are expected to promote the development of renewable energy in India.

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

Based on the above, Sustainalytics is confident that Greenko Group is well-positioned to issue green bonds and that the Greenko Group Green Bond Framework is robust, transparent, and in alignment with the four core components of the Green Bond Principles 2021.

Appendices

Appendix 1: List of Eligible Projects

Name of Entity	SPV Name	Technology	Capacity (MW)
Aarish Solar Power Private Limited	Aarish Solar Power Private Limited	Solar	50.00
Aashman Energy Private Limited	Aashman Energy Private Limited	Solar	50.00
Divyesh Power Private Limited	Divyesh Power Private Limited	Solar	50.00
Elena Renewable Energy Private Limited	Elena Renewable Energy Private Limited	Solar	50.00
Pratyash Renewable Private Limited	Pratyash Renewable Private Limited	Solar	50.00
Sei Baskara Power Private Limited	Sei Baskara Power Private Limited	Solar	50.00
Sei Enerstar Renewable Energy Private Limited	Sei Enerstar Renewable Energy Private Limited	Solar	50.00
Sei Mihir Energy Private Limited	Sei Mihir Energy Private Limited	Solar	50.00
Shreyas Renewable Energy Private Limited	Shreyas Renewable Energy Private Limited	Solar	50.00
Zuvan Energy Private Limited	Zuvan Energy Private Limited	Solar	50.00
Sei Ravikiran Energy Private Limited	Sei Ravikiran Energy Private Limited	Solar	30.00
Sei Renewable Energy Private Limited	Sei Renewable Energy Private Limited	Solar	30.00
Sei Jyotiswaroop Power Private Limited	Sei Jyotiswaroop Power Private Limited	Solar	30.00
Skeiron Renewable Energy Amidyala Limited	Skeiron Renewable Energy Amidyala Limited	Wind	226.80
Kita I	Wind Urja India Private Limited	Wind	38.40
Vagaikullam I		Wind	12.00
Sipla II	Ratedi Wind Power Private Limited	Wind	26.40
Ratedi II		Wind	24.00
Vagaikullam II		Wind	12.00
Lalpur II		Wind	12.00
Mahuria II - Phase I		Wind	22.40
Mahuria II - Phase II		Wind	30.40
Mahuria II - Phase III		Wind	3.20
Tadas III		Tadas Wind Energy Private Limited	Wind
Nalakonda III	Wind		50.40
Lalpur III A	Wind		50.40
Lalpur III B-Phase 1	Wind		27.20
Lalpur III B- Phase 2	Wind		16.00
Lalpur III B- Phase 3	Wind		12.00
Khandke IV - Phase 1		Wind	8.80

Khandke IV - Phase 2	Lalpur Wind Energy Private Limited	Wind	31.20
Lalpur IV		Wind	54.40
Tadas IV		Wind	44.00
Sipla IV- Phase 1		Wind	24.00
Sipla IV- Phase 2		Wind	14.40
Joghali		Wind	15.20
Sipla IV B		Wind	2.40
Khanapur V - Phase 1	Khandke Wind Energy Private Limited	Wind	28.00
Khanapur V - Phase 2		Wind	4.00
Sipla V- Phase 1		Wind	8.00
Sipla V- Phase 2		Wind	36.00
Nalakonda V		Wind	31.20
Mahidad		Wind	13.60
Ratlam	Etesian Urja Limited	Wind	50.00
Lalpur	Kaze Energy Limited	Wind	48.30

Appendix 2: Green Bond / Green Bond Programme - External Review Form

Section 1. Basic Information

Issuer name:	Greenko Group
Green Bond ISIN or Issuer Green Bond Framework Name, if applicable:	Greenko Group Green Bond Framework
Review provider's name:	Sustainalytics
Completion date of this form:	July 07, 2021
Publication date of review publication:	Updated version of a Second-Party Opinion provided in July 2019

Section 2. Review overview

SCOPE OF REVIEW

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

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

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

ROLE(S) OF REVIEW PROVIDER

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

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

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

Please refer to Evaluation Summary above.

Section 3. Detailed review

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

1. USE OF PROCEEDS

Overall comment on section (*if applicable*):

The eligible category for the use of proceeds, Renewable Energy, is aligned with those recognized by the Green Bond Principles. Sustainalytics considers that investments in the eligible category is expected to promote the development of renewable energy in India and advance the UN Sustainable Development Goals, specifically SDG 7.

Use of proceeds categories as per GBP:

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

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

2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Overall comment on section (if applicable):

Greenko's Business Development Department, Greenko Integrated Management System (GIMS) department, and the Environmental, Health, and Safety (EHS) team oversaw the project selection process, including commercial feasibility and eligibility. All eligible projects have undergone a voluntary Environmental and Social Impact Assessment (ESIA) or have an Implementation of Environmental and Social Management System (ESMS) based on the International Finance Corporation's (IFC's) Performance Standards on Environmental and Social Sustainability. Sustainalytics considers this to be in line with market practice.

Evaluation and selection

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

Information on Responsibilities and Accountability

- | | |
|--|--|
| <input checked="" type="checkbox"/> Evaluation / Selection criteria subject to external advice or verification | <input type="checkbox"/> In-house assessment |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

3. MANAGEMENT OF PROCEEDS

Overall comment on section (*if applicable*):

Greenko intends to immediately allocate the net proceeds, after bond issuance, towards refinancing the eligible green assets. The amount equal to net proceeds of the green bond will be deposited in bank account for the interim period before being disbursed to eligible assets through Greenko's subsidiaries. This is in line with market practice.

Tracking of proceeds:

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

Additional disclosure:

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

4. REPORTING

Overall comment on section (if applicable):

Greenko intends to publish an annual report on its website, once immediately allocated to eligible projects. The allocation reporting will include list of all projects refinanced with descriptions and amounts allocated to each eligible project, as well as relevant impact metrics. Sustainalytics views Greenko's allocation and impact reporting to be in line with market practice.

Use of proceeds reporting:

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

Information reported:

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

Frequency:

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

Impact reporting:

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

Information reported (expected or ex-post):

- | | |
|---|---|
| <input checked="" type="checkbox"/> GHG Emissions / Savings | <input type="checkbox"/> Energy Savings |
| <input type="checkbox"/> Decrease in water use | <input type="checkbox"/> Other ESG indicators (please specify): |

Frequency

- Annual Semi-annual
 Other (please specify):

Means of Disclosure

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

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

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

SPECIFY OTHER EXTERNAL REVIEWS AVAILABLE, IF APPROPRIATE

Type(s) of Review provided:

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

Review provider(s):

Date of publication:

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

- i. Second-Party Opinion: An institution with environmental 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.
- ii. 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.
- iii. 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.

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- iv. **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.

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