



SECOND PARTY OPINION¹

ON THE SUSTAINABILITY OF VENA ENERGY'S "GREEN BOND/LOAN"

November, 2019

SCOPE

Vigeo Eiris was commissioned to provide an independent opinion (hereafter the "Second Party Opinion" or "SPO") on the sustainability credentials and management of the "Green Bond/Loan"² (the "Bond/Loan") proposed to be issued/borrowed by Vena Energy (the "Issuer/Borrower") in compliance with the Green Financing Framework (the "Framework") created to govern the issuances.

Our opinion is established according to Vigeo Eiris' Environmental, Social and Governance ("ESG") exclusive assessment methodology and the International Capital Market Association's Green Bond Principles (the "GBP") and Green Loan Principles (the "GLP") voluntary guidelines, both edited in June and December 2018.

Our opinion is based on the review of the two following components:

- **Issuer/Borrower:** we have assessed the Issuer/Borrower's sustainability strategy, its management of potential stakeholders-related ESG controversies³ and its involvement in controversial activities.
- **Issuance/Loan:** we have assessed the coherence between the intended Bond/Loan and the Issuer/Borrower's sustainability commitments, its potential contribution to sustainability and its alignment with the four core components of the GBP and GLP 2018.

Our sources of information are multichannel, combining data from (i) public information gathered from public sources, press content providers and stakeholders, (ii) information from Vigeo Eiris exclusive ESG rating database and (iii) information provided by the Issuer/Borrower through documents, complemented by interviews with Issuer/Borrower's employees held *via* a telecommunication system.

We carried out our due diligence assessment from August 20th to October 15th, 2018 and we updated our analysis in September and November 2019. We consider that we were provided with access to all the appropriate documents and interviewees we solicited. We consider that the information made available enables us to establish our opinion with a reasonable level of assurance on its completeness, precision and reliability.

VIGEO EIRIS' OPINION

Vigeo Eiris is of the opinion that the Green Bond/Loan considered to be issued/borrowed by Vena Energy is aligned with the four core components of the Green Bond Principles and Green Loan Principles 2018.

We express a overall reasonable³ assurance (our highest level of assurance) on the Issuer/Borrower's commitments and the Bond/Loan's contribution to sustainability.

In addition, the Eligible Projects are likely to contribute to two of the United Nations' Sustainable Development Goals ("SDGs"), namely Goal 7. Affordable and clean energy, and Goal 13. Climate Action.

1. Issuer/Borrower (see Part I)

- ▶ As of July 2018 (date of our last assessment) the Issuer/Borrower displays an overall reasonable performance regarding the integration of Environmental, Social and Governance factors in its strategy.
- ▶ As of November 26th, the review conducted by Vigeo Eiris did not reveal any controversy against Vena Energy over the last 3 years.
- ▶ Vena Energy is not involved in any of the 15 controversial activities screened under our methodology, namely: Alcohol, Animal welfare, Chemicals of concern, Civilian firearms, Fossil Fuels industry, Coal, Tar sands and oil shale, Gambling, Genetic engineering, High interest rate lending, Military, Nuclear Power, Pornography, Reproductive Medicine and Tobacco.

2. Issuance/Loan (see Part II)

Vena Energy has described the main characteristics of its Bond/Loan in reference to the GBP and GLP through its Green Financing Framework (the "Framework", which last updated version was shared with Vigeo Eiris in November 25th 2019). The Issuer/Borrower is committed to make both the Framework and the hereby SPO publicly accessible in its Framework, in line with good market practices.

¹ This opinion is to be considered as a "Second Party Opinion" as described by the International Capital Market Association (www.icmagroup.org).

² The "Green Loan/Bond" is to be considered as the bond or loan to be potentially issued, subject to the discretion of the Issuer. The name "Green Bond/Loan" has been decided by the Issuer: it does not implies any opinion from Vigeo Eiris.

³ Definition of Vigeo Eiris' scales of assessment (as detailed in the Methodology section of this document):

Level of Evaluation: Advanced, Good, Limited, Weak.

Level of Assurance: Reasonable, Moderate, Weak.

We are of the opinion that the contemplated Bond/Loan is coherent with Vena Energy's main sustainability priorities and sectorial issues, and contributes to achieve its environmental commitments.

Use of Proceeds

- ▶ The net proceeds of the Bond/Loan Issuance will be exclusively used to finance and/or refinance, in whole or in part, new or existing renewable energy projects under development, construction and/or operation (the "Eligible Projects").
- ▶ Eligible Projects are intended to contribute to one main environmental objective (climate change mitigation). This objective is formalized in the Framework and considered clearly defined and relevant.
- ▶ The Issuer/Borrower has not quantified the expected environmental benefits of the Eligible Projects. Vena Energy has committed that it will assess and quantify, as feasible, the expected environmental benefits associated with the Bond/Loan.
- ▶ The Issuer/Borrower has not communicated to Vigeo Eiris on the estimated share of refinancing for its Bond/Loan issuances. No look-back period has been communicated in case of refinancing. An area for improvement includes to specify what would be the estimated share of refinancing, and to define a maximum lookback period.

Process for Projects Evaluation and Selection

- ▶ The governance and the process for evaluation and selection of Eligible Projects appear to be documented and relevant.
- ▶ The process relies on explicit eligibility criteria (selection and exclusion), relevant to the environmental objectives defined for the Eligible Projects.
- ▶ The identification and management of the environmental and social (E&S) risks associated with Wind and Solar Eligible Projects is considered to be overall good. However, to date, Vena Energy reports that it does not envisage to develop hydropower projects, and decided to keep these projects within the Framework in case of relevant future opportunities. As a result, we do not have information on environmental and social risk identification and management measures related to hydropower projects.

Management of Proceeds

- ▶ The rules for the management of proceeds are clearly defined and will be verified. We consider that they would enable a documented and transparent allocation process.

Reporting

- ▶ The reporting process and commitments appear to be good, covering the funds allocation and environmental benefits of the Bond/Loan.

Vena Energy has committed that its Green Bond/Loan Issuance is/will be supported by external reviews:

- A pre-issuance consultant review: the hereby Second Party Opinion delivered by Vigeo Eiris, on the sustainability credentials of the Bond/Loan. The Issuer/Borrower is committed to ensure there is always a valid Second Party Opinion in place when a bond or loan is taken under the Framework.
- An annual assurance report: performed by an independent auditor, until the full allocation of proceeds, covering the compliance in all material aspects of the Eligible Projects with a set of E&S criteria set, and whether the allocation of proceeds to Eligible Projects is consistent with data underlying the accounting records.

This Second Party Opinion is based on the review of the Framework and information provided by Vena Energy, according to our exclusive ESG assessment methodology and to the Green Bond Principles 2018 & Green Loan Principles 2018.

Paris, November 26th, 2019

Project team

Carlos ARAUJO, Tom COLLET
Sustainability Consultant

Julien SOURIAU
*Senior Sustainability Consultant
Project Manager*

Muriel CATON
*Chief Financial Officer
Supervisor*

For more information, contact:

Paul COURTOISIER
*Head of sustainability bonds & loans
(+33) 6 85 35 43 51
paul.courtoisier@vigeo-eiris.com*

DETAILED OPINION

Part I. ISSUER/BORROWER

Vena Energy is a major independent pure player in the renewable energy field in the Asia-Pacific region, with 166 solar, wind and hydropower assets located in Australia, India, Indonesia, Japan, the Philippines, Singapore, South Korea, Taiwan and Thailand. As of June 30th, 2019, Vena Energy had 1.562 GW of operational capacity, 0.67 GW under construction and shovel-ready capacity and over 9 GW of development pipeline.

Vena Energy's ESG commitments and policies

As of October 2018, The Issuer/Borrower displays an overall reasonable performance regarding the integration of Environmental, Social and Governance factors in its strategy.

Domain	Comments	Opinion
Environment	We reach a reasonable assurance on the Issuer/Borrower's capacity to integrate relevant Environmental issues in its strategy.	Reasonable
	Vena Energy has formalised an Environmental & Social Responsibility Policy that is supported by several senior managers, including the Chief Operating Officer. The company's energy mix is 100% based on renewable energy sources (solar, wind and hydropower), and Vena Energy aims to increase its energy capacity in the short term (from today's 11.2 GW).	
	Regarding the prevention of accidental pollution, Vena Energy's Environmental and Social Responsibility Policy contemplates conducting ESG due diligence on a project by project basis, which covers relevant issues. This policy also makes reference to the protection of biodiversity, with a focus on minimising impacts on natural resources, effects on ecological integrity, flora and fauna of its operations.	Moderate
	Vena Energy generally commits to adopt industry best practices, minimize its pollutants emissions, and mitigate climate change.	Weak
In terms of integration of environmental factors in the supply chain, the Procurement Policy addresses the consideration of environmental issues and legislations for the awarding of contracts.		
Social	We reach a reasonable assurance on the Issuer/Borrower's capacity to integrate relevant Social issues in its strategy.	Reasonable
	Vena Energy commits to ensure a safe working environment and to operate in compliance with the laws in its Health and Safety Policy, which is overseen by the General Manager for Compliance and the Chief Operating Officer. The company also commits to assess health and safety risks and to report safety incidents promptly. Moreover, Vena Energy's Policy covers both its employees and sub-contracted workforce. The Issuer/Borrower has formalized a Human Resources Policy, which makes reference to training and courses for employees to enhance their skills.	
	The company's Environmental & Social Responsibility Policy contemplates the respect of the United Nations Universal Declaration of Human Rights. In addition, this Policy addresses non-discrimination of employees in terms of working conditions and progression. No public commitments are identified concerning the respect for freedom of association of employees and the right to collective bargaining.	Moderate
	Vena Energy's commits to conduct itself with the aim of making a positive contribution to the environmental and social conditions in the communities in which it is active. Nevertheless, no commitment was identified in terms of access to energy in developing countries.	Weak
Governance	We reach a moderate assurance on the Issuer/Borrower's performance in the Governance pillar.	Reasonable
	The roles of CEO and Chairman are separated, but the Board of Directors is comprised by non-independent members. Directors are mainly shareholders' representatives elected for an open-ended period and there is no Nomination Committee in place. Board members meet once every two months and Corporate Social Responsibility topics are discussed, including the creation of a Corporate	

	<p>Social Responsibility (CSR) Policy and reports from the Investment Committee, which includes topics such as biodiversity and community relations.</p> <p>There is an Audit Committee which is composed by non-executive members with sufficient financial, audit, sector and CSR experience. Vena Energy's internal control system covers strategic, operational, financial, environmental, sustainability, health and safety risks. The Committee is in charge of monitoring the effectiveness of internal controls, compliance, detecting fraud and overseeing the activities of the external auditor. Additionally, a confidential reporting system is in place for employees to report financial malpractice or fraud.</p>	Moderate
	<p>A Remuneration Committee with no executive members is in place but no information is disclosed regarding metrics or targets behind the determination of executives' variable compensation, which is an area of improvement. Consequently, it is unclear if CSR variables are considered during this process.</p> <p>The company has issued a formalised commitment to preventing corruption: Vena Energy has an Anti-bribery and Anti-corruption Policy that is supported by the Risk and Compliance Department. In addition, the Code of Conduct prohibits political contributions. In terms of anti-competitive practices, the company has a Procurement Policy in place that sets guidelines on tenders and biddings.</p>	Weak

Management of Stakeholder-related ESG controversies

As of November 26th, the review conducted by Vigeo Eiris did not reveal any controversy against Vena Energy over the last 3 years.

Involvement in controversial activities

Vena Energy is not involved in any of the 15 controversial activities screened under our methodology, namely: Alcohol, Animal welfare, Chemicals of concern, Civilian firearms, Fossil Fuels industry, Coal, Tar sands and oil shale, Gambling, Genetic engineering, High interest rate lending, Military, Nuclear Power, Pornography, Reproductive Medicine and Tobacco.

The controversial activities research provides screening on companies to identify involvement in business activities that are subject to philosophical or moral beliefs. The information does not suggest any approval or disapproval on their content from Vigeo Eiris.

Part II. ISSUANCE/LOAN

Coherence of the Issuance/Loan

Context note:

The Electric & Gas Utilities sector has a major role to play with regard to climate change and energy efficiency through the promotion of renewable energy sources. These companies' main challenges are the protection of biodiversity, health and safety protection and the promotion of sustainable relations with the communities where they operate. Energy companies can contribute to the climate change mitigation and energy transition by increasing the development of renewable energy production and reduction of their greenhouse gas (GHG) emissions.

We are of the opinion that the contemplated Bond/Loan is coherent with Vena Energy's main sustainability priorities and sectorial issues, and contributes to achieve its environmental commitments.

As a pure player in the energy sector, Vena Energy seems to acknowledge its responsibility in contributing to the above-mentioned sustainability challenges :

- Vena Energy's Environmental and Social Responsibility Policy focuses on the development and construction of renewable energy projects with an intended positive effect on the environment, employees and external stakeholders. The company has set clear environmental and social objectives that include the reduction of human induced greenhouse gas emissions that contribute to climate change, and the efficient use of natural resources.
- Vena Energy's aims to increase its energy capacity in the short term from the existing projects in operation and under development. In addition, the company expects to expand access to energy through the development of new projects.

By issuing a Green Bond/Loan to finance and/or refinance the development and operation of renewable energy projects, Vena Energy coherently aligns with its commitment to fight against climate change, as well as with the main sustainability issues of the sector in terms of environmental responsibility.

Use of proceeds

The net proceeds of the Bond/Loan Issuance will be exclusively used to finance and/or refinance, in whole or in part, new or existing renewable energy projects under development, construction and/or operation (the "Eligible Projects").

Eligible Projects are intended to contribute to one main environmental objective (climate change mitigation). This objective is formalized in the Framework and considered clearly defined and relevant.

The Issuer/Borrower has not quantified the expected environmental benefits of the Eligible Projects. Vena Energy has committed that it will assess and quantify, as feasible, the expected environmental benefits associated with the Bond/Loan.

The Issuer/Borrower has not communicated to Vigeo Eiris on the estimated share of refinancing for its Bond/Loan issuances. No look-back period has been communicated in case of refinancing. An area for improvement includes to specify what would be the estimated share of refinancing, and to define a maximum lookback period.

The net proceeds of the Bond/Loan will be exclusively used to finance and/or refinance, in whole or in part, Eligible Projects related to renewable energy production in Australia, India, Indonesia, Japan, the Philippines, Taiwan and Thailand. Eligible Projects consist of wind, solar and hydropower projects, which have been overall clearly defined by the Issuer/Borrower.

Vena Energy has defined a clear and quantifiable objective of increasing renewable energy generation, based on Eligible renewable energy projects, notably:

- Solar: Photovoltaic solar electricity, concentrated solar power, infrastructure and manufacturing, transmission.
- Wind: Offshore and onshore wind farms, infrastructure and manufacturing, transmission.
- Hydro: Run of river and small hydro of less than 15MW, existing large hydro bigger than 20MW in temperate zones, re-powering of existing large hydro system.

Vena Energy's objective is precise, measurable and relevant with regards to sustainable development challenges.

The expected environmental benefits to climate change mitigation will be assessed and quantified, as feasible, by the Issuer/Borrower. As of today, Vena Energy's avoided CO₂ emissions have been calculated by the company.

Of note, Vena Energy has also identified social objectives linked to the Eligible Projects, notably increasing the number of households with access to affordable and sustainable energy.

The Project portfolio has been presented to Vigeo Eiris and no look-back period has been set by the Issuer/Borrower.

Areas for improvement consist in:

- disclosing the look-back period for refinanced projects.
- limiting the refinancing of projects to up to 36 months from their completion date.

In addition, the Eligible Projects are likely to contribute to two of the United Nations' Sustainable Development Goals, namely Goal 7. Affordable and clean energy, and Goal 13. Climate Action.



7 Affordable and Clean Energy

Contribution to achieving the UN SGD 7. Affordable and clean energy

The UN SDG 7 consists in ensuring universal access to affordable, reliable, sustainable and modern energy, with targets by 2030 on the share of renewable energy in the global energy mix and the promotion of investment in energy infrastructure and clean energy technology.

- 7.1 ensure universal access to affordable, reliable and modern energy services.
- 7.2 increase substantially the share of renewable energy in the global energy mix.

By using the Green Bond/Loan proceeds to finance and/or refinance the selected Eligible Projects, the Issuer/Borrower is contributing to the UN SDG 7, with regards to the above-mentioned targets.



13 Climate Action

Contribution to achieving the UN SGD 13. Climate action

The UN SDG 13 consists in building resilience and adaptive capacity to its adverse effects, developing sustainable low-carbon pathways to the future, and accelerating the reduction of global greenhouse gas emissions.

- 13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.

By using the Green Bond/Loan proceeds to finance and/or refinance the selected Eligible Projects, the Issuer/Borrower is contributing to the UN SDG 13, with regards to the above-mentioned targets.

Process for evaluation and selection

The governance and the process for the evaluation and selection of the Eligible Projects are formalized in the Framework and internal documentation. We consider that the process is reasonably structured, transparent and relevant.

The evaluation and selection process is reasonably structured:

- The process for the selection of Projects is based on relevant internal expertise with well-defined roles and responsibilities:
- The Investment Committee pre-approves the Selected Projects, based on analysis and feasibility studies including but not limited to the environmental impact assessment, financial modeling and due diligence of the projects. They will notably be responsible for assessing the compliance of Pre-Selected projects with eligibility criteria.
- Alongside this prescreening, the Finance Department supports the financing decision based on Vena Energy's financial and technical criteria (project scale, financial return, risk assessment, etc.), as part of Vena Energy's routine funding process.
- Vena Energy's "Sustainability Committee", will check compliance of the Projects with the Framework and will validate the final selection of the projects, which will requires a unanimous agreement from the Committee members.
 - The Committee includes the CEO, the Head of Sustainable Finance, the CFO, the Head of Operational Excellence, the Chief HR Officer, the General Counsel and one of Vena Energy's Country Heads, on a rotational basis.
- The verification and traceability appears to be ensured throughout the process through meeting minutes for each meeting of both the Investment Committee and the Sustainability Committee.

An area for improvement is to mandate a third-party to verify compliance of the Selected Projects with the process and criteria defined in the Framework.

The process relies on explicit eligibility criteria (selection and exclusion), relevant to the environmental objectives defined for the Eligible Projects.

- The selection requirements are based on the Eligible Projects definitions and Eligibility Criteria for Wind and Solar projects under the Climate Bonds Initiative's (CBI) Taxonomy.
- Exclusion criteria have been established through Vena Energy's investment policy. These exclusion criteria are disclosed in Vena Energy's Green Financing Framework and includes topics such as labour rights, human rights, business ethics, biodiversity and marine environment protection, chemical substances of concern and controversial activities and the respect of democratic values.

The identification and management of the environmental and social (E&S) risks associated with Wind and Solar Eligible Projects is considered to be overall good. However, to date, Vena Energy reports that it does not envisage to develop hydropower projects, and decided to keep these projects within the Framework in case of relevant future opportunities. As a result, we do not have information on environmental and social risk identification and management measures related to potential hydropower projects.

- Environmental Management Plans are in place for solar and wind power projects, which address environmental risks including soil erosion, chemicals and waste management, air and water pollution. A comprehensive compliance training is provided to employees and includes topics such as risk management, corruption prevention, data protection, health and safety and environmental & social responsibility.
- The company's conducts risk mapping and impact assessment of projects depending on the type of asset and their location. In terms of biodiversity, ecological monitoring is conducted for some projects and quantitative indicators are documented.
- The Issuer/Borrower has defined abandonment plans that include dismantling, waste management, clean-up, re-vegetation, and remediation for solar and wind projects. Moreover, Vena Energy seeks to extend the lifespan of wind farms beyond 25 years through the replacement of components.
- Emergency protocols are set to promote typhoon preparedness at project level. These plans include training for employees, exercises and tests, information on evacuation routes and relevant contact numbers.
- Vena Energy reports that GHG emissions during construction phases are reduced by ensuring that equipment is subject to constant maintenance. At the operation phase, measures to promote waste management are implemented, and include the recycling of office materials, composting of food scraps, where feasible, and awareness raising on energy consumption for employees.
- Environmental, Health and Safety (EHS) Management System are in place and employees can access related standards, procedures, guidelines, report issues and request changes. Vena Energy reports that health and safety risk assessments, training for employees and awareness raising are implemented by the company at project level.
- Vena Energy reports that more than 90% of employees are locally hired in areas where projects are developed. Moreover, several infrastructure projects are developed for communities across near the areas where projects are developed. In particular, Vena Energy has built medical and educational centers, provided ambulances for hospitals and built water wells. For each project, consultations with local governments officials and communities are reportedly conducted at development, construction and operation phases and a formalized grievance mechanism is in place for communities.

Management of proceeds

The rules for the management of proceeds are clearly defined and will be verified. We consider that they would enable a documented and transparent allocation process.

The allocation and management of the proceeds are clearly defined:

- The net proceeds of the Bond/Loan will be credited to a dedicated Green Finance Account. Each Green Bond/Loan will be deposited until full allocation and earmarked for allocation.
- As long as the Bond/Loan is outstanding, the Issuer/Borrower has committed to earmark the balance of unallocated proceeds and hold them in the form of cash or cash equivalent investment instruments in line with Vena Energy treasury management.
- Until the full allocation of the proceeds to Eligible Green Projects, Vena Energy intends to maintain an aggregate amount of assets in the Green Finance Account and allocated Green Projects that is at least equal to the aggregate net proceeds of all outstanding Vena Energy Green Bonds/Loans.
- In case of project divestment, the Issuer/Borrower is committed to replace the divested project by a project which conforms to its Green Financing Framework.

An area for improvement consist in limiting the maximum duration for the allocation of proceeds to 36 months after Bond/Loan Issuance, in line with market practices.

Traceability and verification of both tracking method and allocation of the proceeds, are ensured throughout the process:

- The allocation of proceeds will be audited on an annual basis by an independent third party until the full allocation of proceeds into Eligible Projects.

Monitoring & Reporting

The reporting process and commitments appear to be good, covering the funds allocation and environmental benefits of the Bond/Loan.

The process for monitoring, data collection, consolidation and reporting is overall defined in internal contractual documentation. An area for improvement is to formalise this process in Vena Energy’s Framework.

The process is based on relevant internal expertise:

- Financial and Sustainability reporting will be conducted from Vena Energy’s headquarters in Singapore. The process of data collection and consolidation will be conducted by:
 - The Finance team under the direction of the financial controller and Chief Financial Officer (CFO) for the Financial Report.
 - The Operations team under the direction of the Chief Operating Officer (COO) for the Sustainability Report. The final reports creation will be performed by Vena Energy’s Communications Director.

The Issuer/Borrower is committed to provide two combined and dedicated reports:

- An allocation report, made available to investors within approximately one year from the date of the Bond/Loan Issuance and thereafter once a year until the Bond/Loan’s proceeds have been fully allocated.
- An impact reporting for each Eligible Project, as feasible. Vena Energy’s impact reporting will be made available to investors on an annual basis and until full allocation of proceeds.

The selected reporting indicators are overall relevant. The Issuer/Borrower commits to transparently report on the Bond/Loan, at asset type level:

Funds allocation (per asset type: solar, wind, hydro)	<ul style="list-style-type: none"> - Description of the Selected Projects including: <ul style="list-style-type: none"> - Geographic split per country - Weighted average age - Phase (construction or operation) - Total annual operating hours - Examples of projects - Allocated amount per Project (RE type) vs. total amount (in %) - Share of refinancing (in %)
Environmental benefits (per asset type: solar, wind, hydro)	<ul style="list-style-type: none"> - Total size (in MW) - Annual renewable energy production (in MWh) - Annual GHG emissions avoided (in tons of CO₂ equivalent)

Additional qualitative and/or quantitative information will be provided, such as the number of households powered. An area for improvement consists in including, when relevant, indicators on the share of co-financing of projects.

The Issuer/Borrower is committed to disclose the calculation methodologies and assumptions for impact indicators⁴.

Environmental metrics, including annual renewable energy production, will be subject to an annual third-party audit.

⁴ For Annual GHG emissions avoided, the methods used is published in the "Greenhouse Gas Protocol" website (ghgprotocol.org) will be used. | 8/11

METHODOLOGY

In Vigeo Eiris' view, Environmental, Social and Governance ESG factors are intertwined and complementary. As such they cannot be separated in the assessment of ESG management in any organization, activity or transaction. In this sense, Vigeo Eiris writes an opinion on the Issuer/Borrower's Corporate Social Responsibility as an organization, and on the process and commitments applying to the Bond/Loan to be issued.

Vigeo Eiris' methodology for the definition and assessment of the corporate's ESG performance is based on criteria aligned with public international standards, in compliance with the ISO 26000 guidelines, and organized in 6 domains: Environment, Human Resources, Human Rights, Community Involvement, Business Behaviour and Corporate Governance. Our evaluation framework of the material ESG issues has been customized, based on Electric and Gas Utilities Asia Pacific assessment framework, and based on project's specificities and emerging issues.

Our research and rating procedures are subject to internal quality control at three levels (analysts, heads of cluster sectors, and internal review by the audit department for second party opinions) complemented by a final review and validation by the Direction of Methods. Our SPO are also subject to internal quality control at three levels: consultants in charge of the mission, Production Manager, and final review and validation by the Direction of Sustainable Finance and/or the Direction of Methods. A right of complaint and recourse is guaranteed to all companies under our review, including three levels: first, the team linked to the company, then the Direction of Methods, and finally Vigeo Eiris' Scientific Council.

All employees are signatories of Vigeo Eiris' Code of Ethics, and all the consultants have also signed its add-on covering financial rules of confidentiality.

Part I. ISSUER/BORROWER

NB: The Issuer/Borrower's performance (i.e. commitments, processes, results of the Issuer/Borrower, related to ESG issues) has not been assessed through a complete process of rating and benchmark developed by Vigeo Eiris.

Integration of the ESG factors in the Issuer/Borrower's commitments and policies

The assessment of the Issuer/Borrower's ESG performance has focused only on the Leadership items from Vigeo Eiris' ESG rating methodology.

The Issuer/Borrower has been evaluated by Vigeo Eiris based on its capacity to integrate the main ESG sector issues in its Corporate Social Responsibility (CSR) strategy, based on 20 relevant ESG drivers organized in the 6 sustainability domains.

- Leadership: relevance of the commitments (content, visibility and ownership).
 - Applied scale: level of assurance (reasonable; moderate; weak)

Management of potential stakeholder-related ESG controversies

A controversy is public information from traceable and liable sources that serves to incriminate a company on ESG issues within the scope of the Equitics© methodology. Such incriminations may relate to specific events, conflicting interpretations of events, legal procedures, proven facts or non-proven claims.

Vigeo Eiris reviewed information provided by the Issuer, press content providers and stakeholders (partnership with Factiva Dow Jones: access to the content of 28,500 publications worldwide from reference financial newspapers to sector-focused magazines, local publications or Non-Government Organizations). Information gathered from these sources is considered as long as they are public, documented and traceable.

Vigeo Eiris provides an opinion on companies' controversies risks mitigation based on the analysis of 3 factors:

- Frequency: reflects for each ESG challenge the number of controversies faced. At corporate level, this factor reflects on the overall number of controversies faced and scope of ESG issues impacted (scale: Isolated, Occasional, Frequent, Persistent).
- Severity: the more a controversy will relate to stakeholders' fundamental interests, will prove actual corporate responsibility in its occurrence, and will have adverse impacts for stakeholders and the company, the highest its severity. Severity assigned at corporate level will reflect the highest severity of all cases faced by the company (scale: Minor, Significant, High, Critical).
- Responsiveness: ability demonstrated by an Issuer/Borrower to dialogue with its stakeholders in a risk management perspective and based on explanatory, preventative, remediating or corrective measures. At corporate level, this factor will reflect the overall responsiveness of the company for all cases faced (scale: Proactive, Remediate, Reactive, Non- Communicative).

The impact of a controversy on a company's reputation reduces with time, depending on the severity of the event and the company's responsiveness to this event. Conventionally, Vigeo Eiris' controversy database covers any controversy with Minor or Significant severity during 24 months after the last event registered and during 48 months for High and Critical controversies.

Involvement in controversial activities

In addition, 15 controversial activities have been analysed following 30 parameters to verify if the company is involved in any of them. The company's level of involvement (Major, Minor, No) is based on:

- An estimation of the revenues derived from controversial products or services.
- The precise nature of the controversial products or services provided by the company.

Part II. ISSUANCE/LOAN

The Bond/Loan has been evaluated by Vigeo Eiris according to the Green Bond Principles and Green Loan Principles 2018 and on our methodology based on international standards and sector guidelines applying in terms of ESG management and assessment.

Use of proceeds

The definition of the Eligible Projects and of their sustainable objectives and benefits are a core element of Green/Social/Sustainable Bonds or Loans standards. Vigeo Eiris evaluates the definition of the Eligible Categories, as well as the definition and the relevance of the aimed sustainability objectives. We evaluate the definition of the expected benefits in terms of assessment and quantification. In addition, we evaluate the potential contribution of Eligible Projects to the United Nations Sustainable Development Goals' targets.

Process for evaluation and selection

The evaluation and selection process has been assessed by Vigeo Eiris on its transparency, governance and relevance. The eligibility criteria have been assessed on their explicitness and relevance vs. the intended objectives of the Eligible Projects. The identification and management of the ESG risks associated with the Eligible Projects are analysed based Vigeo Eiris' ESG assessment methodology, international standards and sector guidelines applying in terms of ESG management and assessment.

Management of proceeds

The rules for the management of proceeds and the allocation process are evaluated by Vigeo Eiris on their transparency, coherence and efficiency.

Reporting

Monitoring process and commitments, Reporting commitments, reporting indicators and methodologies are defined by the Issuer to enable transparent reporting on the proceeds allocation and tracking, on the sustainable benefits (output and impact indicators) and on the responsible management of the Eligible Projects financed. Vigeo Eiris has evaluated the reporting based on its transparency and relevance.

VIGEO EIRIS' ASSESSMENT SCALES

Performance evaluation		Level of assurance	
Advanced	Advanced commitment; strong evidence of command over the issues dedicated to achieving the objective of social responsibility. Reasonable level of risk management and using innovative methods to anticipate emerging risks.	Reasonable	Able to convincingly conform to the prescribed principles and objectives of the evaluation framework
Good	Convincing commitment; significant and consistent evidence of command over the issues. Reasonable level of risk management.	Moderate	Compatibility or partial convergence with the prescribed principles and objectives of the evaluation framework
Limited	Commitment to the objective of social responsibility has been initiated or partially achieved; fragmentary evidence of command over the issues. Limited to weak level of risk management.	Weak	Lack or unawareness of, or incompatibility with the prescribed principles and objectives of the evaluation framework
Weak	Commitment to social responsibility is non-tangible; no evidence of command over the issues. Level of insurance of risk management is weak to very weak.		

Vigeo Eiris is an independent international provider of environmental, social and governance (ESG) research and services for investors and public & private organizations. We undertake risk assessments and evaluate the level of integration of sustainability factors within the strategy and operations of organizations.

Vigeo Eiris offers a wide range of services:

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