

—————JCR Green Finance Framework Evaluation by Japan Credit Rating Agency, Ltd.—————

Japan Credit Rating Agency, Ltd. (JCR) announces the following Green Finance Evaluation Results.

JCR Reviewed Green Finance Framework Evaluation of Vena Energy's Green Financing Framework

Subject : Vena Energy's Green Financing Framework

<Green Finance Framework Review Results>

Overall Evaluation	Green 1(F)
Greenness Evaluation (Use of Proceeds)	g1(F)
Management, Operation and Transparency Evaluation	m1(F)

1. Overview

Vena Energy, headquartered in Singapore, is a developer, builder and owner of solar and wind energy generation projects in the Asia-Pacific region. Vena Energy is a leading renewable Independent Power Producer in the Asia-Pacific region with total consolidated assets of approximately USD 5.6 billion at the end of June 2020. Since its establishment in 2012, Vena Energy has been active in the solar and wind power generation and battery energy storage system business across the Asia-Pacific regions. As of June 2020, the company possesses solar, wind and energy storage assets across seven countries with an aggregate capacity of approximately 2.9GW in operational, construction and shovel ready stages. Global Infrastructure Partners (GIP), one of the world's leading independent infrastructure investment funds, acquired Vena Energy's predecessor, Equis Energy, in 2018. GIP then renamed the company Vena Energy and became its main sponsor. For the acquisition, GIP formed a consortium with Public Sector Pension Investments (PSP), one of Canada's largest pension funds, and China Investment Corporation (CIC), China's sovereign wealth fund. The details of the consortium's stake are undisclosed, but the majority is owned by GIP. Vena Energy is one of GIP's largest single investments to-date and is of high importance to GIP's infrastructure investment strategy.

(Excerpted from the evaluation report on September 18, 2019)

In Vena Energy's Green Finance Framework (the Framework), the funds procured through green bonds or green loans are used for 1. Solar energy related projects, 2. Wind energy related projects, and 3. Hydropower related projects (new construction of less than 15MW of small-scale hydropower or re-powering of existing large-scale hydropower of more than 20MW). JCR evaluates the use of proceeds to be renewable energy projects that contributes to decarbonization and contribute to environmental improvement. With regard to possible negative environmental and social impacts of

the construction and operation of the above-mentioned power generation facilities, it is highly unlikely that the negative impacts will exceed the environmental improvements, as Vena Energy has established a system to minimize the possibility of negative impacts by conducting necessary risk assessment and mitigation in accordance with IFC Performance Standards¹ and other international standards, such as ILO Basic Terms and Conditions of Work.

Under its Green Finance Framework, Vena Energy committed the following management and operation system; (1) a Sustainability Committee to oversee the selection criteria, selection process and reporting of green projects; (2) a dedicated bank account for green funds and; (3) a commitment to disclose its allocation status annually by country, by asset and Key Performance Indicators (KPI) of the environmental impacts of the green investment. Consequently, JCR confirms that Vena Energy has a robust administrative and operational system and is highly transparent with respect to Green finance.

(Excerpt ended)

JCR conducted the review based on the revised framework. Vena Energy added "Energy Efficiency" and "Circular Economy Technologies and Process" to the "Eligible Green Categories" in the framework. JCR assessed whether the framework complies with the Green Bond Principles (2018 edition), the Green Loan Principles, the Green Bond Guidelines 2020 edition, and the Green Loan and Sustainability Linked Loan Guidelines 2020 edition. These principles and guidelines are not binding because they are the principles or guidelines voluntarily published by the International Capital Markets Association (ICMA), the Ministry of the Environment, the Loan Market Association (LMA), and the Asia-Pacific Loan Market Association (APLMA), which are not regulated, but will be evaluated by JCR with reference to these principles and guidelines as currently unified standards worldwide. JCR evaluates projects that have an environmental improvement effect based on contents of Eligible Green Categories.

Vena Energy has a sustainability committee that oversees green project selection criteria, selection and reporting system. Vena Energy also manages the proceeds in separate accounts, plans to publish an allocation report every year until full allocation of any Green Financing raised, and has established appropriate KPIs for measuring impact. Consequently, JCR confirmed that Vena Energy had a strong management and operation system and continues to have high transparency for green bond and green loans.

As a result, based on the JCR Green Bond Evaluation Methodology, JCR assigns "g1 (F)" for the "Greenness Evaluation (Use of Proceeds)" and "m1 (F)" for "Management, Operation and Transparency Evaluation." Consequently, JCR assigns "Green1 (F)" for overall "JCR Green Finance Framework Evaluation." Detailed evaluation is discussed in the next chapter. This framework meets the standards for items required by Green Bond Principles (2018), Green Loan Principles (2020), Green Bond Guidelines (2020) and Green Loan and the Sustainability Linked Loan Guidelines (2020) of the Ministry of Environment.

¹ IFC Performance Standard (2012 Edition) is one of the key environmental and social risk-management standards. This is for private sectors to commit to ensure sustainable business activities, set by International Finance Corporation.

2. Review items

In this section, JCR describes the items to be confirmed in the review. The review focuses on items whose content has changed compared with the previous evaluation.

(1) Use of Proceeds (Status of Appropriation)

JCR evaluates if the use of proceeds or eligible criteria categories for Green Finance remain the same from the methods stipulated by the issuer at the time of assigning the Green Finance Evaluation.

(2) Appropriateness and Transparency concerning selection standard and processes of the use of proceeds

JCR evaluates if there are any changes to the objectives to be achieved through the Green Finance, the criteria for selecting green projects, the adequacy of the process, and the series of processes to be implemented.

(3) Appropriateness and Transparency of management of the proceeds

JCR evaluates whether the proceeds have been certainly allocated for green projects or not. JCR also evaluates if there is a system and internal system in which the allocation status can be easily tracked and managed.

(4) Reporting

JCR evaluates if the environmental improvement effects resulting from the green project financed by green finance are appropriately calculated according to the method stipulated by the issuer at the time of assigning the Green Finance Evaluation.

(5) Organization's Environmental Activities

JCR evaluates if the issuer's management is continuing to regard environmental issues as a high priority issue.

3. Contents of Review

(1) Use of Proceeds (Status of Appropriation)

a. On the environmental improvement effects of the project

i. The Eligible Green Categories listed in the Framework are Renewable Energy, Energy Efficiency and Circular Economy Technologies and Process. These categories can be expected to have a high environmental improvement effect.

Vena Energy define the use of proceeds in the Green Financing Framework (the Framework) as follows.

Eligible Green Categories	Use of Proceeds
Renewable Energy	<ol style="list-style-type: none"> 1. Hydropower: run of river and small hydro <15MW (CDM defined), existing large hydro >20MW in temperate zones, re-powering of existing large hydro system including asset build and maintenance, and transmission & distribution infrastructure² 2. Solar energy: photovoltaic solar electricity, concentrated solar power, including component manufacturing, and transmission & distribution infrastructure 3. Wind energy: offshore and onshore wind farms, including component manufacturing, and transmission & distribution infrastructure

Vena Energy has added following projects to Eligible Green Categories in addition to the existing projects stated above.

(Added Use of Proceeds)

Eligible Green Categories	Use of Proceeds
Energy Efficiency	Energy Storage: Utility-scale battery energy storage, pumped hydro energy storage, flywheel energy storage, compressed air energy storage, including R&D for Energy Storage System (ESS) design, component manufacturing, and transmission & distribution infrastructure (as part of the energy storage systems / load management system)
Circular Economy Technologies and Process	Projects focused on improving the circular economy such as the following: <ol style="list-style-type: none"> 1. Recycling, refurbishment, reuse/redistribution of materials and components, excluding projects related to transportation of waste materials 2. Investments that help to maintain/prolong systems, materials and/or assets that contribute to minimizing systematic leakage and negative externalities, excluding investments related to projects that prevent leakage of natural gas and/or methane

² Clean-Development Project (Clean Development Mechanism) stipulated in the Kyoto Protocol of the Framework Convention on Climate Change

Among the additional use of proceeds, projects classified as "energy efficiency" in the Eligible Green Categories relates to technologies that convert electric energy into stored electric energy.

Renewable Energy, such as solar and wind power, has characteristics such as that the power generation amount varies depending on weather conditions, such as the amount of solar irradiation and wind speed. As a result, these factors make it difficult to provide a stable power supply. Energy storage technology covers such weakness of the renewable power generation characteristics, and enables stable power supply by storing energy when the amount of power generated is large, and by converting the stored energy into electric power when the amount of power generated decreases. A report published by the International Renewable Energy Agency (IRENA) in March 2020 also predicted that by 2030, energy storage capacity will increase by several times from the 2017 level, and further dissemination is expected in the future as technological developments progress. Vena Energy will construct large-scale battery facilities in Australia in accordance with this Eligible Green Categories. JCR evaluates that the Eligible Green Categories for Energy Storage, which promotes the use of renewable energy, has an environmental improvement effect.

"Circular Economy Technologies and Process" in Eligible Green Categories are technologies and processes used to dispose of or extend the useful life of Vena Energy's assets. Regarding renewable energy power generation facilities, for example, solar power modules contain hazardous substances such as lead, selenium, and cadmium depending on the type of panels, and solar panels damaged by natural disasters are not properly disposed of and become a social problem, making proper disposal and management an issue.

The manufacturing life of solar panels is estimated to be 25 to 30 years, and with the aging of power generation facilities in the future, recycling, refining, and reuse of panels and proper disposal of harmful substances are expected to be required. With these points described above, JCR evaluates it appropriate to fund the project to minimize its negative impact on the environment.

In this revision of the Framework, Vena Energy has stipulated that the look-back period of the project covered by the allocation of proceeds will be the length of the individual PPAs (Power Purchase Agreement). In Japan, projects under the Feed-in Tariff (FIT) are eligible for funding. For this matter, JCR has interviewed Vena Energy and the company has indicated that PPA contracts will also be eligible to finance with long-term borrowings or bond issues covering the PPA period when available, in order to reduce refinancing risk during the PPA period. JCR recognizes Vena Energy's intention. JCR still considers it desirable that projects to be funded should be as new as possible in order to disseminate renewable energy.

JCR checked the list of assets that is eligible in the framework for this review and confirmed that all of them are operating without problems through requesting materials and interviewing them.

ii. Among the green projects defined in the Green Bond Principles, the Green Loan Principles, the Green Bond Guidelines and the Green Loan and Sustainability Link Loan Guidelines of the Ministry of the Environment, the use of proceeds in this framework falls under "Renewable Energy," "Energy Efficiency," and "Pollution Prevention and Control."

b. Negative impact on the environment

Vena Energy conducts risk assessments and management of individual projects based on the following eight IFC Performance Standards in order to realize sustainable business activities.

Performance Standard 1	Social and Environmental Assessment and Management System
Performance Standard 2	Labour and Working Conditions
Performance Standard 3	Pollution Prevention and Abatement
Performance Standard 4	Community Health, Safety and Security
Performance Standard 5	Land Acquisition and Involuntary Resettlement
Performance Standard 6	Biodiversity Conservation and Sustainable Natural Resource Management
Performance Standard 7	Indigenous people
Performance Standard 8	Cultural Heritage

Vena Energy also pays due consideration to the safety of workers and the environment, in accordance with the IFC Performance Standards and World Bank Group's Environmental, Health and Safety Guidelines (EHS Guidelines). Among these, waste disposal standards and emergency countermeasures such as typhoons are appropriately planned on a project by project basis. Vena Energy manages an Environmental, Social, and Governance policy (ESG policy) concerning risk assessment and management practices, in which the responsibilities of the Vena Energy's board of directors, the relevant Country Heads and each local management teams are clearly defined.³

As a result of such strict due diligence and thorough risk management in project management, JCR has confirmed that at the time of this review, there are no sites where disputes or other problems have occurred at the power plants and business sites currently developed and operated by Vena Energy.

(2) Appropriateness and Transparency concerning selection standard and processes of the use of proceeds

JCR evaluates the appropriateness of the selection criteria and processes described in this framework as appropriate at the time of the initial evaluation. JCR confirms that there are no major changes in this revised framework. JCR also evaluated that the transparency also be secured because disclosure will be done in the evaluation report and Vena Energy's website.

(3) Appropriateness and Transparency of management of the proceeds

JCR evaluates the management of proceeds described in this framework as appropriate at the time of the initial evaluation. The revised framework adds a full appropriation within 36 months of funding. JCR evaluates this addition as the framework defining the time to full appropriation. As stated in the framework, the appropriation of proceeds through green finance by Vena Energy will be reported regularly in the future, and JCR evaluates that transparency will be ensured.

³ The EHS Guidelines (review) contain cross-sectional information on potential problems common to all sectors related to environmental, health, and safety.

(4) Reporting

a. Proceeds Allocation Status Reporting

JCR evaluates the appropriateness of the reporting item and frequency at the time of the initial evaluation. JCR confirmed that there are no changes in this revised framework.

In February 2020, Vena Energy issued its inaugural green bond successfully. The allocation amount for each country was disclosed in Sustainability and Financial Report 2019 published in June 2020. JCR will also pay close attention to the appropriate reporting of the following items on an annual basis until all Green Financing proceeds are fully allocated.

(Assets Allocation Reporting)

1. Allocated amount per Eligible Green category vs. total amount (%)
2. Geographic split per country
3. Weighted average age of the project being financed or refinanced by the Green Bond/Loan issuance with information related to the phase (construction vs operation)
4. Total projects size (MW) per asset category
5. Total annual operating hours
6. Example of projects financed by the proceeds, including their description (date, location, category, progress)

b. Impact Reporting

In addition to the impact reporting originally assumed in the framework, Vena Energy will make select disclosures on its website, including the impact associated with new projects.

Eligible Green Categories	Reporting Project	Indicative Reporting Metrics
Renewable Energy	<ol style="list-style-type: none"> 1. Solar energy 2. Wind energy 3. Hydropower 	<ul style="list-style-type: none"> ■ Installed capacity in MW ■ Annual GHG emissions avoided in tons of CO₂ equivalent ■ Annual renewable energy production in MWh ■ Number of Households powered
Energy Efficiency	<ol style="list-style-type: none"> 1. Energy Storage solutions and systems 	<ul style="list-style-type: none"> ■ Annual volume of energy stored in MWh ■ Installed Capacity for Energy Storage / FCAS (Frequency Control Ancillary Service)
Circular Economy Technologies & Process	<ol style="list-style-type: none"> 1. Recycling, refurbishment, reuse/redistribution of materials and components 2. Investments that help to maintain/prolong systems, materials and/or assets that contribute to minimizing systematic leakage and 	<ul style="list-style-type: none"> ■ Amount of materials recycled such as silicon, glass, aluminum and precious metals, measured by weight (at project decommissioning in particular) ■ Take back systems of large key equipment which are off-spec, damaged or discarded, measured by weight (e.g. wind turbine blades and towers) ■ Minimization or phase out of hazardous materials, measured in % reduction compared

	negative externalities	to existing equipment e.g. lead use in solar panels
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The aforementioned Sustainability and Financial Report 2019 provides limited assurance from an auditing firm regarding the impact reporting on Green Bonds, which was issued in February 2020, and JCR evaluates that the content of the report is appropriate.

(5) Organization's environmental activities

As a company specializing in the development and operation of renewable energy, Vena Energy has been expanding its business in the Asia-Pacific region, with contribution to the conservation of the global environment as an important management policy. Since establishment in 2012, Vena Energy has incorporated ESG considerations at every stage of its business development, and asset management. In doing so, the Environmental Social and Governance Policy ("ESG Policy") is formulated in compliance with global standards such as the IFC Performance Standards and the World Bank Group's Environmental, Health, and Safety Guidelines, and the policies and procedures for actual operations are established.

The ESG policy aims to achieve the following objectives.

1. To comply with all applicable laws within the country where Vena Energy operates;
2. To ensure that the assets which Vena Energy develops and constructs are always operated to enhance the positive effects and minimise the adverse impacts on the environment, employees and stakeholders (including affected communities);
3. To ensure its business and the assets make efficient use of natural resources and protect the environment wherever possible;
4. To support the reduction of human induced greenhouse gas emissions that contribute to climate change;
5. To encourage the businesses in which Vena Energy's capital is invested to work within a defined timeframe towards full compliance with the International Labour Organization ("ILO") Core Conventions and ILO Basic Terms and Conditions of Work and with the United Nations ("UN") Universal Declaration of Human Rights; and
6. To recognise and, as appropriate, promote the social aspects of the development outcomes arising from the activities of the assets which Vena Energy develops, constructs and operates.

In order to achieve the above objectives, Vena Energy adheres to an investment exclusion list and hires E&S consultants to assist risk assessment and plan and implement corrective actions as part of the company's Environmental Social Management Plan (ESMP). Day to day environmental, safety and social operations are managed by each Country's HSSE managers. In addition, a moderate, major or critical category event is notified immediately to senior managements across Group and Country levels, including the Chief Risk Officer, HSSE Group Head and General Counsel. A description of the incident is sent to the Country Incident Report portal within 24 hours. For major or critical category events, an incident or investigation report is submitted to the relevant internal authorities for assessment and direction of corrective actions.

The ESG Policy also clearly defines the responsibilities (i.e. execution, monitoring and reporting) of the Board of Directors, Country Heads and each local management team in responding to environmental and social concerns and matters in green projects.

Vena Energy became a signatory to the United Nations Global Compact (UNGC) in November 2019, declaring that Vena Energy will incorporate the above policies into its strategies, corporate culture, and daily operations, as well as cooperate in its projects to achieve SDGs proposed by the United Nations. In February 2020, Vena Energy

issued the inaugural Green Bond in compliance with this Framework, which strengthened their ESG-related initiatives. JCR positively evaluates these Vena Energy's active efforts to address environmental issues.

JCR confirmed that Vena Energy's management considers environmental issues as a high priority and that environmental and social considerations are being taken into account in the operation of each project under the leadership of each country office. JCR also confirmed that a variety of third party experts are used as necessary at each stage of the green financing process, as well as the selection, development, and management of green projects. Based on the above, JCR evaluates that in addition to the fact that the company's business activities themselves contribute to decarbonisation, Vena Energy has taken adequate measures to minimize possible risks of adverse impacts on the environment and society that may arise when conducting business.

4. Conclusion

As a result of verifying the matters described in the previous section, JCR confirmed that the content of the framework, including the revised part, is expected to have a high environmental improvement effect in the green project. JCR also evaluated that the framework meets the criteria for items required in the Green Bond Principles, the Green Loan Principles, the Green Bond Guidelines and the Green Loan and Sustainability Linked Loan Guidelines by the Ministry of the Environment,

[JCR Green Finance Framework Evaluation Matrix]

		Management, Operation and Transparency Evaluation				
		m1(F)	m2(F)	m3(F)	m4(F)	m5(F)
Greenness Evaluation	g1(F)	Green 1(F)	Green 2(F)	Green 3(F)	Green 4(F)	Green 5(F)
	g2(F)	Green 2(F)	Green 2(F)	Green 3(F)	Green 4(F)	Green 5(F)
	g3(F)	Green 3(F)	Green 3(F)	Green 4(F)	Green 5(F)	Not qualified
	g4(F)	Green 4(F)	Green 4(F)	Green 5(F)	Not qualified	Not qualified
	g5(F)	Green 5(F)	Green 5(F)	Not qualified	Not qualified	Not qualified

■ Subject

Issue/Borrower: Vena Energy

[Review]

Subject	Evaluation
Green Financing Framework	JCR Green Finance Framework Evaluation : Green 1 (F) Greenness Evaluation :g1(F) Management, Operation and Transparency Evaluation :m1(F)

Analysts in charge of this evaluation: Atsuko Kajiwara and Kosuke Kajiwara

Important explanation regarding the evaluation of the Green Finance Framework

1. Assumptions, Significance, and Limitations of JCR Green Finance Framework Evaluation

JCR Green Finance Framework evaluation, which is granted and provided by Japan Credit Rating Agency, Ltd. (JCR), covers the policies set out in the Green Finance Framework, and expresses the overall opinion of JCR at this time regarding the appropriateness of the Green Project as defined by JCR and the extent of management, operation and transparency initiatives related to the use of funds and other matters. Therefore, it is not intended to evaluate the effects of specific environmental improvements, management and operation systems, and transparency of individual bonds and borrowings, etc. to be implemented based on these policies. In the event that an individual bond or individual borrowing based on this framework is subject to a green finance evaluation, it is necessary to conduct a separate evaluation. In addition, the JCR Green Finance Framework evaluation does not demonstrate the environmental improvement effects of individual bonds or borrows implemented under this framework, and does not assume responsibility for environmental improvement effects. In principle, JCR does not directly measure the environmental improvement effects of funds procured under the Green Finance Framework, although JCR confirms the quantitative and qualitative measures by the issuer or a third party requested by the issuer.

2. Method used to perform this evaluation

The methodologies used in this assessment are described in "JCR Green Finance Evaluation" on the "Sustainable Finance ESG" section of the JCR website (<https://www.jcr.co.jp/en/>).

3. Relationship with Acts Concerning Credit Rating Business

The act of granting and providing an evaluation of JCR Green Finance Framework is conducted by JCR as a related business and differs from the act related to the credit rating business.

4. Relationship with Credit Ratings

The Evaluation is different from the Credit Rating and does not commit to provide or make available for inspection a pre-determined credit rating.

5. Third-Party Evaluation of JCR Green Finance Framework Evaluation

There are no capital or personnel relationships that may result in a conflict of interest between the evaluation parties and JCR.

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■ Glossary

JCR Green Finance Framework Evaluation: The extent to which the funds procured through green finance are appropriated for green projects as defined by JCR, and the degree to which the management, operation, and transparency of the green finance are managed. Evaluations are performed on a 5-point scale, from the top to the top using the Green1 (F), Green2 (F), Green3 (F), Green4 (F), and Green5 (F) symbols.

■ Status of Registration as an External Evaluator of Green Finance

- Registered as an External Reviewer of Green Bonds by the Ministry of the Environment
- ICMA (registration as an observer with the Institute of International Capital Markets)
- Climate Bonds Initiative Approved Verifier
- UNEP FI Positive Impact Finance WG member

■ Other status of registration as a credit rating agency, etc.

- Credit Rating Agency Commissioner (Rating) No. 1
- EU Certified Credit Rating Agency
- NRSRO: JCR is registered in the following 4 classes of 5 credit rating classes (as defined by the NRSRO (Nationally Recognized Statistical Rating Organization of the U.S. Securities and Exchange Commission): (1) Financial institutions, broker-dealers, (2) insurance companies, (3) general business corporations, and (4) governments and municipalities. If we are subject to disclosures under Rule 17g-7(a) of the U.S. Securities and Exchange Commission, such disclosures are attached to news releases appearing on the JCR website (<https://www.jcr.co.jp/en/>).

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