



## AGEL's 450MW Hybrid Project Green Loan Framework

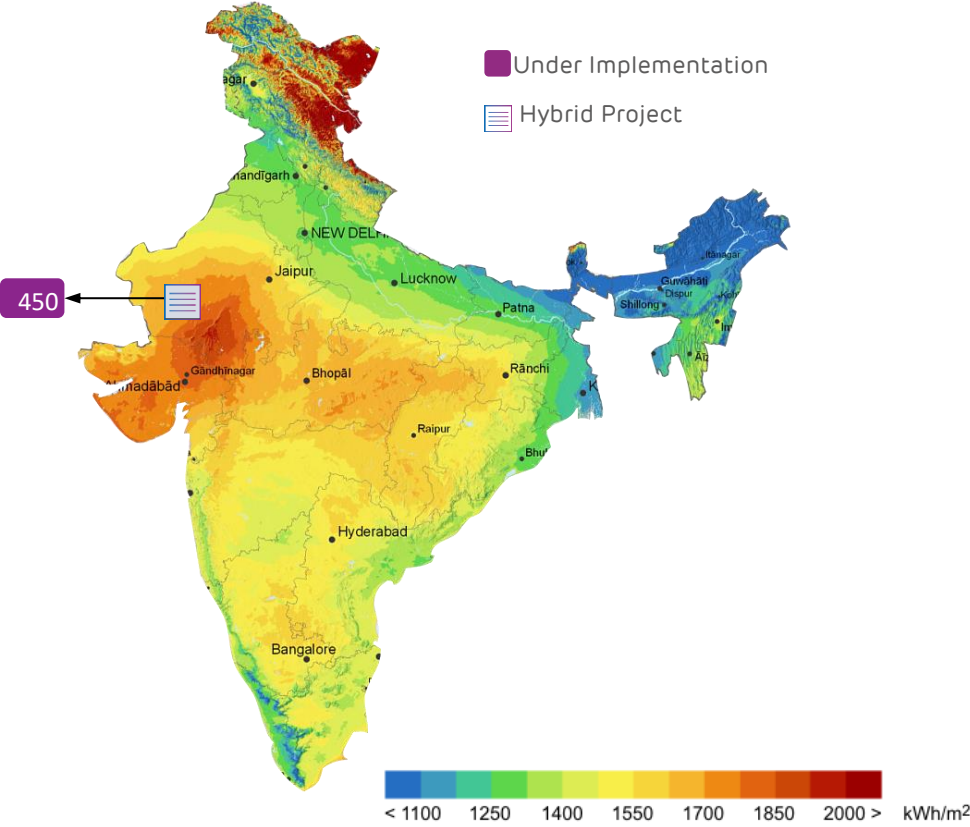


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**1. The Project**

Adani Green Energy Limited (“AGEL” or the “Parent Company”) is in the process of developing greenfield 450MW AC hybrid (wind and solar) renewable power project (the “Project”, defined below) in the Jaisalmer district in the state of Rajasthan, India (see below for location).



Details of the Project are as follows:

The Project	Borrower	PPA Capacity (MW <sub>AC</sub> )	Offtaker
Hybrid Project 450MW	SBE RENEWABLES TEN PROJECTS PRIVATE LIMITED	450	SECI

Hybrid Project 450MW AC hybrid power project (the “Hybrid Project” or “Project”) with a 25 year PPA contract with the Solar Energy Corporation of India (“SECI”).

The Project will be connected to the Interstate Transmission Systems (“ISTS”), which is the transmission grid system undertaken by Power Grid Corporation of India Limited (“PGCIL”).

Financing agreements with commercial lenders is expected to be signed in January-2022. COD of the Project is expected by 1Q FY 2022-23.

## 2. AGEL and the Adani Group

### 2.1. Introduction to AGEL

Adani Green Energy Limited (AGEL) has one of the world's largest renewable portfolios, with locked-in capacity of 19.8 GW across operational, under-construction, awarded and acquired assets, catering to investment-grade counterparties. It was incorporated in 2015 and is promoted by Adani Group for developing and operating renewable energy projects of the Adani Group. AGEL is the only pure play renewable energy company listed in Bombay Stock Exchange ("BSE") and National Stock Exchange since 2018.

In September 2021 AGEL acquired SB Energy India, which has a total renewable portfolio of 4,954 MW (operational and under-construction) spread across four states in India. This was the largest acquisition in the renewable energy sector in India and has enabled AGEL to reach total renewable capacity of c.20 GW<sup>1</sup>. AGEL has over 5.41 GW of wind and solar operational capacity across India and has a pipeline of another 14.42 GW under various stages of construction and implementation.

In August 2020, the ranking of global solar companies by Mercom Capital ranked the Adani Group as the top (#1) global solar power generation asset owner in terms of operating, under construction, and awarded solar projects<sup>2</sup>. Adani's renewable energy portfolio exceeds the total capacity installed by the entire United States solar industry in 2019.

### 2.2. AGEL's Business Targets

AGEL has declared their Energy Compact Goals as part of COP26. AGEL shall ensure universal access to affordable, reliable, and modern energy services and increase substantially the share of renewable energy in the global energy mix. AGEL has centered its business strategy around the achievement of SDGs across all their activities, with affordable and clean energy as the cornerstone. AGEL's commitment will also support the targets taken by the Government of India and its commitment to the UN Energy Compact. India has committed to increase the installed capacity of renewable energy to 450 GW by 2030. AGEL has set a target of achieving 45 GW renewable energy capacity by 2030, with the average tariff below the Average Power Purchase Cost (APPC) at the national level<sup>3</sup>. The overall development will displace over 1.9 billion tons of carbon dioxide over the life of these assets<sup>4</sup>.

### 2.3. The Adani Group

The Adani Group is a diversified organisation with combined revenue of market cap of USD 131.33 Bn (as of 22 Nov 2021) comprising six publicly traded companies. It has created a world class transport logistics and energy utility infrastructure portfolio that has a pan-India presence. Over the years, Adani portfolio companies have positioned themselves to be the market leader in their respective businesses focusing on large scale infrastructure development in India with O&M practices benchmarked to global

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<sup>1</sup> <https://www.adanigreenenergy.com/newsroom/media-releases/Adani-Green-Energy-to-acquire-SB-Energys-5-GW-India-renewable-power-portfolio>

<sup>2</sup> <https://www.adanigreenenergy.com/newsroom/media-releases/Adani-ranked-as-the-largest-solar-power-generation-owner-in-the-world>

<sup>3</sup> [Adani companies AGEL & ATL declare Energy Compact Goals as part of COP26 Aim to provide affordable and clean energy by 2030 \(adanigreenenergy.com\)](https://www.adanigreenenergy.com/newsroom/media-releases/Adani-companies-AGEL-and-ATL-declare-Energy-Compact-Goals-as-part-of-COP26-Aim-to-provide-affordable-and-clean-energy-by-2030)

<sup>4</sup> This is based on a 45 GW by 2030 portfolio as announced in: <https://www.adanigreenenergy.com/newsroom/media-releases/Adani-companies-AGEL-and-ATL-declare-Energy-Compact-Goals-as-part-of-COP26>

standards. The Group has the unique distinction of being the only Infrastructure issuer in India, with entities across ports and logistics, power generation, transmission and distribution enjoying investment grade international ratings.

Adani Group owes its success and leadership position to its core philosophy of 'Nation Building' driven by 'Growth with Goodness' - a guiding principle for sustainable growth. Adani Group is committed to increase its ESG footprint by realigning its businesses with an emphasis on climate protection and increasing community outreach based on the principles of sustainability, diversity and shared values. AGEL is part of the Adani Group's promise to provide a better, cleaner and greener future for India

### **3. AGEL's ESG Strategy**

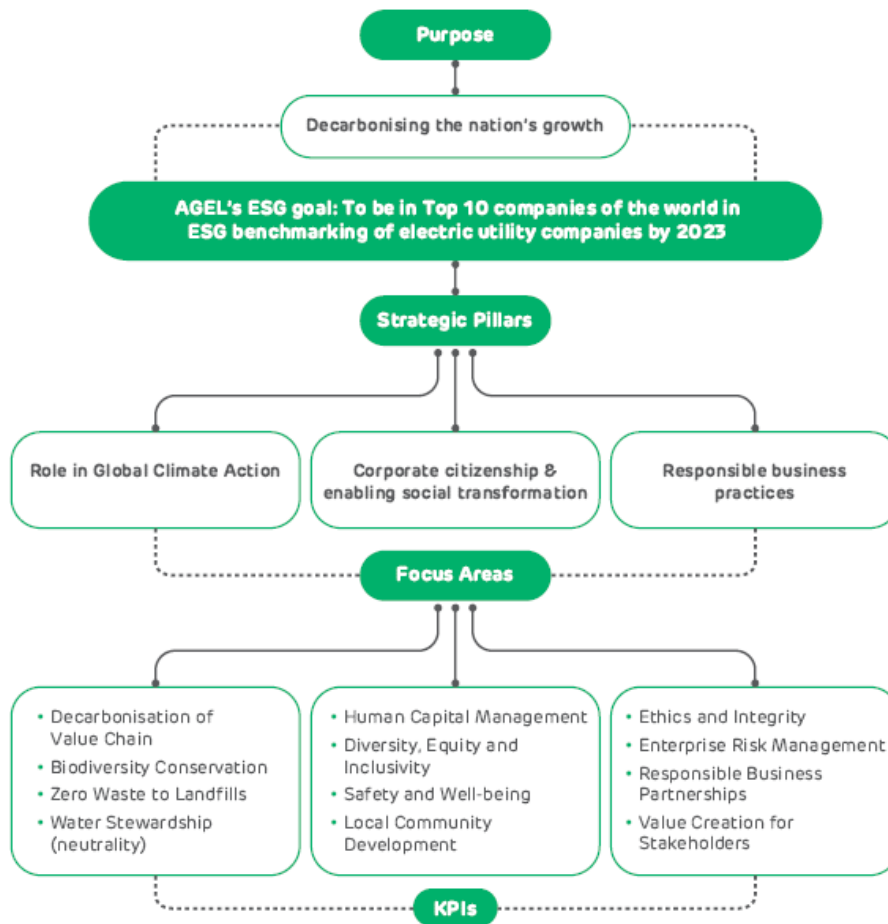
#### **3.1. AGEL's ESG Purpose and Goals**

AGEL is committed to a sustainable roadmap in contributing to one of the world's largest renewable energy expansion programs along with catering to India's climate change goals. AGEL's purpose is to decarbonize the nation's growth. AGEL's target is to be in the **"Top 10 Companies of the World in ESG Benchmarking of Electric Utility Companies by 2023"**.

The diagram below highlights AGEL's governing ESG purpose, goals, and the three strategic pillars that serve as the basis of the entity's value creation model<sup>5</sup>.

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<sup>5</sup> (Pg. 21) <https://www.adanigreenenergy.com/-/media/Project/GreenEnergy/Sustainability/latest-report.pdf>



### 3.2. AGEL's ESG Governance

AGEL has constituted six different committees of the Board of Directors ("BoD") that sets the highest example of governance and sustainability in AGEL. This goes beyond the regulatory requirements applicable under the Companies Act, 2013 in India.

The six committees and their key responsibilities include:

- (i) The Corporate Responsibility Committee which oversees all ESG performance and sustainability related disclosures by AGEL.
- (ii) The Risk Management Committee which oversees and safeguards the risk to all stakeholders. Enterprise Risk Management is one of the key pillars of corporate governance at AGEL.
- (iii) The Corporate Social Responsibility (CSR) Committee of BOD that fulfills the statutory requirement under the Companies Act and ensures that AGEL operates as corporate citizen for inclusive growth with all stakeholders, especially in the communities where AGEL is operating.
- (iv) The Stakeholder Engagement Committee which oversees stakeholder engagement including shareholders.
- (v) The Audit Committee; and
- (vi) The Remuneration Committee



Together, these committees set the highest example of the Board Governance at AGEL and ensures strong ESG execution<sup>6</sup>.

These committees are comprised of 50-100% of independent directors (e.g. the “Corporate Responsibility Committee” has 100% of independent directors, “Corporate Social Responsibility Committee” has at least 75% of independent directors, “Risk Management Committee” has at least 50% of independent directors). The Terms of Reference (TOR) of these committees have been published on AGEL’s website<sup>7</sup>.

The company has also established a system to ensure the integrity of ESG performance disclosure, in the following order.

- A. “Corporate Responsibility Committee” of Board of Directors with 100% independent directors oversee and assures sustainability performance and disclosures at AGEL.
- B. For development of the report, the Sustainability Reporting Team has been formed at all operating locations guided by Chief Sustainability Officer (CSO) at Corporate Office.
- C. Energy Management System and Integrated Management Systems covering Quality, Environment, Health and Safety has been adopted at all operating locations.
- D. Report is internally released to Apex Sustainability Committee, which is a group of functional heads and station heads, for review and comments before submission of report for Assurance by External Agency
- E. Sustainability performance and report is appraised to the “Sustainability and CSR Sub-Committee of BoD” and External Assurance for report contents is obtained before released in public domain through Company Website.



### 3.3. Commitment to UN Sustainable Development Goals (“SDGs”)

#### 3.3.1. Incorporation into Strategic Pillars

<sup>6</sup> (Pg.35) <https://www.adanigreenenergy.com/-/media/Project/GreenEnergy/Sustainability/latest-report.pdf>

<sup>7</sup> <https://www.adanigreenenergy.com/investors/board-and-committee-charters>

AGEL is committed to the UN Sustainable Development Goals (“SDGs”) and has incorporated them into the Strategic Pillars of our ESG Strategy<sup>8</sup>, namely

- (i) Role in Corporate Climate Action
- (ii) Corporate Citizenship & Enabling Social Transformation
- (iii) Responsible Business Practices



### Role in Global Climate Action

AGEL believes in the awareness of climate related issues. We have a dual approach to reduce our environmental footprint and preventing pollution throughout our business operations, with a vision to truly safeguard our natural resources and the surrounding environment.

As a measure to reduce our impact on environment, AGEL seeks to attain Carbon Neutrality, adopt Circular Economy and incorporate Water Conservation Initiatives at all its operational sites.



### Corporate Citizenship & Enabling Social Transformation

AGEL focuses on ensuring safety and well-being of those who are a part of our organization as well as the communities in and around our operational areas. The Human Rights of the cultural communities and corporate workforce are well preserved at AGEL.

AGEL imparts a wide range of training and development programs to build managerial competencies of the employees and aims to foster gender diversity with clear stipulations that forbid us of discrimination. We undertake community engagement through CSR activities for social and economic development of communities through rural development, education and skill development initiatives.



### Responsible Business Practices

AGEL believes that sustainability and corporate governance are intrinsically linked. Our path to sustainability is guided by code of conduct and ethics that ascertains accountability, business ethics, transparency and integrity. The company practices sustainability governance in compliance with IFC performance standard and UNGC Principles.



### 3.3.2. Alignment with Business targets

<sup>8</sup> (Pg.22) <https://www.adanigreenenergy.com/-/media/Project/GreenEnergy/Sustainability/latest-report.pdf>



To meet AGEL’s business targets, these SDGs have been prioritised at the core of the company’s business: ncrease the share of renewable energy (SDG 7), provide decent work and economic growth (SDG 8), develop innovative infrastructure to support economic development (SDG 9), contribute to the mitigation of climate-related risks (SDG 13):<sup>9</sup>

SDG	Targets
<p>Affordable and clean energy</p>	<p>7.1 Ensure universal access to affordable, reliable and modern energy services by 2030</p> <p>7.1 Significantly increase the share of renewable energy in the global energy mix by 2050</p> <p>7.3 Double the global rate of increase in energy efficiency by 2030</p>
<p>Decent work and economic growth</p>	<p>8.3 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities and equal value</p> <p>8.8 Protect labour rights and promote safe and secure working environment for all workers, including migrant workers, in particular, women migrants, and those in precarious employment</p>
<p>Industry, Innovation and Infrastructure</p>	<p>9.1 Develop high-quality, reliable, sustainable, and resilient infrastructure, including regional and cross-border infrastructure, to support economic development and human wellbeing, focusing on affordable and equitable access for all</p> <p>9.4 Modernise infrastructure and retrofit industries by 2030 to make them sustainable, with more efficient use of resources and increased use of clean and environmentally sound technologies and industrial processes, with each country acting according to its capacity</p>
<p>Climate action</p>	<p>13.1 Strengthen resilience and adaptability to climate-related hazards and natural disasters in all countries</p> <p>13.3 Improve education, awareness-raising, human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning</p>

#### 4. AGEL’s Renewable Energy Strategy

In line with AGEL’s sustainability purpose and goals in paragraphs 2 and 3 above, AGEL strives to generate and provide reliable power at competitive prices in a sustainable manner by optimizing the use of renewable energy resources with innovative eco-friendly technologies thereby contributing to the economic development of the nation, social upliftment of society and promoting a healthy environment.

In this process, AGEL shall strive to:

<sup>9</sup> Extract of diagram from pg 55 of <https://www.adanigreenenergy.com/-/media/Project/GreenEnergy/Sustainability/archives/AGEL-Integrated-Report-2019-20.pdf>

- 1) Contribute towards a clean and sustainable environment with respect to land, water and air;
- 2) Conserve resources by reduction, reuse and recycling;
- 3) Initiate and support measures to optimize usage of renewable energy and reduce greenhouse gas emissions;
- 4) Be transparent, ethical and fair to all stakeholders;
- 5) Be supportive in developing and enhancing people’s standard of living in and around the plants; and
- 6) Generate awareness, share knowledge and support training programs on sustainable development among the employees, neighboring communities and public at large.

## 5. ESG Guiding Principles

### 5.1. Commitment and Pledges

On 15<sup>th</sup> October, 2019, AGEL became a signatory of the United Nation Global Compact (“UNGC”), committing itself to supporting the ten principles of the UN Global Compact in human rights, labour, environment and anti-corruption. In May 2020, the company also committed to the Science Based Targets Initiative (“SBTi”)<sup>10</sup> and became a Task Force on Climate-related Financial Disclosures (“TCFD”) supporter<sup>11</sup>. In July 2020, AGEL became a signatory of the India Business & Biodiversity Initiative (“IBBI”). In April 2021, AGEL became a signatory to the GRI South Asia Charter on Sustainability Imperatives<sup>12</sup>. In December 2021, AGEL submitted a declaration on its commitment and alignment with SDGs 7, 9, and 13 to the committee of the Charter. The declaration was subsequently appraised and accepted, and AGEL qualified to be a Member of the GRI South Asia Charter on Sustainability Imperatives<sup>13</sup>.

Following COP26, AGEL made the following pledges under the UN Energy Compact<sup>14 15</sup> in November 2021:

- a) To develop and operate renewable energy generation capacity of 25 GW by 2025 and 45 GW by 2030
- b) To keep the average tariff below the Average Power Purchase Cost (“APPC”) at the national level
- c) To invest \$20 billion in low- and middle-income countries to pursue just and inclusive energy transition by 2030
- d) To provide reliable energy through renewable energy hybrid projects and to develop a 2 GW per year solar manufacturing capacity FY 2022-23.

### 5.2. Reporting and Disclosures

<sup>10</sup> <https://sciencebasedtargets.org/companies-taking-action>

<sup>11</sup> <https://www.fsb-tcf.org/supporters/>

<sup>12</sup> <https://www.globalreporting.org/media/au0i4jmp/gri-south-asia-consortium-and-corporate-members.pdf>

<sup>13</sup> <https://www.adanigreenenergy.com/newsroom/media-releases/Adani-Green-first-in-India-to-achieve-GRI-South-Asia-charter-member-status>

<sup>14</sup> <https://www.adanigreenenergy.com/newsroom/media-releases/Adani-companies-AGEL-and-ATL-declare-Energy-Compact-Goals-as-part-of-COP26>

<sup>15</sup> <https://www.un.org/en/energycompacts/page/registry#AdaniGreenEnergyLimited>

From FY19-20, ESG performance was reported in the Annual Integrated Report<sup>16</sup>. In FY20-21, AGEL published an externally assured Sustainability Report 2020-21, in line with the Global Reporting Initiative (“GRI”) standards<sup>17</sup>. Older versions of the Sustainability Report can be found on the AGEL website.<sup>18</sup>

In 2021, AGEL obtained a score of “B” in its Climate Change response to CDP<sup>19</sup>, an improvement from its former score in 2020 of “D”. Based on the CDP benchmarks, a “B” grade is above the Asia regional average of B-, and higher than the Renewable power generation sector average of C.<sup>20</sup>

### 5.3. ESG Ratings and Scores

AGEL obtained an ESG score of 66 out of 100 in the S&P Global Corporate Sustainability Assessment. On an individual dimension basis, AGEL scored 78, 75, and 44 for the environmental, social, and governance and economic categories, respectively. This places it ahead of the industry mean which scored 35, 33, and 33, in the same order of categories<sup>21 22</sup>.

### 5.4. ESG Initiatives

Along with 30 companies, AGEL backed The World Business Council for Sustainable Development’s (WBCSD) call to ensure that 65% of new vehicles sold in India are electric by 2030<sup>23</sup>.

## 6. Green Loan Framework

### 6.1. Scope and Purpose of the Framework

This Green Loan Framework (the “Framework”) is fully consistent with the Group’s sustainability strategy and has been established to support its development plan in renewable energy.

AGEL has designed this Green Loan Framework to align it with current best market practices. The Framework may be subsequently updated as green financing standards and the sustainable finance market evolve.

This Framework has been prepared in line with the four pillars of the Green Loan Principles 2021<sup>24</sup> (the “GLP”) as published by the International Capital Market Association (“ICMA”) and administered by the

<sup>16</sup> <https://www.adanigreenenergy.com/-/media/Project/GreenEnergy/Sustainability/archives/AGEL-Integrated-Report-2019-20.pdf>

<sup>17</sup> <https://www.adanigreenenergy.com/-/media/Project/GreenEnergy/Sustainability/latest-report.pdf>

<sup>18</sup> <https://www.adanigreenenergy.com/-/media/Project/GreenEnergy/Sustainability/archives/AGEL-Value-Creation-Report-2018-2019.pdf> and <https://www.adanigreenenergy.com/sustainability-downloads>

<sup>19</sup> (A) <https://www.cdp.net/en/responses/841759> and (B) [https://www.adanigreenenergy.com/-/media/Project/GreenEnergy/Sustainability/2020\\_Climate\\_Change\\_Adani\\_Green\\_Energy](https://www.adanigreenenergy.com/-/media/Project/GreenEnergy/Sustainability/2020_Climate_Change_Adani_Green_Energy)

<sup>20</sup> [https://www.adanigreenenergy.com/-/media/Project/greenenergy/Sustainability/CDP/2021\\_Climate\\_Change\\_Adani\\_Green\\_Energy](https://www.adanigreenenergy.com/-/media/Project/greenenergy/Sustainability/CDP/2021_Climate_Change_Adani_Green_Energy)

<sup>21</sup> <https://www.spglobal.com/esg/scores/results?cid=6577455>

<sup>22</sup> (A) <https://www.adanigreenenergy.com/newsroom/media-releases/Adani-Green-Energy-ramps-up-its-ESG-score> and (B) [https://www.spglobal.com/esg/csa/yearbook/files/spglobal\\_sustainability-yearbook-2021.pdf](https://www.spglobal.com/esg/csa/yearbook/files/spglobal_sustainability-yearbook-2021.pdf)

<sup>23</sup> <https://www.wbcd.org/Programs/Cities-and-Mobility/Transforming-Urban-Mobility/Mobility-Decarbonization/Coalitions/Resources/A-national-EV-ambition-in-India>

<sup>24</sup> The Green Loan Principles are administered by the Loan Markets Association and are available at: <https://www.lsta.org/content/green-loan-principles/>

Loan Market Association (“LMA”). The GLP are voluntary process guidelines that recommend transparency and disclosure and promote integrity in the development of the green loan market, by clarifying the approach to be followed for green loans.

This Framework is valid for the project finance loans that the Borrowers have entered into for the purposes of financing the Project (the “Green Loan”). As is usual for a project financed transaction, the Borrower for the Project is a dedicated project specific SPV which is designated by AGEL to undertake the financing on behalf of that Project. The Framework sets out how the Borrower proposes to use the proceeds which are consistent with the 4 key pillars which are described below in detail:

- (i) Use of Proceeds
- (ii) Process for Project Evaluation and Selection
- (iii) Management of Proceeds
- (iv) Reporting

## **6.2. Use of proceeds**

The net proceeds from the Green Loan will be applied exclusively to finance the construction of the Project and not for refinancing of any existing project. The current total capex spend is expected to be USD 430 mn. The Project is being constructed under a self EPC style (i.e. project management). AGEL has delivered similar solutions for its portfolio of solar and wind projects.

All proceeds under the commercial financing will be allocated to construction costs and expenses directly related to the development of the Project in line with the financial model. No funds raised under the Green Loan will be allocated to projects involving fossil fuel generation nor nuclear energy technology, equipment or infrastructure.

The Project promotes India’s Ministry of New and Renewable Energy (“MNRE”)’s policy for hybrids, which has additional benefits (over standalone solar or wind projects) such as optimal utilization of transmission infrastructure and land, reduced variability in renewable power generation, and better grid stability.

## **6.3. Process for Project Evaluation and Selection**

AGEL’s Board of Directors, who are responsible for AGEL’s business strategy, financial activities and sustainability goals have suitably determined the project financing requirements for the Green Loan as green financing and in alignment with AGEL’s goal of reducing carbon emissions in the environment by developing renewable energy projects.

AGEL ensures that all its Projects are fully in compliance with international and local environmental and social regulations and standards. The Borrower has conducted an Environmental Social Impact Assessment (“ESIA”) for the Project, which requires an implementation of an Environmental and Social Management Plan (“ESMP”), following the Equator Principles (“EP”). A third party verification review and assessment on the implementation of the EP standards was undertaken on behalf of the financiers to ensure that adequate measures are in place to mitigate any environmental and social risks for the entire lifecycle of the Project.

## **6.4. Management of Proceeds**

The proceeds of the Green Loan are to be used exclusively for the financing of the construction of the Project. The project finance structure is such that all facilities under the Finance Documents are applied

towards eligible costs for the purposes of constructing the Project.

As per project finance principles, the funds from all commercial facilities are monitored and confirmed that they are to be used for construction costs. Following drawdown, funds are deposited in designated project account. The project has been debt sized according to an approved financial model by the commercial lenders. Drawdown requests will be made in accordance with the debt sizing, and requests are approved by the Lenders Technical Advisor (the "LTA"), facility agent, and the lenders. In addition, AGEL has dedicated Finance and account Teams to monitor the funds and utilization of the same. The team has SAP system at backend which accounts for each of utilization of received proceeds. Each loan utilization request will be accompanied by a certificate from the Borrower confirming the construction costs are due and payable, and that the proposed utilization does not exceed the aggregate amount of construction costs anticipated in the budget. This request will be supported by a certificate from the Lenders Technical Advisor (the "LTA") confirming that the utilization request is reasonable and required for the Borrower to make payment towards construction costs. As part of the agreed compliance protocol, a certificate from an independent chartered accountant certifying the proceeds of the utilisation in conformity to the facility will be submitted post each drawdown by the Borrower, within 30 days of such drawdown. The LTA will also verify a construction report quarterly to report on the Project, including the actual expenditure vs projected expenditure in the construction budget.

Until such time as the relevant portion of the proceeds are paid to respective contractors, such amounts will be kept in temporary investment instruments that are cash or cash-equivalent instruments. The Borrower may invest the cash in line with permissible activities in the finance documentation.

As per the finance documentation, "Authorised Investments" are defined as follows.

**"Authorised Investments"** means the investments (including encashment, reinvestment and change in investment) in:

- a) Treasury bills or debt instruments or other securities issued by the Government of India or backed by full Government of India guarantee as provided for under the Indian Trusts Act, 1882;
- b) Deposits with or certificates of deposits issued by scheduled commercial banks or any financial institution, having a minimum rating of AA+ or an equivalent rating by any rating agency in India;
- c) Open ended debt-backed or fixed return schemes, having a minimum rating of AAA or an equivalent rating by any rating agency in India, of mutual funds registered with SEBI having a period of at least two years; and
- d) Any other instrument/investment expressly approved in writing by the relevant Security Trustee.

In none of the cases, the temporary parking of funds shall be utilised for any investments into any instrument which shall be exposed to risk of fossil fuel related businesses and/or funds.

## 6.5. Reporting

As is usual for a project financed transaction, the Borrower will have the following ongoing reporting obligations under the finance documentation:

### *Construction and Operations*

There are two phases to a greenfield project: construction phase (prior to the project achieving commercial operations), and the operational phase (after the project has achieved commercial operations).

- (i) **Construction Reports:** These will be produced every month during the construction phase of the Project. It will be produced by the Borrower, and delivered to the lenders, as well as the LTA. The reports will include (amongst other things) a summary of the status of the construction progress and the use of funds in line with the project construction budget. This will be provided until the loan

is fully drawn (full allocation).

- (ii) **Operational Reports:** Once the Project is fully operational, the Borrower is obliged to produce operational reports semi-annually. These will be provided to the lenders and the LTA. These will include (amongst other things) impact indicators:
  - (A) MW of contracted capacity;
  - (B) MWh of energy produced or delivered;
  - (C) Avoided GHG emissions.

#### *Environmental and Social Obligations*

The Borrower has appointed Arcadis as the lenders' advisor to undertake an Environmental and Social Impact (ESIA) study of the Project in accordance with IFC's Performance Standards, Equator Principles, World Bank Group's EHS Guidelines and applicable sector guidelines and national environmental laws and regulations. The outcomes of the ESIA are used to formulate an Environment and Social & Management Plan (ESMP) which recommends measures for addressing and managing the potential social and environmental impacts and risks. To implement the ESMP, an Environmental and Social Action Plan (ESAP) has been developed outlining the specific mitigation measures for each of the identified environmental and social impacts, with timeframes under which the steps need to be taken. An environmental and social due diligence report (ESDD) has also been undertaken by ACEOM to conduct an independent third-party review in respect of the ESIA and its recommendations.

To implement and monitor the Project's environmental and social risks, the Borrower has committed to the following reporting obligations under the finance documentation:

- (iii) **Environmental and Social Monitoring Reports:** these reports will be produced quarterly during the construction phase and semi-annually during the operational phase. The reports shall include (1) a summary of the ongoing environmental and social compliance of the Project with prevailing laws, regulations, standards, permits, and (2) a summary of the Borrower's implementation of its ESMP and ESAP (discussed above).

The Construction, Operating and Environmental and Social Reports in (i), (ii) and (iii) above shall be shared with the Project's commercial lenders and will not be made public. This is in accordance with the finance documentation and in line with project finance principles.

#### **6.6. Verification**

This Framework has been reviewed by [●] who provided a Second Party Opinion (the "SPO"), confirming the alignment with the Green Loan Principles, 2021 (where applicable).

The SPO report will be published on the AGEL and/or Borrower's website.