

Tokyo Gas Co., Ltd.

For Green bond eligibility for pre-issuance

DNV GL Verification Report



Oct. 2020 (Rev 0)

DNV GL Business Assurance Japan K. K.

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Revision history

Revision number	Issue Date (dd/mm/yyyy)	Remarks
Rev. 0	24/10/2020	Initial

Executive Summary

Tokyo Gas Co., Ltd. (hereinafter “Tokyo Gas” or “Issuer”) plans to issue a green bond to raise funds for projects related to the development, construction, operation and renovation of renewable energy. Based on the contract with Tokyo Gas, DNV GL Business Assurance Japan Co., Ltd. (hereinafter “DNV GL”) has conducted verification that the Tokyo Gas Green Bond Framework revision (hereinafter “Framework”), which is formulated by Tokyo Gas, and the planned green bond meet the Climate Bonds Standard V3.0 (hereinafter “CBS”) defined by Climate Bonds Initiative (hereinafter “CBI”) . As a result, based on the limited assurance procedures conducted by DNV GL, nothing has come to our attention that causes us to believe that the green bond is not, in all material respects, in compliance with the requirements of the CBS and the associated sector technical criteria. The following is an overview of the assessment results for the four elements indicated in the Green Bond Principles 2018 (hereinafter referred to as “GBP”) and Green Bond Guidelines 2020 (hereinafter “GBGLs”) which are also the four elements of the CBS:

1. Use of Proceeds:

Framework defines eligible criteria for the use of proceeds as “renewable energy”. This is in line with the eligible Green Project categories described in the GBP, GBGLs. Specifically, the proceeds are planned to be used for financing (new investment) and refinancing for solar PVs. This project are expected to have clear environmental benefits and contribute to “Compass 2020”, which is being promoted by Tokyo Gas, against to the global warming, as well as the UN “Sustainable Development Goals”.

2. Process for Project Evaluation and Selection:

Tokyo Gas has formulated both the “Environmental Policies” and “Environmental Goals” for environmental sustainability. The evaluation and selection of green projects are finalized by the accounting department through an appropriate internal determination process at the relevant department of the issuer. Specifically, the department responsible for projects related to renewable energy evaluates and selects green project candidates based on the eligibility criteria, and the accounting department reviews their conformity. These processes are consistent with the CBS, GBP and GBGLs.

3. Management of Proceeds:

The net proceeds are managed by the accounting department with the internal accounting system, etc that can track them at any time. The net proceeds are managed so as not to exceed the total amount of new investment/refinance of the nominated projects and assets. Unallocated proceeds will be managed as cash or cash equivalents in accordance with the issuer’s internal rules, including internal accounting procedures, until they are fully allocated to the nominated project and assets. These are aligned with the CBS, GBP and GBGLs.

4. Reporting:

Tokyo Gas plans to report on the status of the bond proceeds allocated in its website, until the bond proceeds are fully allocated. This includes the balance of the amount of unallocated proceeds, the allocated amount of the proceeds, and the approximate amount (or percentage of the portion) of proceeds that have been used for refinancing. Tokyo Gas also plans to disclose indicators, with respect to environmental benefits, as the solar PVs capacity (MW) and electricity generation amount (kWh) and CO₂ emission reductions (t-CO₂). Tokyo Gas discloses its Framework in its website. These are aligned with the CBS, GBP and GBGLs.

In addition, Tokyo Gas plans to engage DNV GL for post-issuance verification required by CBS.

I Introduction

i. About the Issuer

Tokyo Gas Co., Inc. (hereinafter “Tokyo Gas” or “Issuer”) was originally founded in 1885 and became incorporated in 1893 .Tokyo Gas and its affiliated companies consist of 194 companies (Head office, 112 subsidiaries, and 81 affiliated companies, as of Sep 2020) and are engaged in gas business, electric power business, overseas business, energy-related business, real estate business, and other businesses.

The Tokyo Gas Group will enhance its social and financial value by tackling social challenges through our business activities, and we will strive to contribute to the sustainable development of society going forward by realizing an enduring corporate management.

● Environmental Policies

Philosophy

The Tokyo Gas Group will promote more sustainable ways of energy use to contribute to the protection of regional and global environments as well as to the sustainable development of society.

Policies

1. Reduction of the Environmental Impact of Customers' Energy Use
2. Reduction of the Total Environmental Impact of Tokyo Gas's Business Operations
3. Strengthening of Environmental Partnerships with Local and International Communities
4. Promotion of Green Technology R&D Programs
5. Biodiversity Conservation and Sustainable Use
6. Compliance with Environmental Law and Fulfillment of Social Responsibilities

● Environmental Goals

- (1) Strive toward Net-Zero CO₂ emissions
- (2) Promote environmental value co-creation
- (3) Develop a resource-efficient recycling society
- (4) Cultivate positive stakeholder relationships regarding the environment



Tokyo Gas Group established its management vision “Compass2030” which is back-casted from 20-year ahead and 30-year ahead, and new mid-term management plan (FY2020-FY2022) as action basis for recognition market circumstance to achieve its sustainable growth and expansion. Tokyo Gas Group also established its challenges CO₂ net zero strategy including its client’s activities by providing solution combined natural gas and renewable energy, prospective new technology promotion and utilization. Tokyo Gas Group conducted to improve its balance structures to create growth resources and to strengthen its foundation.

ii. About Green Bond Framework

Tokyo Gas intends to issue the green bond to let its stakeholder understand Tokyo Gas activities against the environment issues and to achieve decarbonized society. Tokyo Gas has formulated the Green Bond Framework (hereinafter “Framework”) as part of its activities in line with its management plan “Compass2030” and mid term management plan. Using this framework, Tokyo Gas plans to issue green bonds (hereinafter “BOND”) to raise funds to realize projects that are expected to have environmental benefits. The funds raised by green bond will be allocated to green projects in accordance with the following eligible Green Project categories Framework will be disclosed in Tokyo Gas’s web site.:






- **Renewable energy**

(Solar PVs projects including development, construction, operation and renovation and other related expenditure)

Tokyo Gas intends to contribute UN Sustainable Development Goals (SDGs) through its green bond and its business materiality ^{*1*2}. Renewable energy business (Solar PVs project) in the Climate Change Countermeasure as a materiality and use of proceeds in this green bond aligning CO₂ net zero challenge and Climate change actions are thought to be contribution to SDGs directly and indirectly.

Tokyo Gas Group SDGs contribution activities

* SDGs related to the renewable energy expansion business

Tokyo Gas Group SDGs contribution activities	SDGs		
Climate Change Countermeasures including the renewable energy business (Solar PVs projects) for the use of proceeds of the green bond	Target 7	Affordable and Clean Energy	
	Target 9	Industry, Innovation and Infrastructure	
	Target 11	Sustainable Cities and Communities	
	Target 13	Climate Action	
	Target 17	Partnerships for the Goals	

*1 : Tokyo Gas Sustainability web site

<https://tokyo-gas.disclosure.site/en/>

*2: Tokyo Gas Sustainability Report 2019

https://s3-ap-northeast-1.amazonaws.com/sustainability-cms-tokyogas-s3/pdf/en/1170/01/e-sr2019_all.pdf

(2020, published only in Japanese)

<https://s3-ap-northeast-1.amazonaws.com/sustainability-cms-tokyogas-ja-s3/pdf/report/ja/2020/sr2020.pdf>

II Scope and Objectives

The issuer commissioned DNV GL Business Assurance Japan Co., Ltd. (hereinafter “DNV GL” or “we”) to conduct verification for its green bond eligibility for pre-issuance requirements against Climate bond Standards version 3.0 (hereinafter “CBSv3.0”) determined by Climate Bond Initiative (hereinafter CBI). As an approved verifier, DNV GL's purpose of the revision of pre-issuance verification is to verify that the green bond (hereinafter “BOND”) and the candidates of the green projects are aligned with Climate CBS and the following sector eligibility criteria (Solar energy in this revision 2.1). DNV GL conducts verification considering that CBS is fully aligned with GBP and GBGLs* (hereinafter “CBS and the related requirements”).

- Climate Bonds Standard & Certification Scheme Sector Criteria for Solar (version 2.1)

DNV GL holds no other engagements with the Issuer, including its direct shareholders, for which we foresee conflict of interest to carry out the Scope of Work as defined in the agreement agreed with the Issuer. In this paper, no assurance is provided regarding the financial performance of the BOND, the value of any investments in the BOND, or the long-term environmental benefits of the transaction.

GBGLs : Ministry of Environment Japan revised 2020 version in March 2020 from 2017 version. It additionally includes checklists for conformance of the green bond eligibility

III Responsibilities of the Management of the Issuer and DNV GL

The management of the Issuer has provided the information and data used by DNV GL during the delivery of this review. DNV GL's statement represents an independent opinion and is intended to inform the Management of the Issuer and other interested stakeholders in the BOND as to whether the established criteria have been met, based on the information provided to us. In our work we have relied on the information and the facts presented to us by the Issuer.

DNV GL is not responsible for any aspect of the candidate projects and assets referred to in this opinion and cannot be held liable if estimates, findings, opinions, or conclusions are incorrect. Thus, DNV GL shall not be held liable if any of the information or data provided by the Management of the Issuer and used as a basis for this assessment were not correct or complete.

IV Basis of DNV GL's opinion

To provide as much flexibility as possible for the issuer, DNV GL has applied our green bond assessment methodologies, which incorporates the requirements of the GBP, CBS and GBGLs, to create the Issuer-specific Green Bond Eligibility Assessment Protocol (hereinafter "DNV GL's Protocol"). The DNV GL's Protocol has the capacity for potential application of green bonds under the CBS, GBP and GBGLs (please see Schedule-2 of this report in details).

DNV GL's Protocol includes a set of suitable criteria that can be used to underpin DNV GL's opinion. The overarching principle and guidelines behind the criteria are that a green bond should "enable capital-raising and investment for new and existing projects with environmental and social benefits".

As per DNV GL's Protocol, the criteria against which the BOND has been reviewed are grouped under the four Principles:

- **Principle One: Use of Proceeds.** The Use of Proceeds criteria are guided by the requirement that an issuer of a green bond must use the funds raised to bond eligible activities. The eligible activities should produce clear environmental benefits.
- **Principle Two: Process for Project Evaluation and Selection.** The Project Evaluation and Selection criteria are guided by the requirements that an issuer of a green bond should outline the process it follows when determining eligibility of an investment using green bond proceeds, and outline any impact objectives it will consider.
- **Principle Three: Management of Proceeds.** The Management of Proceeds criteria are guided by the requirements that a green bond should be tracked within the issuing organization, that separate portfolios should be created when necessary and that a declaration of how unallocated funds will be handled should be made.
- **Principle Four: Reporting.** The Reporting criteria are guided by the recommendation that at least Sustainability Reporting to the bond investors should be made of the use of bond proceeds and that quantitative and/or qualitative performance indicators should be used, where feasible.

V Work Undertaken

Our work constituted a high level of review of the available information, based on the understanding that this information was provided to us by the Issuer in good faith. We have not performed an audit or other tests to check the veracity of the information provided to us. The work undertaken to form our opinion included:

i. Pre-Issuance verification

- Creation of the Issuer-specific DNV GL's Protocol;
- Assessment of evidential documents provided by the Issuer before issuance of the BOND, and supplemental assessment with desk review from a higher perspective;
- Interview with key personnel of the Issuer, and review of the relevant documentation; and
- Reporting of findings against each element of the eligibility criteria

ii. Post-issuance verification (*it is not included in this report)

- Assessment of evidential documents provided by the Issuer after issuance of the BOND, and supplemental assessment by desk review from a higher perspective;
- Interview with key personnel of the Issuer, and review of the relevant documentation;
- Field survey and inspection, if necessary;
- Review of the candidate projects and assets at the time of the post-issuance verification, including updating the list of them in Schedule-1; and
- Reporting of findings against each element of the eligibility criteria at the post-issuance verification

These have been used as direct sources of evidence for the verification conclusions, and are also further checked, as considered appropriate, through interviews with key personnel.

VI Findings and DNV GL's opinion

DNV GL conducted the verification in accordance with ISAE3000 (Assurance engagements other than audits or review of historical financial information). The verification included: i) checking whether the provisions of the CBS were consistently and appropriately applied and ii) the collection of evidence supporting the verification.

DNV GL's verification approach draws on an understanding of the risks associated with conforming to the CBS and the controls in place to mitigate these. DNV GL planned and performed the verification by obtaining evidence and other information and explanations that DNV GL considers necessary to give limited assurance that the BOND meet the requirements of the CBS. In addition, since the conformity to GBP and GBGLs of the BOND can be related to the conformity to CBS, the verification results are summarized in one form as described below. The Findings and DNV GL's opinion are as follows:

1. Use of Proceeds

DNV GL confirmed that the net proceeds are planned to be allocated to projects related to the development, construction, operation and renovation of "Solar Energy" such as solar PV projects. We also confirmed that the current green project candidates (not formally nominated yet) include solar PV power generation as both finance and refinance. They are listed in Schedule-1 in this report.

solar energy projects has been confirmed to dedicated electricity generation from solar energy resources without back up electricity generation and combined/hybrid of fossil fuel electricity generation which conform CBS criteria. DNV GL understands that these project activities are aligned with the relevant sector eligibility criteria of CBS as below:

- Climate Bonds Standard & Certification Scheme Sector Criteria for Solar (version 2.1)

Criterion 1 : Eligible Project & Assets relating to solar energy generation shall be projects or assets that operate or are under construction to operate in one or more of the following activities:

Criterion 2 : Non-solar fuel use (Eligible Project & Assets that have activities in solar electricity generation facilities or solar thermal facilities shall have a minimum of 85% of electricity generated from solar energy resources)

All net proceeds are used for financing (new investment) or refinancing in green projects. These projects are expected to have clear environmental benefits as CO₂ emission reduction project which also contribute to promote "Compass2030", as well as the UN "Sustainable Development Goals".

All these aspects are considered that the candidate green projects are aligned with one of eligible green project categories specified in the CBS, GBP and GBGLs.

2. Process for Project Evaluation and Selection

The Issuer has formulated the “Environmental Policies” and “Environmental Goals” based on “Management Philosophy” and has set goals to be achieved for environmental sustainability. Through the review, DNV GL confirmed that the green project candidates listed in Schedule-1 are aligned with the Issuer’s “Environmental Policies” and “Environmental Goals”.

In addition, the Issuer has defined the whole processes for project evaluation and selection for eligible green projects, in accordance with its business practices using conventional internal controls in the company. Specifically, the division/department responsible for projects related to renewable energy evaluates and selects green project candidates based on the eligibility criteria, the accounting department reviews their conformity. DNV GL confirmed through verification activities that the evaluation and selection of green projects are finalized by the Board of Directors through an appropriate internal determination process.

Project evaluation and selection process is considered to comply environmental laws, regulations and rules, and clear CO₂ environmental benefit such as CO₂ emission reduction during project life cycle and its each process. The project operation is implemented by the related department with preservation of surrounding area environment.

The issuer takes CBS and the related requirements into consideration seriously when evaluating and selecting projects. Therefore, it was confirmed that these processes are aligned with the CBS.

3. Management of Proceeds

DNV GL has reviewed how the issuer can track and manage allocation of the net proceeds until they are fully allocated. The details are as followings:

- Management of the net proceeds is performed in the internal accounting system, etc by accounting department. Unallocated proceeds are managed as cash or cash equivalents until they are fully allocated to the nominated projects and assets.
- At the stage of allocation, the accounting department confirms whether each notice of investment selected by relevant department matches the eligible project, and the actual expenditure is tracked and managed in the internal accounting system, etc. The amount of unallocated proceeds is confirmed at least every quarter period, and managed that the total amount of new investment/refinance of the nominated projects and assets is to be no less than the total amount of the BOND until the proceeds is fully allocated.
- The financial records related to cash management are retained for at least redemption period in accordance with the Issuer's internal document control procedures.

As a result, DNV GL confirmed that the Issuer's methodology to manage the total amount of net proceeds is appropriate and it is aligned with the CBS and the related requirements.

4. Reporting

DNV GL confirmed that the specific reporting requirements of the BOND including proceeds allocation progress and environmental benefit until fully allocated will be disclosed in Issuer's website. The scope of reporting includes the balance of the amount of unallocated proceeds, the allocated amount of the proceeds, and the approximate amount (or percentage of the portion) of proceeds that have been used for refinancing. The Issuer also plans to disclose indicators, with respect to environmental benefits, as below:

- Renewable energy sub-category and its capacity (MW)
- Renewable energy sub-category and its electricity generation (kWh)
- Renewable energy sub-category and its CO₂ emission reduction (t-CO₂)

These are aligned with the CBS and the related requirements. In addition, the Issuer plans to prepare for post-issuance verification by DNV GL to ensure that the green bond complies with the key elements of the above-mentioned principles and guidelines.

As a result, based on the limited assurance procedures conducted by DNV GL, nothing has come to our attention that causes us to believe that the green bond is not, in all material respects, in compliance with the requirements of the CBS and the related requirements and the associated sector technical criteria.

DNV GL Business Assurance Japan K.K.

24th Oct 2020



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About DNV GL

Driven by our purpose of safeguarding life, property and the environment, DNV GL enables organisations to advance the safety and sustainability of their business. Combining leading technical and operational expertise, risk methodology and in-depth industry knowledge, we empower our customers' decisions and actions with trust and confidence. We continuously invest in research and collaborative innovation to provide customers and society with operational and technological foresight.

With our origins stretching back to 1864, our reach today is global. Operating in more than 100 countries, our 16,000 professionals are dedicated to helping customers make the world safer, smarter and greener.

Schedule-1. List of green project candidates

Following nominated projects in the table (Project outline and Remarks, capacity and commercial operation, etc) have been confirmed those eligibility as of Oct 2020. In case that new green projects are nominated in the future, the issuer will additionally evaluate its conformity against CBS and the related requirements including eligible criteria in the following table and if need, DNV GL will verify them.

No.	Category	Sub Category	Eligible Criteria	Funded Amount (Plan)	Nominated Projects
1	Renewable Energy	Solar PVs	Climate Bonds Standard & Certification Scheme Sector Criteria for Solar (version 2.1) Criterion 1 : Eligible Project & Assets relating to solar energy generation shall be projects or assets that operate or are under construction to operate in one or more of the following activities: Criterion 2 : Non-solar fuel use (Eligible Project & Assets that have activities in solar electricity generation facilities or solar thermal facilities shall have a minimum of 85% of electricity generated from solar energy resources)	10.0b-JPY*	Project Annaka Solar PVs Capacity : 63MW Location : Annaka-city, Gunma Commercial ope. : from Jan. 2020 Project Aktina Solar PVs Capacity : 630MW Location : Texas, USA Commercial ope. : FY 2021(plan)

*Net proceeds from the BOND will be allocated to the nominated eligible projects

Schedule-2. Green Bond Eligibility Assessment Protocol

Following GBP-1~GBP-4 are set by DN GL as DNV GL green bond eligibility protocol based on CBS, GBP and GBGLs common 4 core components.

GBP-1 Use of proceeds

#	Criteria	Requirements/Contents	Work Undertaken	DNV GL Findings
1a	Type of bond	The bond must fall in one of the following categories, as defined by the Green Bond Principles: <ul style="list-style-type: none"> • Green Use of Proceeds Bond • Green Use of Proceeds Revenue Bond • Green Project Bond • Green Securitized Bond 	<ul style="list-style-type: none"> • Interviews with stakeholders • Document review (see appendix) 	The BOND falls into the category below: <ul style="list-style-type: none"> • Green Use of Proceeds Bond
1b	Project Categories	The cornerstone of a Green Bond is the utilization of the proceeds of the bond which should be appropriately described in the legal documentation for the security.	<ul style="list-style-type: none"> • Interviews with stakeholders • Document review (see appendix) 	It was confirmed through the legal documents related to the BOND document (ex. Amendment to Shelf Registration Statement draft) that the all the net proceeds are allocated to financing (new investment) or refinancing for projects related to development, construction, operation, renovation and its related expenses for renewable energy.
1c	Environmental benefits	All designated Green Project categories should provide clear environmentally sustainable benefits, which, where feasible, will be quantified or assessed by the issuer.	<ul style="list-style-type: none"> • Interviews with stakeholders • Document review (see appendix) • 	It was confirmed that the green project will contribute to reduce CO ₂ emissions, and the environmental benefits are reported annually.
1d	Refinancing share	In the event that a proportion of the proceeds may be used for refinancing, it is recommended that issuers provide an estimate of the share of financing vs. re-financing, and where	<ul style="list-style-type: none"> • Interviews with stakeholders 	It was confirmed through interview with the personnel of the Issuer that the approximate amount (or percentage of the portion) of the

#	Criteria	Requirements/Contents	Work Undertaken	DNV GL Findings
		appropriate, also clarify which investments or project portfolios may be refinanced.	<ul style="list-style-type: none"> • Document review (see appendix) • 	proceeds for refinancing are disclosed through a update report (annual reporting).

GBP-2 Process for Project Evaluation and Selection

#	Criteria	Requirements/Contents	Work Undertaken	DNV GL Findings
2a	Investment -decision process	<p>The issuer of a Green Bond should outline the decision-making process it follows to determine the eligibility of projects using Green Bond proceeds. This includes, without limitation:</p> <ul style="list-style-type: none"> • A process to determine how the projects fit within the eligible Green Projects categories identified in the Green Bond Principles; • The criteria making the projects eligible for using the Green Bond proceeds; and • The environmental green objectives 	<ul style="list-style-type: none"> • Interviews with stakeholders • Document review (see appendix) 	It was confirmed through document review and interview with the personnel of the Issuer that processes to determine the eligibility of the project that use the proceeds from the BOND have been clearly described in the framework.
2b	Issuer's environmental governance framework	In addition to information disclosed by an issuer on its Green Bond process, criteria and assurances, Green Bond investors may also take into consideration the quality of the issuer's overall framework and performance regarding environmental sustainability.	<ul style="list-style-type: none"> • Interviews with stakeholders • Document review (see appendix) 	It was confirmed through document review and interview with the personnel of the Issuer that the candidate green projects evaluation and selection process is considered to comply environmental laws, regulations and rules, and clear CO ₂ environmental benefit such as CO ₂ emission reduction during project life cycle and its each process. The project operation is implemented by the related department with considering preservation of surrounding area environment.

GBP-3 Management of proceeds

#	Criteria	Requirements/Contents	Work Undertaken	DNV GL Findings
3a	Tracking procedure-1	The net proceeds of Green Bonds should be credited to a sub-account, moved to a sub- portfolio or otherwise tracked by the issuer in an appropriate manner and attested to by a formal internal process that will be linked to the issuer's lending and investment operations for Green Projects.	<ul style="list-style-type: none"> • Interviews with stakeholders • Document review (see appendix) 	It was confirmed through document review and interview with the personnel of the Issuer that the net proceeds can be tracked by the Issuer's internal accounting system, etc. and ensured by confirmation with the Issuer's internal accounting system and individual accounting documents through verification.
3b	Tracking procedure-2	So long as the Green Bonds are outstanding, the balance of the tracked proceeds should be periodically reduced by amounts matching eligible green investments or loan disbursements made during that period.	<ul style="list-style-type: none"> • Interviews with stakeholders • Document review (see appendix) 	It was confirmed through document review and interview with the personnel of the Issuer that the Issuer plans to review the balance of the tracked proceeds at least quarter period in order to be reduced by amounts matching eligible green investments.
3c	Temporary holdings	Pending such investments or disbursements to eligible Green Projects, the issuer should make known to investors the intended types of temporary investment instruments for the balance of unallocated proceeds.	<ul style="list-style-type: none"> • Interviews with stakeholders • Document review (see appendix) 	It was confirmed through document review and interview with the personnel of the Issuer that the balance of the unallocated amount is recognized sequentially through the Issuer's accounting system operation procedure and actual documents, etc. In addition, it was confirmed that the balance of unallocated proceeds is disclosed through update report (annual reporting)..

GBP-4 Reporting

#	Criteria	Requirements/Contents	Work Undertaken	DNV GL Findings
4a	Periodical reporting	In addition to reporting on the use of proceeds and the temporary investment of unallocated proceeds, issuers should provide at least annually a list of projects to which Green Bond proceeds have been allocated including - when possible with regards to confidentiality and/or competitive considerations - a brief description of the projects and the amounts disbursed, as well as the expected environmentally sustainable impact.	<ul style="list-style-type: none">• Interviews with stakeholders• Document review (see appendix)	It was confirmed through document review and interview with the personnel of the Issuer that the issuer reports on the BOND annually (update report) and disclose the status of the amount of the allocated proceeds, funded eligible projects and its environmental benefit until at least the allocation of the proceeds is fully completed.

Schedule 3 CBS v3.0 requirement/criteria

Summary criteria for assertions of compliance with the CBS v3.0

The criteria against which the relevant projects and assets have been reviewed prior to their inclusion of eligible projects and assets for the BOND are grouped under the requirements as detailed within the CBS v3.0 and associated Sector Technical Criteria. These requirements in Part A ~ Part C broadly include following tables.

As a result, based on the limited assurance procedures conducted by DNV GL, nothing has come to our attention that causes us to believe that the green bond is not, in all material respects, in compliance with the requirements of the CBS and the related requirements and the associated sector technical criteria.

Part A: Pre-Issuance Requirements

Scope	Requirements
1. Use of Proceeds	Net proceeds of the bond must be allocated to nominated projects and assets.
2. Process for Evaluation and Selection of Projects & Assets	A decision-making process shall be maintained to determine the continuing eligibility of the nominated projects and assets.
3. Management of Proceeds	The net proceeds of the bond shall be credited to a sub-account, moved to a sub-portfolio or otherwise identified in an appropriate manner, and documented.
4. Reporting Prior to Issuance	There are specific requirements in respect of reporting on use of proceeds and list of nominated projects and assets, finance/refinance plan, management process of unallocated proceeds, selected criteria, information related to Update report (annual report), and Framework which shall be disclosed.

Part B: Post-Issuance Requirements *this section is not included in this report (pre-issuance verification).

Scope	Requirements
1. Use of Proceeds	Net proceeds of the bond must be allocated to nominated projects and assets. Nominated Projects & Assets shall not be nominated to other Certified Climate Bonds and Loans. The Net Proceeds of the Bond shall be no greater than the Issuer's total investment exposure or debt obligation to the Nominated Projects & Assets.
2. Process for Evaluation and Selection of Projects & Assets	A decision-making process shall be maintained to determine the continuing eligibility of the nominated projects and assets.
3. Management of Proceeds	The net proceeds of the bond shall be credited to a sub-account, moved to a sub-portfolio or otherwise identified in an appropriate manner, and documented.
4. Reporting	The Issuer shall prepare an Update Report at least annually while the Bond remains outstanding. The Update report shall include amounts allocated, impact reporting of environmental aspects, information of the projects and assets. This information shall be provided to the verifier and to the CBS board to support the assessment of conformance with the CBS.

Part C: Eligibility of Projects & Assets

Scope	Requirements / Criteria
9. Climate Bonds Taxonomy	Nominated projects and assets shall fall into one or more of the investment areas listed as included in the Climate Bonds Taxonomy
10. Sector Eligibility Criteria	<p>Nominated Projects & Assets shall meet the specific eligibility requirements provided in the relevant Sector Eligibility Criteria documents.</p> <p>Followings are outline of the sector criteria against the verification</p> <p>(1) Solar Energy</p> <ul style="list-style-type: none"> • <u>Climate Bonds Standard & Certification Scheme Sector Criteria for Solar (version 2.1)</u> <ul style="list-style-type: none"> <u>Criterion 1</u> : Eligible Project & Assets relating to solar energy generation shall be projects or assets that operate or are under construction to operate in one or more of the following activities: <u>Criterion 2</u> : Non-solar fuel use (Eligible Project & Assets that have activities in solar electricity generation facilities or solar thermal facilities shall have a minimum of 85% of electricity generated from solar energy resources)