



**VENA
ENERGY**

GREEN FINANCING FRAMEWORK

November 2022



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1. Overview

Vena Energy (the “Company”) is a Singapore-based renewable energy company in the Asia-Pacific region, with 67 corporate and site offices across Japan, North Asia & Australia, Southeast Asia, and India.

Vena Energy is committed to decarbonizing the economy and contributing to the fight against climate change and the preservation of natural resources through the generation of wind and solar energy and the provision of clean energy storage capacity. Vena Energy’s corporate mission is to accelerate the energy transition across the Asia-Pacific region, and we place the sustainable and affordable development of renewable energy solutions at the centre of our strategy.

Founded in 2012, Vena Energy made its first investment in the same year into 10 solar projects across Thailand and has since built a portfolio¹ comprised of:

- 74 operating assets with a gross capacity of 2.5GW;
- 32 construction and contracted projects with a gross capacity of 2.3GW;
- More than 100 projects under development with a gross capacity of 30.0 GW.

The Company is focused on the engineering, development, investment and operations of utility-scale solar and wind projects and energy storage, with more than 800 permanent staff across key functions led by a qualified senior management team with an average of approximately 23 years of relevant experience. Vena Energy has internalized capabilities to deliver the whole renewable energy project lifecycle, including origination, development, construction, and operational activities. The Company also centralizes its intellectual property with respect to resource assessment, system design, equipment procurement, construction management and operations and maintenance (“O&M”) services.

The Company’s corporate governance is overseen by board-appointed committees, which include:

- Investment Committee: overseeing Vena Energy’s investment activities, aligning investments with our corporate and climate strategy and evaluating the effectiveness of investment decisions
- Audit and Risk Committee: providing independent oversight and monitoring Vena Energy’s audit, compliance, internal controls and risk related functions and processes.
- Remuneration Committee: assisting the Board in relation to remuneration, succession planning and related matters.
- Sustainability Committee: governing Vena Energy’s sustainable investment matters including oversight of environmental, social and risk management and corporate responsibility and investment initiatives and of implementation of the Company’s Green Financing Framework

1.1. Sustainability

Sustainability remains the centerpiece of Vena Energy’s corporate strategy. Respecting the natural environment, empowering our people and communities, and conducting business in an ethical and transparent manner creates a virtuous cycle which facilitates the delivery and execution of our renewable energy projects and helps us realise our mission to accelerate the energy transition across the Asia-Pacific region.

Vena Energy’s Board sets our sustainability strategic direction and provides oversight through the Sustainability Committee (the “Sustainability Committee” or the “Committee”). The Committee’s responsibilities are to plan, execute, monitor, measure, report and improve Vena Energy’s realization of sustainability-related initiatives, including climate risk assessment and related strategy formulation. The Committee oversees the company’s environmental and social risk management, CSR initiatives and implementation of Vena Energy’s Green Financing Framework. The Committee further monitors the positive impact of Vena Energy’s business activities, ensuring we are meeting our sustainability goals and ambitions. The Committee is chaired by the Chief Executive Officer and is comprised of 7 members of senior management representing each key function including:

- the Chief Executive Officer (Committee Chair)
- the Head of Sustainable Finance, who also act as deputy chairperson
- the Chief Financial Officer

¹ As at 30 June 2022.

- the Chief Operating Officer
- the Chief Human Resources Officer
- the General Counsel
- one of Vena Energy's Country Heads, on a rotational basis

Vena Energy's business model is aligned with the 17 United Nations Sustainable Development Goals ("SDG"), particularly SDG 3, 4, 5, 7, 8, 9, 13,15 and 16 – described below.

Sustainable Development Goals



Goal 3: Ensure healthy lives and promote well-being for all at all ages

We view any potential risk to the health and safety of our employees and host communities seriously and aim to provide a safe and healthy environment for all. Providing quality healthcare in our host communities is also a primary focus area of our CSR activities.



Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

We believe in building and maintaining a sustainable workforce by educating and empowering our employees through on-the-job training and self-development programs. We also look to enable the progression and development of our host communities via education initiatives.



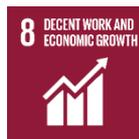
Goal 5: Achieve gender equality and empower all women and girls

We believe in equal opportunity and respect in our workforce and strive to provide a safe, nurturing workplace where all our people can achieve their full potential. We strive to reach gender equality within Vena Energy in the next decade and be a positive influence towards equal gender representation in the renewable energy industry.



Goal 7: Ensure access to affordable, reliable, sustainable and modern energy for all

We aim to ensure the affordability of clean renewable energy projects by constantly striving to be the most cost-effective renewable energy developer and operator in the region, whilst striving for excellence in our sustainability and ESG practices.



Goal 8: Ensure Decent Work and Economic Growth

We support local employment by creating job opportunities for the members of our host communities through the construction and operation activities of our renewable energy projects.



Goal 9: Be a leader in technological innovation

We promote long-term solutions to environmental challenges through the deployment of renewable energy and invests in the development of related technologies such as energy storage. We encourage innovation and collaboration in the renewable energy industry by way of knowledge sharing with our industry peers and testing and adopting new technologies.



Goal 13: Take urgent action to combat climate change and its impacts

Through the investment and development of renewable energy and related technologies, we look to increase the contribution of renewable energy in the overall energy mix and reduce (and eventually eliminate) GHG emissions. We manage the physical impacts of climate change on our business by incorporating climate resilient strategies.



Goal 15: Protect, restore and promote sustainable use of terrestrial ecosystems

We take our commitment to responsible and sustainable development and environmental protection and preservation seriously. In accordance with regulatory guidelines and IFC PS, we evaluate the potential impact to the natural environment and ecosystems and identify the areas of potential impact and improve the design and construction plans of our projects.



Goal 16: Promoting peaceful and inclusive societies for sustainable development

Vena Energy is committed to conducting business with the highest standards of integrity. Vena Energy's Anti-Corruption Policy prohibits all forms of bribery and corruption and provides a framework for the identification and mitigation of risks relating to corruption.

1.2. ESG & CSR Policies

Environmental, Social and Governance (“ESG”)

Vena Energy’s ESG Policy stipulates all of Vena Energy’s activities are to be in accordance with local and international standards, including:

- Local environment, health and safety laws and regulations
- International Finance Corporation's Performance Standards
- World Bank Group Environmental, Health and Safety Guidelines
- International Labour Organisation Declaration on Fundamental Principles and Rights at Work
- United Nations Universal Declaration of Human Rights

The ESG Policy provides overarching guidance in relation to the selection of investments which support the reduction of greenhouse gas emissions, assessment of environmental, health & safety, and community impacts of projects, recruitment, wages, workplace safety, and diversity policies and the monitoring and recording of environmental and social issues.

Corporate Social Responsibility (“CSR”)

Vena Energy firmly believes in engaging with local communities throughout the life cycle of its projects, with the aims to deliver lasting economic, social, and environmental benefits to our host communities. We support local employment by creating job opportunities through our construction and operating activities. We advocate local procurement and work with domestic suppliers where possible to support host economies. On CSR, we commit to causes aligned with our company’s values and support a range of educational, health, environmental and social initiatives, and local infrastructure development. We aim to operate our business in a socially sustainable manner and employ clear and transparent standards of corporate governance in the selection, execution, and management of CSR programmes. Vena Energy’s CSR focus areas include the following:

- 1.2.1. Education: Vena Energy provides scholarships and internships, and other education-related initiatives such as supporting schools through the donation of new classrooms, supplies and IT equipment, and raising road safety awareness.
- 1.2.2. Healthcare: Access to basic and preventive healthcare is a key priority for communities near some of Vena Energy’s rural asset sites. Vena Energy seeks to provide healthcare and healthcare-related services tailored to meet the needs of these communities.
- 1.2.3. Infrastructure: Vena Energy’s infrastructure CSR projects aim to improve access to basic sanitation facilities and potable water, as well as increase road infrastructure near project sites. Vena Energy also provides support to repair local schools, hospitals, and community buildings.
- 1.2.4. Environment & Society: Vena Energy seeks to promote public knowledge and enhance understanding of global environment, climate and social issues through cooperation and collaboration with external organizations and public authorities.

2. Rationale

As challenges of climate change and depletion of natural resources become increasingly evident, business and financial communities have increased the scrutiny and assessment of their own activities and those of their counterparties. A growing number of investors and businesses are now interested in understanding the social and environmental impact of the companies they invest in or do business with.

Vena Energy authored its Green Financing Framework in 2018, to enhance its planning and disclosure practices and provide transparency and accountability to its equity and debt investors. As a renewable energy company with a reach across the Asia-Pacific region, Vena Energy is keen to play a leading role in directing investments into green projects and activities that are driving the transition to a low carbon economy.

Based on the nature of Vena Energy's activities and its commitment to sustainable development, fundraising from Vena Energy may include public or private bonds and/or loans with structures tailored to contribute to sustainable development by application of the proceeds to Eligible Projects as defined under this Green Financing Framework (section 3.1).

3. Green Financing Framework

Vena Energy's Green Financing Framework (the "Framework") is structured to be in line with the following guidelines:

- The Green Bond Principles published by the International Capital Markets Association ("ICMA") in 2021,
- The Green Loan Principles published by Loan Market Association ("LMA"), Asia Pacific Loan Market Association and Loan Syndications and Trading Association ("LSTA") in 2021

Below is a detailed disclosure of the Company's approach to the four pillars of the Green Bond and Green Loan Principles:

1. Use of proceeds
2. Process for project evaluation and selection
3. Management of Proceeds
4. Reporting

3.1. Use of proceeds

Any Green Bond or Loan issued by Vena Energy (or any of its subsidiaries) will be used to finance and/or re-finance, in whole or in part, new or existing projects under development, construction and/or operation ("Eligible Project") from any of the eligible project categories ("Eligible Project Categories") as defined below, with the majority of our proceeds invested in renewable solar, wind and marine renewables projects. The share of refinancing will be disclosed prior to each issuance.

Eligible Green Categories	Use of Proceeds
Renewable Energy	<ol style="list-style-type: none"> 1. <u>Solar energy</u>: photovoltaic solar electricity, concentrated solar power, and dedicated transmission and distribution infrastructure for our projects. These projects do not generate electricity using non-solar fuel. 2. <u>Wind energy</u>: onshore wind farms, and dedicated transmission and distribution infrastructure for our projects 3. <u>Marine renewables</u>: offshore wind and solar farms, dedicated transmission and distribution infrastructure, and dedicated supporting facilities, including grid connections, transformers, equipment storage and onshore assembly 4. <u>Hydropower</u>: <ol style="list-style-type: none"> a. Run of river projects that does not have an artificial reservoir; b. Other hydro projects that meet any of the following criteria: <ol style="list-style-type: none"> i. The power density of the electricity generation facility is above 5 W/m²; or ii. The lifecycle GHG emissions from the generation of electricity from hydropower, are lower than 100g CO₂e/kWh c. Dedicated transmission and distribution infrastructure
Energy Efficiency	<p><u>Energy storage</u>:</p> <ol style="list-style-type: none"> a. Utility-scale battery energy storage b. Pumped hydro energy storage that meet any of the following: <ol style="list-style-type: none"> i. The power density of the electricity generation facility is above 5 W/m²; or ii. The lifecycle GHG emissions from the generation of electricity from hydropower, are lower than 100g CO₂e/kWh iii. In addition, any of the following: <ul style="list-style-type: none"> • The facility is demonstrably purposefully built in conjunction with intermittent renewables; or • The facility is contributing to a grid which already has a share of intermittent renewables deployment of at least 20% or has credible evidence of programmes in place that increase the share of intermittent renewables to this level within the next 10 years; or • The facility can credibly demonstrate that the pumped storage will not be charged with an off-peak grid intensity that is higher than the intensity of the electricity that it will displace when it is discharged c. Flywheel energy storage, d. Compressed air energy storage, including R&D for Energy Storage System (ESS) design, e. Dedicated transmission & distribution infrastructure (as part of the energy storage systems / load management system).

<p>Fuel Production</p>	<p><u>Hydrogen fuel:</u></p> <ol style="list-style-type: none"> a. Hydrogen fuel production facilities that meet the following: <ol style="list-style-type: none"> i. The lifecycle GHG emissions is less than 3tCO₂e/tH₂ for electrolysis; and ii. Hydrogen production via water electrolysis only b. Dedicated transmission infrastructure and dedicated supporting facilities including grid connections, distribution infrastructure and storage equipment. <p>Vena Energy’s hydrogen projects will aim to transition to 100% renewable energy-powered electrolysis (enabled through a hybrid battery solution) over time.</p>
<p>Circular Economy Technologies and Process</p>	<p>Projects focused on improving the circular economy such as the following:</p> <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 externalities², excluding investments related to projects that prevent leakage of natural gas and/or methane

The Eligible Project Categories are intended to contribute to two main environmental objectives, namely: i) climate change mitigation, and ii) pollution prevention and control. Solar and Wind Energy Use of Proceeds are moreover set in the Climate Bonds Initiative Standards.

For Eligible Green Projects with a Power Purchase Agreement (“PPA”) in place, the look-back period for each project will be the length of the individual PPAs. For the avoidance of doubt, this includes any PPA extensions that have been executed.

In line with Vena Energy sustainability strategy, the risk management of Eligible Green Projects shall be evaluated in accordance with IFC Performance Standards and the World Bank Environment and Health & Safety guidelines.

3.2. Process for project selection and evaluation

Vena Energy has established a Sustainability Committee as the highest corporate body governing the responsibilities of sustainable investment matters, including the promotion, monitoring, implementation and improvement of cross functional sustainability strategies.

The eligibility of projects will need to be unanimously agreed by all members of the Sustainability Committee.

The Investment Committee will pre-approve the selected projects, based on a series of analysis and feasibility studies including but not limited to the environmental and social impact analysis, financial modeling, and due diligence of the projects³. They will notably be responsible for assessing the compliance of pre-selected projects with the criteria defined in 3.1. Alongside this prescreening, the Company’s Investment Team will support the financing decision based on Vena Energy’s normal financial and technical criteria (project scale, financial return, risk assessment, etc.), as part of Vena Energy’s routine funding process.

Once the project is approved by the Investment Committee, the Sustainability Committee will verify the compliance and eligibility of the projects with the Framework, and classify them into Eligible Projects.

Apart from allocating or raising funds according to the annual budget, projects that will be financed by Green Bond or Loan proceeds will be overseen by the Sustainability Committee (or its appointed sub-committee) to

² “Completing the Picture, How the Circular Economy Tackles Climate Change”, Ellen Macarthur Foundation, 2019.

³ Third party advisors are engaged to assess various aspects of a given opportunity during the project due diligence phase.

comply with the “Use of Proceeds” provision. The Sustainability Committee (or its appointed sub-committee) will oversee the reporting.

The company will monitor continued compliance of the selected projects with the eligibility criteria at least twice a year for the plants included in any green instrument as long as the instrument remains outstanding. If a project no longer complies with the eligibility criteria, we will seek to remedy the non-complying factor where possible. Otherwise, Vena Energy will reallocate the funds to an alternative eligible project.

The company will also monitor potential ESG controversies associated with financed projects throughout the life of the instrument. Environmental and social risk management of projects is guided by local regulations and IFC's Performance Standards. Any incidents must be reported to head office immediately and thorough investigation and corrective or remedial actions will be taken as quickly as possible.

3.3. Management of proceeds

Vena Energy will dedicate a Green Finance Account to the Green Bonds or Green Loans. Each Green Bond or Loan issued will be deposited until full allocation and earmarked for allocation in accordance with this Green Financing Framework.

Pending the full allocation of the proceeds, the balance of unallocated proceeds shall be earmarked and held in the form of temporary sustainable cash or cash equivalent investment instruments in line with Vena Energy treasury management. Vena Energy excludes the following activities in its ESG policy:

- Project or activity involving forced labour or child labour
- Project involving or producing or trading in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements
- Project involving any business relating to pornography or prostitution
- Project trading in wildlife or wildlife products regulated under CITES
- Project involving the production or use or trade in hazardous materials such as radioactive materials, unbounded asbestos fibres and products containing PCBs
- Project having cross-border trade in waste and waste products unless compliant to the Basel Convention and the underlying regulations
- Project using drift net fishing in the marine environment using nets in excess of 2.5 km in length
- Project producing, using or trading in pharmaceuticals, pesticides/herbicides, chemicals, ozone depleting substances and other hazardous substances subject to international phase-outs or bans
- Project involving destruction of Critical Habitat
- Project producing and distributing any racist, anti-democratic and/or neo-Nazi media
- Project producing or trading in weapons and ammunition, tobacco or hard liquor
- Project or activity that is GHG-intensive

Until the full allocation of the proceeds to Eligible Green Projects, Vena Energy intends to maintain an aggregate amount of assets in the Green Finance Account and allocated Green Projects that is at least equal to the aggregate net proceeds of all outstanding Vena Energy Green Bonds and Green Loans. Vena Energy intends to fully allocate the proceeds within 24 months from the date of the bond issuance or loan agreement.

The net proceeds of the green bonds/loans shall be allocated for the financing and/or refinancing of existing Eligible Projects. For new projects or assets, the Green Bond or Loan can finance assets during the construction and/or operational phase.

Under an extraordinary scenario where an Eligible Project is divested, Vena Energy intends to maintain the balance between the Eligible Project base and outstanding amount of net Green Bond/Loans. This can be achieved through new green investments or through the reduction of the net Green Bond/Loan respectively (e.g. via cash retention for future green investments).

3.4. Reporting

3.4.1. Allocation report

Allocation reporting will be available to investors within approximately one year from the date of the bond issuance or loan agreement, and thereafter once a year until the bond/loan proceeds have been fully allocated. In case of sale or disposal of an Eligible Project, Vena Energy will reallocate the amount dedicated to this particular project to another Eligible Project and/or maintain the cash in line with the Management of Proceeds as defined in 3.3.

The allocation report will disclose information per asset type, comprising detailed examples such as:

1. Any unallocated proceeds
2. Allocated amount per Eligible Green category vs. total amount of allocated proceeds (%)
3. Geographic split per country
4. 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)
5. Total project size (MW) per asset category
6. Total annual operating hours
7. Example of projects financed by the proceeds, including their description (date, location, category, progress)

The allocation of proceeds will be audited on an annual basis by an independent third party until the full allocation of proceeds into Eligible Projects or if there are material changes.

3.4.2. Impact report

Vena Energy will provide an impact report for each Eligible Project category and report on relevant impact metrics on an annual basis until full allocation. The following table lists examples of relevant metrics that Vena Energy could report:

Eligible Green Categories	Types of projects	Indicative reporting metrics
Renewable Energy	<ol style="list-style-type: none"> 1. Solar energy 2. Wind energy 3. Marine renewables 4. Hydropower 	<ul style="list-style-type: none"> ▪ Installed capacity in MW ▪ Annual renewable energy production in MWh ▪ Annual GHG emissions avoided in tons of CO² equivalent ▪ 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	<p>Projects focused on improving the circular economy such as:</p> <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 negative externalities 	<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 to existing equipment e.g. lead use in solar panels
Fuel Production	Hydrogen fuel production facilities	<ul style="list-style-type: none"> ▪ Installed capacity in MW ▪ Annual hydrogen fuel production in metric tons ▪ Annual GHG emissions avoided in tons of CO₂ equivalent

For each impact metric which is reported, the underlying calculation methodology and assumptions will be detailed as part of the report. The final impact report and related calculations will be audited on an annual basis by an independent third party until the full allocation of proceeds into Eligible Projects or if there are material changes

The allocation and impact reporting process and responsibility will be placed with the relevant functional teams within Vena Energy:

- The participating investment and finance team members will oversee the allocation of Green Financing and related allocation reporting;
- The sustainability and ESG team will oversee the data collection, consolidation and validation of relevant performance data which will form the basis of the impact metrics calculation and output.

4. External Review

4.1. Second Party Opinion

Vena Energy has appointed Moody's ESG Solutions and the Japan Credit Rating Agency to provide an independent assessment/second party opinion on the alignment of the Vena Energy Green Financing Framework to the Green Bond Principles, 2021 and the Green Loan Principles 2021. This Second Party Opinion/Third party review document will be made publicly available on Vena Energy's website venaenergy.com

4.2. Annual Assurance Report

An independent auditor will be appointed by Vena Energy whenever the Reporting is updated, to provide a corresponding assurance report on the compliance of Eligible Projects to the environmental and social criteria set out in this Framework and whether the Green Bond or Loan proceeds were appropriately allocated to Eligible Projects consistent with the process and procedures described in this Framework.

DISCLAIMER

The information and opinions contained in this Green Financing Framework are provided as at the date of this document and are subject to change without notice. Vena Energy does not assume any responsibility or obligation to update or revise any such statements, regardless of whether those statements are affected by the results of new information, future events or otherwise.

Certain statements made in this presentation may not be based on historical information or facts and may be “forward looking statements,” including those relating to general business plans and strategy of Vena Energy (the “Company”), its future outlook and growth prospects, and future developments in its businesses and its competitive and regulatory environment. Actual results may differ materially from these forward-looking statements due to a number of factors, including future changes or developments in the Company’s business, its competitive environment, its ability to implement its strategies and initiatives and respond to technological changes and political, economic, regulatory and social conditions in Asia ex. Japan. This presentation does not constitute a prospectus, offering circular or offering memorandum or an offer to acquire any shares and should not be considered as a recommendation that any investor should subscribe for or purchase any of the Company’s shares. Potential Investors should seek their own Legal, Tax, Regulatory and Investment advice before making a decision to invest. Neither this presentation nor any other documentation or information (or any part thereof) delivered or supplied under or in relation to the shares shall be deemed to constitute an offer of or an invitation by or on behalf of the Company.