



CHUBU Electric Power Co., Inc.

**Green Bond Framework eligibility
pre-issue assessment report**

DNV second party opinion



Mar. 2021

DNV Business Assurance Japan K.K.



Contents

Executive Summary	3
I Introduction	5
II Scope and Objectives	8
III Responsibilities of the Directors of CHUBU Electric Power and DNV	9
IV Basis of DNV's opinion	9
IV Work Undertaken	10
V Findings and DNV's opinion	11
Schedule-1 CHUBU Electric Power Green Bond Nominated Projects	20
Schedule-2 Green Bond Eligibility Assessment Protocol	21
GBP-1 Use of proceeds	21
GBP-2 Process for Project Selection and Evaluation	23
GBP-3 Management of Proceeds	24
GBP-4 Reporting	25


Executive Summary

CHUBU Electric Power Co., Inc. (hereinafter, "CHUBU Electric Power" or "issuer") delivers the electric power business as the core area and various businesses. CHUBU Electric Power pursues to contribute the achievement of the decarbonation society through "development of 2,000MW or more around 2030" of renewable energy power source, based on the "Chubu Electric Power Group Basic Environmental Policy".

CHUBU Electric Power plans to issue green bond (hereinafter, "BOND"). CHUBU Electric Power positions the issuance of BOND as financing to promote the initiatives to achieve the decarbonation society, and considers it as an opportunity to disseminate it to stakeholders.

CHUBU Electric Power has established the "CHUBU Electric Power Green Bond Framework (hereinafter, "framework")" for issuing BOND. The Proceeds from the BOND will be allocated to the disbursement related to "Renewable energy business (development, construction, operation, and renovation)". CHUBU Electric Power defines the hydroelectric power generation projects, biomass power generation projects, and wind power generation business (offshore, onshore), solar power generation business and geothermal power generation business as nominated eligible green projects in the framework.

DNV Business Assurance Japan K.K. (hereinafter referred to as "DNV" or "we") reviewed the eligibility of the framework as an external reviewer. The BOND as per the framework will be issued with one or more of the renewable energy projects (green projects) in the following table are selected. These projects directly and indirectly contribute to four SDGs (Sustainable Development Goals, United Nations).

No.	Green Project	Green Project Category	Green Project outline
A	Hydroelectric power	Renewable energy business (development, construction, operation, refurbishment)	-Outline- Green projects which aligns with the achievement of decarbonation society such as "development of 2,000MW or more around 2030" of renewable energy power source, based on the "Chubu Electric Power Group Basic Environmental Policy"
B	Biomass power		
C	Wind power (offshore, onshore)		
D	Solar power		
E	Geothermal power		
Contribute to SDGs		Goal 7 Affordable and Clean Energy Goal 12 Responsible Consumption and Production Goal 13 Climate Action Goal 15 Life on Land	



DNV provides the assessment against to the framework against the Green Bond Principle (ICMA, 2018 hereinafter GBP), Green Bond Guidelines (MOEJ, 2020 hereinafter GBGLs) and sector criteria of CBSv3.0 (CBI hereinafter CBS), if applicable, using DNV assessment protocol. Assessment summary against 4 core components in GBP and GBGLs are following.

1. Use of Proceeds:

CHUBU Electric Power plans to allocate the net proceeds from the BOND to the renewable energy business (development, construction, operation, refurbishment). In this framework, the proceeds will be allocated to new investment and refinancing to the hydroelectric power, biomass power, wind power (offshore and onshore), solar power and geothermal power. CHUBU Electric Power promotes the development of renewable energy through these businesses, it is considered to contribute to the achievement of a decarbonation society.

2. Process for Project Evaluation and Selection:

CHUBU Electric Power has established environmental targets related to renewable energy that will contribute to CO₂ emissions reductions based on the "Chubu Electric Power Group Basic Environmental Policy". The process for evaluation and selection of green projects, the department responsible for renewable energy business selects the project candidates and the department responsible for the proceeds management confirms the conformity with eligible criteria based on the standards mentioned above. The process for project evaluation and selection is documented and aligned with GBP requirement.

3. Management of Proceeds:

CHUBU Electric Power manages the proceeds using its internal system and forms by department responsible for the proceeds management. The funded projects and allocation status can be identified with its individual number. The total funded amount to the green eligible projects will be managed using an internal system and forms the total amount which is not less than the amount issued by BOND during the redemption period. Unallocated proceeds will be managed in cash or cash equivalents. These processes are aligned with GBP requirement.

4. Reporting:

CHUBU Electric Power plans to report the allocation status of the proceeds on the "CHUBU Electric Power Group Report (Integrated Report)" or on the website until the full amount of the proceeds is allocated. This includes the balance of unallocated funds, the allocated amount, and the estimated amount (or share) of refinance. In addition, CHUBU Electric Power plans to disclose environmental impact such as installed capacity, power generation and annual CO₂ emission reductions by renewable energy categories considering those confidentiality and to the extent of reasonably practical.

DNV confirmed the framework, related documents and information provided by CHUBU Electric Power that green bond conforms relevant criteria then is supposed to be appropriately planned and executed.

I Introduction

i . About the issuer

CHUBU Electric Power Co., Inc. (hereinafter, "CHUBU Electric Power" or "issuer") established in 1951, has an energy supply business as its core area including electricity, gas and onsite energy. Issuer also delivers various businesses such as overseas energy business, construction for facility expansion and maintenance related to electric power business, and manufacturing for equipment supply, etc, with its know-how established in the domestic business experiences.

ii . CHUBU Electric Power's Environmental Initiatives

CHUBU Electric Power Group aims to achieve decarbonation society through its businesses and measures such as "development of 2,000MW or more around 2030" of renewable energy power source, based on the "Chubu Electric Power Group Basic Environmental Policy".

CHUBU Electric Power purses environmental management activities through PDCA cycle based on ISO 14001:2004 and self-declaration type environmental management activities which intends to achieve, decarbonation society, coexist with nature, realize circular society, and raise environmental awareness.

CHUBU Electric Power positions the issuance of green bonds (hereinafter, "BOND") as financing to promote the initiatives to achieve the decarbonation society, and considers it as an opportunity to disseminate it to stakeholders.

In addition to ISO14001(2004), the CHUBU Electric Power Group address the environmental issues.

- Strengthening ESG promotion system (establishment of CSR Promotion Liaison Council)
- Participation in the following initiatives
 - Task Force on Climate-related Financial Disclosures (TCFD) approved in May 2019
 - CDP (International NGO working on environmental fields such as climate change)
"Climate change" "Water security"



iii. Green Bond Framework

CHUBU Electric Power established the “CHUBU Electric Power Green Bond Framework” (hereinafter referred to as “framework”) for BOND based on the Green Bond Principles (2018, ICMA, hereinafter “GBP”) and the Green Bond Guidelines (2020, Ministry of the Environment, hereinafter “GBGLs”).

Net proceeds from the Green Bond will be allocated to any or all of the following Green Projects that meet the eligible criteria, and will be managed and implemented based on the framework.





Renewable energy business

- Development, Construction, Operation and Refurbishment

(Hydroelectric power, Biomass power, Wind power, Solar power, Geothermal power)

CHUBU Electric Power Group is working on resolving SDGs issues by deepening ESG management.

The green project category in the BOND based on the framework is renewable energy business, and to realize GHG emission reduction. These are initiatives that are directly and indirectly related to the four SDGs and contribute to the achievement of the SDGs.

Green Project Category	Green Project outline	SDGs Contribution		
Renewable energy business - Development - Construction - Operation - Refurbishment	-Outline- Green projects which align with the achievement of decarbonation society through "development of 2,000MW or more around 2030" of renewable energy power source, based on the "Chubu Electric Power Group Basic Environmental Policy"	Goal 7	Affordable and Clean Energy	
		Goal 12	Responsible Consumption and Production	
		Goal 13	Climate Action	
		Goal 15	Life on Land	

* The relevance to SDGs is complementary to the issuance of green bonds with reference to Green, Social and Sustainability Bonds: A High-Level Mapping to the Sustainable Development Goals published by ICMA, which defines the Green Bond Principles, is not directly related for funding purposes.

Issuer name: CHUBU Electric Power Co., Inc.

Framework Name: CHUBU Electric Power Green Bond Framework

Review provider's name: DNV business assurance Japan K.K.

Publication date of review publication: 23rd March. 2021

II Scope and Objectives

CHUBU Electric Power has commissioned DNV to conduct pre-issuance assessment of bonds based on the “CHUBU Electric Power Green Bond Framework”. The objective of DNV’s assessment is to implement an assessment to confirm that the BOND meets the identified criteria of the standards GBP, GBGLs described below and applicable CBS related technical standards (hydroelectric power biomass power, offshore wind power, onshore wind power, solar power and geothermal power) and other relevant criteria or guidelines (refer to the following), and to provide the issuer with independent second-party opinion on the eligibility of the framework.

DNV Business Assurance, as an independent external reviewer, has identified no real or perceived conflict of interest associated with the delivery of this second-party opinion for CHUBU Electric Power.

In this report, 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.

(1) Scope of review

The review assessed the following elements and confirmed their alignment with the gist of GBP:

- Use of Proceeds
- Process for Project Evaluation and Selection
- Management of Proceeds
- Reporting

(2) Role(s) of review provider

- Consultancy (incl. 2nd opinion)
- Certification
- Verification
- Rating
- Other (*please specify*): DNV provides second-party opinion as registered external reviewer of green bond support programme by Ministry of Environment, Japan

(3) Standards/guidelines to be applied

No.	Standards/guidelines	Scheme owner	Applied level*1*2
1.	The Green Bond Principles	International Capital Market Association (ICMA), 2018	Apply
2.	Green Bond Guidelines	Ministry of Environment Japan, 2020	Apply
3.	Climate Bonds Standard version 3.0 (Sector criteria)	Climate Bond Initiative, 2019	Refer (applicable technical standards)
4.	Green and Social Bonds: A High Level Mapping to the Sustainable Development Goals	International Capital Market Association (ICMA), 2018	Refer
5.	Handbook Harmonized Framework for Impact Reporting	International Capital Market Association (ICMA), 2019	Refer

* 1: Apply: Eligibility for all four core elements common to each principle and guideline was evaluated.

* 2: Refer: all or part of the related content was considered based on the green project and execution plan



III Responsibilities of the Directors of CHUBU Electric Power and DNV

The CHUBU Electric Power has provided the information and data used by DNV during the delivery of this review. DNV's statement represents an independent opinion and is intended to inform CHUBU Electric Power 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 HUBU Electric Power. DNV is not responsible for any aspect of the nominated projects and assets referred to in this opinion and cannot be held liable if estimates, findings, opinions, or conclusions are incorrect. Thus, DNV shall not be held liable if any of the information or data provided by CHUBU Electric Power's management and used as a basis for this assessment were not correct or complete.

IV Basis of DNV's opinion

To provide as much flexibility for the issuer, CHUBU Electric Power as possible, we have adapted our green bond assessment methodologies, which incorporates the requirements of the GBP and GBGLs, to create a CHUBU Electric Power-specific Green Bond Eligibility Assessment Protocol (henceforth referred to as "Protocol"). (Refer to Schedule-2) The Protocol is applicable to GBP and GBGLs based green bonds.

Our Protocol includes a set of suitable criteria that can be used to underpin DNV'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 benefits".

As per our 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.



IV 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:

- Creation of the issuer-specific Protocol, adapted to the purpose of the BOND, as described above and in Schedule-2 to this Assessment.
- Assessment of documentary evidence provided by the issuer on the BOND and supplemented assessment by a high-level desktop research. These checks refer to current assessment best practices and standards methodology;
- Discussions with the issuer, and review of relevant documentation;
- Documentation of findings against each element of the criteria.



V Findings and DNV's opinion

DNV's findings and opinion are as below.

(1) Use of Proceeds

DNV has confirmed that the net proceeds raised by the BOND, excluding expenses, is planned to be allocated to the green candidate projects that match the following representative eligible project categories indicated by GBP and GBGLs as a new loan and refinancing.

Renewable energy business

"Development, Construction, Operation and Renovation

Specifically, the renewable energy business includes five categories as follows.

Project Category No.	Renewable energy business (project)
Project A	Hydroelectric power generation business
Project B	Biomass power generation business
Project C	Wind power generation business (offshore, onshore)
Project D	Solar power generation business
Project E	Geothermal power generation business



DNV understands that Hydroelectric power, Biomass power, Wind power(offshore, onshore), Solar power and Geothermal power are widely recognized and categorized renewable energy businesses as green eligible project.

On the other hand, consideration and measurement of incidental CO₂ (GHG) emissions due to the project implementation and to the surrounding environment and social impact for each project.

DNV confirmed how CHUBU Electric Power complies (or will comply) with related laws and ordinances, local regulations, and confirmed its validity through the assessment,. The outline is shown below.

The common measures to each project are described in the next section "(2) Process for Project Evaluation and Selection".

Project	Outline of validity confirmation of environment and social impact
Project A Hydroelectric power	DNV confirmed that issuer complies environmental law and ordinances, local regulation and requirements (such as environmental impact assessment) related to the hydroelectric power projects.
Project B Biomass power	<p>DNV confirmed that issuer complies environmental law and ordinances, local regulation and requirements (such as environmental impact assessment) related to the biomass power projects</p> <p>In addition, DNV confirmed that sustainable biomass fuel procurement plans, medium to long term power plant maintenance and management plans are being implemented in accordance with laws and regulations. Moreover, GHG emission evaluation during its life cycle, which are unique to biomass power generation, are properly implemented. From these, it was confirmed that the project has the positive environmental impact as a green project.</p>
Project C Wind power (offshore, onshore)	DNV confirmed that issuer complies environmental law and ordinances, local regulation and requirements (such as environmental impact assessment) related to the wind power projects.
Project D Solar power	<p>DNV confirmed that issuer complies environmental law and ordinances, local regulation and requirements (such as environmental impact assessment) related to the solar power projects.</p> <p>DNV also confirmed that issuer evaluates the positive environmental impact as green project if there is an incidental GHG emission due to the project.</p>
Project E Geothermal power	<p>DNV confirmed that issuer complies environmental law and ordinances, local regulation and requirements (such as environmental impact assessment) related to the geothermal power projects.</p> <p>DNV also confirmed that issuer considers an incidental GHG emission due to the project, if required.</p>

Use of proceeds categories as per GBP:

- Renewable energy
- Energy efficiency



- Pollution prevention and control
- Terrestrial and aquatic biodiversity conservation
- Sustainable water management
- Eco-efficient products, production technologies and processes
- Other (*please specify*):
- Sustainable management of living natural resources
- Clean transportation
- Climate change adaptation
- Green buildings with regional, national or internationally recognized standards and certifications



(2) Process for Project Evaluation and Selection

DNV reviewed and confirmed that the five green candidate projects A to E listed in Schedule-1 meet the goals related to renewable energy which contributes to the CO₂ emissions reduction based on the group environmental policy established by CHUBU Electric Power Group. Those candidate projects will be evaluated and selected by the department responsible for renewable energy business and proceeds management. The process for evaluation and selection of the project has been documented by CHUBU Electric Power.

It is confirmed that the project meets the eligibility criteria shown in “ II Scope and Objectives (3) Standards/guidelines to be applied”. It is also confirmed that the following environmental and social risks mitigation efforts are implemented if the negative impacts of the project are identified and needs to be considered when project evaluation and selection.

- Positive environmental impact such as CO₂ reduction in the life cycle or each process
- Compliance with environment-related laws, local ordinances and regulations (such as Environmental Impact Assessment, etc.)
- Consideration for the local communities.

Evaluation and selection

- | | |
|--|---|
| <input checked="" type="checkbox"/> Conforms to the issuer’s achievement of environmental contribution goals | <input checked="" type="checkbox"/> Documented process to determine that projects fit within defined categories |
| <input checked="" type="checkbox"/> The project is eligible for use of proceeds by green bond and transparency is ensured. | <input checked="" type="checkbox"/> Documented process to identify and manage potential ESG risks associated with the project |
| <input checked="" type="checkbox"/> The project is evaluated and selected based on the published standard summary | <input type="checkbox"/> Other (<i>please specify</i>): |

Information on Responsibilities and Accountability:

- | | |
|--|---|
| <input checked="" type="checkbox"/> Evaluation / Selection criteria subject to external advice or verification | <input checked="" type="checkbox"/> In-house assessment |
| <input type="checkbox"/> Other (<i>please specify</i>): | |



(3) Management of Proceeds

DNV confirmed how CHUBU Electric Power will track and manage the proceeds during the period from bond issuance to redemption period. DNV confirmed that CHUBU Electric Power plans to allocate the proceeds to financing (new investment and financing) and refinancing to the eligible projects in a timely manner after raising funds. It was confirmed that the department responsible for proceeds management will manage the proceeds allocation status based on the management with individual number which enable to identify each project using the internal system and forms of CHUBU Electric Power. It was also confirmed that the total value of green eligible projects will be managed so that it does not fall below the amount of BOND issuance during the redemption period.

The proceeds will be managed in cash or cash equivalents until they are allocated.

Tracking of proceeds:

- Some or all of the proceeds by green bonds that are planned to be allocated are systematically distinguished or tracked by the issuer.
- Disclosure of intended types of temporary investment instruments for unallocated proceeds
- Other (*please specify*):

Additional disclosure:

- | | |
|--|---|
| <input type="checkbox"/> Allocations to future investments only | <input checked="" type="checkbox"/> Allocations to both existing and future investments |
| <input type="checkbox"/> Allocation to individual disbursements | <input checked="" type="checkbox"/> Allocation to a portfolio of disbursements |
| <input type="checkbox"/> Disclosure of portfolio balance of unallocated proceeds | <input checked="" type="checkbox"/> Other (<i>please specify</i>): details of the allocation(finance, refinance, its amount and share) will be disclosed in annual report |



(4) Reporting

DNV has confirmed that the issuer would report to stakeholders the specific information required by the GBP and GBGLs annually on the "CHUBU Electric Power Group Report (Integrated Report)" or on the issuer's website.

These include report on the allocation status and environmental improvement effects described below until the proceeds are fully allocated. For the environmental impact reporting, CHUBU Electric Power plans to disclose any or all of the items described within considering its confidentiality and to the extent of reasonably practical. If a significant change in the project appears, issuer will disclose it in a timely manner.

The main report items are expected as follows.

<Allocation status>

- Unallocated balance
- Allocated amount
- Approximate amount (or share) of the proceeds being used for refinancing

<Environmental Impact >

- Installed capacity as per renewable energy sub category (MW)
- Power generation capacity as per renewable sub category (kWh)
- Annual CO₂ emission reduction as per renewable energy sub category (t-CO₂ / year)



Use of proceeds reporting:

- Project-by-project
- On a project portfolio basis
- Linkage to individual bond(s)
- Other (*please specify*):

Information reported:

- Allocated amounts
- GB refinanced share of total investment
- Other (*please specify*):

Frequency:

- Annual
- Semi-annual
- Other (*please specify*):

Impact reporting (Environmental Impact):

- Project-by-project
- On a project portfolio basis
- Linkage to individual bond(s)
- Other (*please specify*):

Frequency:

- Annual
- Semi-annual
- Other (*please specify*):

Information reported (expected or ex-post):

- GHG Emissions / Savings
- Energy Savings
- Other ESG indicators (*please specify*):
- Installed capacity of each renewable energy type to be allocated (MW) and electricity output(kWh)

Means of Disclosure

- Information published in financial report
- Information published in sustainability report
- Information published in ad hoc documents
- Other (*please specify*): *CHUBU Electric Power web site*
- Reporting reviewed (*if yes, please specify which parts of the reporting are subject to external review*)



Assessment Conclusion

On the basis of the information provided by CHUBU Electric Power and the work undertaken, it is DNV's opinion that the CHUBU Electric Power green bond meets the criteria established in the Protocol and that it is aligned with the stated definition or purpose of green bond within the GBP and GBGLs, which is to "enable capital-raising and investment for new and existing projects with environmental benefits".

DNV Business Assurance Japan K.K.

23rd Mar. 2021

A handwritten signature in black ink, appearing to read "M. Robinson".

Mark Robinson

Manager, Sustainability Services
DNV Business Assurance, Australia

A handwritten signature in black ink, appearing to read "Naoki Maeda".

Naoki Maeda

Managing Director
DNV Business Assurance Japan K.K.

A handwritten signature in black ink, appearing to read "Masato Kanedome".

Masato Kanedome

Project Leader
DNV Business Assurance Japan K.K.



About DNV

Driven by our purpose of safeguarding life, property and the environment, DNV 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.

Disclaimer

Responsibilities of the Management of the Issuer and the Second-Party Opinion Providers, DNV: The management of Issuer has provided the information and data used by DNV during the delivery of this review. Our statement represents an independent opinion and is intended to inform the Issuer management 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 is not responsible for any aspect of the nominated assets referred to in this opinion and cannot be held liable if estimates, findings, opinions, or conclusions are incorrect. Thus, DNV shall not be held liable if any of the information or data provided by the Issuer's management and used as a basis for this assessment were not correct or complete

Schedule-1 CHUBU Electric Power Green Bond Nominated Projects

No.	Green Project Category	Green project ^{*1} Sub Category	Green project Outline
A	Renewable energy business	Hydroelectric power generation business	Hydroelectric power ; Development, construction, operation and renovation of hydroelectric power
B		Biomass power generation business	Biomass power ; Development, construction, operation and renovation of
C		Wind power generation business (offshore, onshore)	Wind Power ; Development, construction, operation and renovation of Wind power (offshore, onshore)
D		Solar power generation business	Solar power ; Development, construction, operation and renovation of Solar power
E		Geothermal power generation business	Geothermal ; Development, construction, operation and renovation of Geothermal power

* 1: Chubu Electric Power Green Bond will select one or more of the projects listed in Schedule-1 and allocate to them. The types of projects (sub category) being allocated from the BOND will be disclosed in the annual report.

Schedule-2 Green Bond Eligibility Assessment Protocol

Following check list (GBP-1 ~ GBP-4) is DNV's green bond eligibility assessment protocol created for CHUBU Electric Power Eligibility Evaluation based on the requirements of GBP and GBGLs. "Document review" in the work undertaken includes internal documents of issuer and is provided by CHUBU Electric Power as evidence of eligibility judgment for DNV.

GBP-1 Use of proceeds

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
1a	Type of bond	<p>The bond must fall in one of the following categories, as defined by the Green Bond Principles:</p> <ul style="list-style-type: none"> • Green Use of Proceeds Bond • Green Use of Proceeds Revenue Bond • Green Project Bond • Others 	<ul style="list-style-type: none"> • Document review such as CHUBU Electric Power Group Green Bond Framework (hereinafter Framework) • Interview with CHUBU Electric Power stakeholders(hereinafter, Interview with stakeholders) 	<p>The reviewed evidence confirms that the BOND falls in the category:</p> <ul style="list-style-type: none"> • Green Use of Proceeds Bond
1b	Green Project Categories	<p>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 BOND.</p>	<ul style="list-style-type: none"> • Document review such as Framework • Interview with stakeholders 	<p>It was confirmed that the use of proceeds "proceeds from the BOND will be allocated to new investment and refinancing of businesses related to renewable energy businesses includes the development, construction, operation and renovation" is properly stated in the legal documents related to the securities. Specifically, it will be allocated to one or more of the following green projects.</p> <p>Project A: Hydroelectric power generation business ①Development, construction, operation and renovation of hydroelectric power generation business</p> <p>Project B: Biomass power generation business ①Development, construction, operation and renovation of Biomass power generation business</p>

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
				<p>Project C: Wind power generation business (offshore, onshore) ①Development, construction, operation and renovation of Wind power generation business</p> <p>Project D: Solar power generation business ①Development, construction, operation and renovation of Solar power generation business</p> <p>Project E: Geothermal power generation business ①Development, construction, operation and renovation of Geothermal power generation business</p>
1c	Green benefits	All designated Green Project categories should provide clear greenly sustainable benefits, which, where feasible, will be quantified or assessed by the issuer.	<ul style="list-style-type: none"> • Document review such as Framework • Interview with stakeholders 	It was confirmed that the green project has environmental benefits as CO ₂ emission reduction, and its environmental impact is quantitatively evaluated as CO ₂ emission reduction and 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 appropriate, also clarify which investments or project portfolios may be refinanced.	<ul style="list-style-type: none"> • Document review such as Framework • Interview with stakeholders 	It was confirmed that issuer plans to clarify the estimated amount (or ratio) of the proceeds that was allocated to refinancing in the annual report.

GBP-2 Process for Project Selection and Evaluation

Ref.	Criteria	Requirements	Work Undertaken	DNV 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; • The criteria making the projects eligible for using the Green bond proceeds; and • The environmental sustainability objectives 	<ul style="list-style-type: none"> • Document review such as Framework • Interview with stakeholders 	<p>It was confirmed that the issuer has a documented process that determines the eligibility of the project to be use of proceeds for the BOND and that the outline is specified in the framework.</p> <p>In addition, it was confirmed through assessment that appropriate measures were taken or will be taken for the environmental and social impact assessments specific to each power plant.</p>
2b	Issuer's environmental, social and governance framework	<p>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 green sustainability.</p>	<ul style="list-style-type: none"> • Document review such as Framework • Interview with stakeholders 	<p>It was confirmed that the green project implemented by the issuer is in line with the environmental policy of the issuer, and when implementing the project, the environmental and social impact assessment and measures specific to the renewable energy type refers to the relevant technical standards, etc. are considered. DNV confirmed through confirmation of framework, interviews and provision of evidence from issuer and stakeholders.</p>

GBP-3 Management of Proceeds

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
3a	Tracking procedure-1	The net proceeds of Green bond 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"> • Document review such as Framework • Interview with stakeholders 	It was confirmed that the net proceeds related to the funds raised by the BOND can be traced by the issuer's internal system and forms, etc. DNV confirmed the system practically used and related documents, etc., and confirmed that the management status of the proceeds can be proved based on this.
3b	Tracking procedure-2	So long as the Green bond outstanding, the balance of the tracked proceeds should be periodically reduced by amounts matching eligible green investments made until green benefit appearance or completion of proceeds allocation.	<ul style="list-style-type: none"> • Document review such as Framework • Interview with stakeholders 	DNV confirmed that the issuer plans to periodically (at least annually) review the balance of BOND using the internal system and forms, etc. described in 3a during the period from BOND issuance to redemption.
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"> • Document review such as Framework • Interview with stakeholders 	It was confirmed through the issuer's internal system, forms and the confirmation process based on the internal process that the balance of unallocated funds is recognized in a timely manner. DNV confirmed that the balance of unallocated funds is managed in cash or cash equivalents through the description and assessment of the framework. It was confirmed that the balance of unallocated funds will be disclosed in the annual report (section of Allocation status).

GBP-4 Reporting

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
4a	Periodical reporting	<p>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</p> <ul style="list-style-type: none"> - 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 greenly sustainable impact. 	<ul style="list-style-type: none"> • Document review such as Framework • Interview with stakeholders 	<p>DNV confirmed that the issuer will disclose the annual report of the BOND until the proceeds are fully allocated and provide information including the allocation status and environmental impact from the project which the proceeds have been allocated.</p>