

VERIFICATION STATEMENT

DNV GL has performed the verification of the AP Renewables Inc (APRI) Climate Bond as issued 8 March 2016 (“APRI Climate Bond”), including the summary criteria for verification of assertions made by the APRI detailed in Appendix A.

It is DNV GL’s responsibility to provide an independent verification statement on the compliance of the APRI Climate Bond with the Climate Bond Standard.

DNV GL conducted the verification in accordance with the Climate Bond Standard Version 2.0 – and with International Standard on Assurance Engagements 3000 Assurance Engagements other than Audits or Reviews of Historical Information. The verification included i) checking whether the provisions of the Climate Bond Standard 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 Climate Bond Standard 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 reasonable assurance that the NAB Climate Bond meets the requirements of the Climate Bond Standard.

In our opinion the APRI Climate Bond meets the requirements of the Climate Bond Standard and its eligibility criteria for low-carbon and climate resilient investments.

No assurance is provided regarding the financial performance of the APRI Climate Bond or the value of any investments in the APRI Climate Bond. Our objective has been to provide assurance that the APRI Climate Bond has met the criteria established on the basis set out below.

Our statement represents an independent opinion and is intended to inform APRI management and investors in the APRI Climate Bond as to whether the Climate Bond Standard criteria have been met. In our work we have relied on the information supplied by APRI and the Asian Development Bank (ADB). DNV GL are not responsible for any loss suffered as a result of information provided by APRI or the ADB.

DNV GL

Sydney
8 March 2016

APPENDIX A

Summary criteria for assertions of compliance with the Climate Bond Standard v2.0

The criteria against which APRI and its Geothermal assets and projects have been reviewed prior to inclusion in the Climate Bond are grouped under the Compliance Requirements as detailed within the Climate Bond Standard including:

Part A: General Requirements

Area	Requirement
Project Nomination	The Climate Bond issued must specify the project collateral or physical assets with which it is associated
Use of Proceeds	Proceeds must be allocated to Nominated Project(s)
Non-Contamination	Issuers are permitted a grace period of one year to allocate or re-allocate funds to Nominated Project(s)
Environmental and Social Integrity	The issuer must state that the Nominated Project(s) operate in accordance with relevant international, regional and national environmental and social laws and regulations
Verification	Organisations applying the Climate Bond Certification Mark must engage a third-party Verifier to undertake a compliance audit of the bond (to confirm its compliance with the Climate Bond Standard)
Climate Bond Certification and Limits of Use	Limits for use of Certification and disqualifying criteria
Non-Compliance	Requirements for disclosure of non compliance

Part B: Low Carbon Contribution

Eligible projects and physical assets

Renewable energy projects include financing of or investments in equipment and systems which enable the use of energy from renewable sources, such as solar and wind, as detailed in Appendix B.

Area	Requirement
Geothermal Energy	Emissions threshold
	Technology
	Counterfactual criterion

	Environmental, health, safety and social criteria
--	---------------------------------------------------

Part C: Bond structures

Area	Requirement
Traceability	The financial flows of the bond principal must verifiably remain between the Climate Bond and the linked Nominated Project(s)
Project Holding	The issuer of a Corporate Climate Bond with Nominated Projects linked to a portfolio of assets must continue to hold eligible assets at least equal to the Fair Market Value at the time of issuance of the original principal
Confidentiality	The information disclosed to the Verifier and the Climate Bond Standards Board may be subject to confidentiality arrangements