



**REPORT OF FACTUAL FINDINGS
(AGREED-UPON PROCEDURE)**

By VIGEO EIRIS

For Enel Green Power Brazil's SPVs 2017 first Green Bond issuance
Pre-issuance verification based on Climate Bond Standards version 2.0

SCOPE

Enel Green Power Brazil's SPVs (the "Issuer") are considering the issuance of its first green bond (or "Bond") and intends to use the proceeds to refinance the construction of wind power plants in Brazil.

Enel Green Power Brazil is a subsidiary of Enel Green Power, itself subsidiary of Enel Group. Enel Green Power is an Italian company dedicated to developing and managing energy generation from renewable sources, present in 16 countries in Europe, Americas, Asia and Africa. Among its 710 plants including wind, solar, hydro, geothermal and biomass energy, Enel Green Power manages two wind power projects called Damascena and Maniçoba, located in the cities of Capernaum and Mulungu do Morro, in the state of Bahia (BA), Brazil.

In this context, Vigeo Eiris (the "Verifier") has been commissioned by Enel Green Power Brazil, as stated in the engagement contract, to perform the Pre-Issuance Verification of this Bond, as independent third party provider approved by the Climate Bonds Standards Board.

We have conducted our verification in November 2016, with the aim of assessing the conformance of Enel Green Power Brazil's SPVs 2017 first green bond with the Climate Bond Standard version 2.0 for Pre-Issuance requirements and with associated sector standards and technical criteria, as defined on CBI's website.

The work undertaken by Vigeo Eiris to form this verification statement included:

- Planning and management of the verification
- Desk review of the Bond and associated documentation provided by the Issuer
- Assessment of evidences provided by Enel Green Power against the Climate Bond Standards 2.0
- Internal quality control on the assurance report and conclusions
- Provision of Vigeo Eiris' report of factual findings

The methodology, criteria, findings and assurances addressed by this Agreed-Upon Procedure are detailed below.

RESPONSIBILITIES OF ENEL GREEN POWER AND OF VIGEO EIRIS

The responsibility of Vigeo Eiris is to provide an external and independent assurance on the compliance Enel Green Power Brazil's SPVs 2017 green bond with the Climate Bond Standard version 2.0 requirements and associated technical criteria.

This statement relies on the information provided by the Issuer to the Verifier: documentation and explanations presented during the assessment, based on the understanding that this information was provided to Vigeo Eiris in good faith. Vigeo Eiris hasn't performed an audit nor other tests to check the accuracy of the information provided by the Issuer.

The Issuer is fully responsible for attesting the compliance with its commitments as defined in its policies, for their implementation and their monitoring, and for the information provided.

SUMMARY OF FACTUAL FINDINGS

This Agreed-Upon Procedures Engagement has been conducted against the Climate Bond Standard (CBS) version 2.0 requirements, in accordance with relevant general principles & professional standards of independent auditing, and in line with the International Standard on Related Services 4400 (ISRS 4400), based on the agreed-upon procedure .

The verification included checking whether the provisions of the CBS 2.0 were consistently and appropriately applied and the collection of evidence supporting the verification. The details and areas covered by the verification are summarized in below chapters of this report.

The proceeds from the green bond will be allocated to two wind power plants (Damascena and Maniçoba), for which environmental objectives have been set. These resources will be ring-fenced and held in the centralizing accounts of the two SPVs dedicated to each of the two wind farms, that will be verified annually via external audit. These wind farms projects fall in the 'Wind' classification under 'Energy' head of Climate Bonds Taxonomy, and fill in two technical criteria from the sector-specific standards. The issuer took the commitment to review the bond after one year to reaffirm conformance with the Climate Bonds Standard.

This Report of factual findings is valid as of the date of issuance limited to Enel Green Power Brazil's SPVs first Green Bond

Paris, February 17th, 2017



Laurie CHESNÉ
Head of Green Bond services



Benjamin CLIQUET
Junior CSR Consultant

Disclaimer

Transparency on the relation between Vigeo Eiris and the Issuer: Vigeo Eiris has never executed any consultancy activity for the Issuer until so far and no established relationship (financial or others) exists between Vigeo Eiris and the Issuer.

Liability: this Report of factual findings is a document prepared by the Verifier that conveys the Verifier's findings on the bond alignment with the relevant requirements of the Climate Bonds Standard, but it does not provide Climate Bond Certification itself. Providing these findings does not mean that Vigeo Eiris certifies the tangibility, the excellence or the irreversibility of the projects financed by the Green Bond. No assurance is provided by Vigeo Eiris regarding the financial performance of the Issuer nor of the Bond, nor the value of any investment in the Bond, nor of the environmental footprint of the Bond or the compliance with the commitments taken by the Issuer.

Vigeo Eiris cannot be liable for any loss suffered as a result of information or data provided by the Issuer. Vigeo Eiris is not liable for the induced consequences when third parties use this opinion either to make investments decisions or any kind of business transaction.

Restriction on Distribution and Use of this Assurance Report: at the discretion of the Issuer.

List of supporting documents provided by Enel Green Power:

- Debentures' term sheets
- Debentures' external review report
- Enel Green Power Brazil's SPVs Annual Financial Statements
- Letters of commitments
- Check-list data collection completed by the Issuer



Vigeo Eiris is a global provider of environmental, social and governance (ESG) research to investors and public and private corporates. The agency evaluates the level of integration of sustainability factors into organisations' strategy and operations, and undertakes a risk assessment to assist investors and companies' decision-making.

Vigeo Eiris offers two types of services through separate business units

- ▶ **Vigeo Eiris rating** offers databases, sector-based analyses, ratings, benchmarks and portfolio screening, to serve all ethical and responsible investment strategies.
- ▶ **Vigeo Eiris enterprise** works with organisations of all sizes, from all sectors, public and private in order to support them in the integration of ESG criteria into their business functions and strategic operations.

Vigeo Eiris methodologies and rating services adhere to the strictest quality standards and have been certified to the independent ARISTA® standard. Vigeo Eiris is an approved verifier for CBI (Climate Bond Initiative). Vigeo Eiris' research is referenced in several international scientific publications.

Vigeo Eiris is present in Paris, London, Boston, Brussels, Casablanca, Hong Kong, Milan, Montreal, Santiago, Stockholm and Tokyo and has a team of 200. The agency works with partners through its Vigeo Eiris Global Network.

For more information: www.vigeo-eiris.com