

PHU YEN TTP JOINT STOCK COMPANY GREEN LOAN

DNV GL PRE ISSUANCE VERIFICATION ASSURANCE OPINION

Scope and Objectives

Phu Yen TTP Joint Stock Company (“PYTTP” or “Borrower”) is considering the entering into a Loan in USD (henceforth referred to as “LOAN”) and has submitted the proposed Loan for verification and certification against the **Climate Bond Standard** (CBS). DNV GL notes that the requirements of the CBS meet and exceed the guidance set out in the Loan Market Association’s Green Loan Principles 2020.

PYTTP intends to use the proceeds of the BOND to finance a nominated project falling under the following categories:

- Renewable Energy – Solar

DNV GL Business Assurance Australia Pty Ltd (henceforth referred to as “DNV GL”) has been commissioned by PYTTP to provide verification of the LOAN as an independent and approved verifier under the Climate Bond Standard. Our criteria and information covered to achieve this is described under ‘Work Undertaken’ below.

No assurance is provided regarding the financial performance of the LOAN, the value of any investments in the LOANS, or the long term environmental benefits of the transaction. Our objective has been to provide an assessment that the LOAN has met the criteria of the Climate Bond Standard and the associated Technical Criteria on the basis set out below.

The scope of this DNV GL opinion is limited to:

- the Climate Bond Standard Version 2.1 and the following associated Sector Technical Criteria:
 - Solar Power

Responsibilities of the Management of PYTTP and DNV GL

The management of PYTTP has provided the information and data used by DNV GL during the delivery of this review. Our statement represents an independent opinion and is intended to inform PYTTP management and other interested stakeholders in the LOAN 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 PYTTP.

DNV GL 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 GL shall not be held liable if any of the information or data provided by PYTTP’s management and used as a basis for this assessment were not correct or complete.

Basis of DNV GL's opinion

DNV GL has conducted the verification against the CBS v2.1 and associated Sector Technical Criteria through the creation and execution of a verification protocol addressing each requirements of the CBS v2.1 and the Solar Power Technical Criteria. The detail of areas covered in the DNV GL verification is summarised in Schedule 2 below.

Work undertaken

Our work constituted a high level review of the available information, based on the understanding that this information was provided to us by PYTTP 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 and execution of a Climate Bond Standard Protocol, adapted to include the relevant Sector Technical Criteria for the LOAN nominated project, as described above and in Schedule 2 to this Opinion;
 - Assessment of documentary evidence provided by PYTTP on the LOAN and supplemented by a high-level desktop research, onsite visit for documentation review and interviews with key personnel from the issuer PYTTP. These checks refer to current assessment best practices and standards methodology;
 - Discussions with PYTTP management, and review of relevant documentation;
 - Inspection of a sample of nominated project sites;
 - Documentation of findings against each element of the criteria. Our opinion as detailed below is a summary of these findings.
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Findings and DNV GL's opinion

DNV GL has performed the Pre Issuance Verification of the PYTTP Green Loan. It is DNV GL's responsibility to provide an independent verification statement on the compliance of the PYTTP Green Loan with the Climate Bond Standard and alignment with the Loan Market Association Green Loan Principles 2020.

DNV GL conducted the verification in accordance with the Climate Bond Standard Version 2.1 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 limited assurance that the PYTTP Green Loan meets the requirements of the Climate Bond Standard.

Based on the limited assurance procedures conducted, nothing has come to our attention that causes us to believe that the PYTTP Green Loan is not, in all material respects, in accordance with the Pre Issuance requirements of the Climate Bond Standard Version 2.1 and Associated Solar Power Technical Criteria. DNV GL also confirms that the PYTTP Green Loan is aligned with the Green Loan Principles 2020.

for DNV GL Business Assurance Australia Pty Ltd

Sydney, 6 August 2020



Mark Robinson

Manager, Sustainability Services

DNV GL – Business Assurance

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: DESCRIPTION OF NOMINATED ASSETS

| Eligible Projects & Assets Category | Sub category | Projects | PYTTP Exposure (USDm) |
|-------------------------------------|--------------|-----------------------------|-----------------------|
| Renewable Energy | Solar | PYTTP Phu Yen Solar Project | 248 |
| Total | | | 248 |

SCHEDULE 2: CLIMATE BONDS STANDARD VERIFICATION CRITERIA

Summary criteria for assertions of compliance with the Climate Bond Standard v2.1

The criteria against which PYTTP and its nominated project have been reviewed prior to inclusion in the Loan are grouped under the requirements as detailed within the Climate Bond Standard Version 2.1 including:

Part A: General Requirements

| Area | Requirement |
|--------------------|---|
| Project Nomination | The Climate Loan 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 to allocate or re-allocate funds to Nominated Project(s) |
| Confidentiality | The information disclosed to the Verifier and the Climate Bond Standards Board may be subject to confidentiality arrangements |
| Reporting | Reporting on use of proceeds and nominated projects and assets |

Part B: Low Carbon Contribution - Eligible projects and physical assets

Nominated project includes financing of or investments in equipment and systems which enable the mitigation of greenhouse gasses, as detailed in Appendix B.

| Area | Requirement |
|-------------------------|------------------------------------|
| Solar Energy Generation | Solar energy generation facilities |

Part C: Loan structures

| Area | Requirement |
|-------------------|--|
| Project Holding | The borrower of a Corporate Climate Loan 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 |
| Settlement Period | Climate Loan borrowing entities must demonstrate that the proceeds of a Climate Loan have been allocated to the Nominated Project(s) within 24 months after the Loan is issued |
| Earmarking | The borrower of the Loan shall maintain the earmarking process to manage and account for funding to the nominated projects and assets. |