



POST-ISSUANCE VERIFICATION REPORT (LIMITED ASSURANCE REPORT)

By VIGEO EIRIS

For Rio Energy's holding 2017 Green Bond issuance

Post-issuance verification based on Climate Bonds Standard version 2.1

SCOPE

Itarema Geração de Energia S.A. (the "Issuer"), a holding within Rio Energy, issued its first Green Bond (the "Bond") in June 2017 intending to use the proceeds to refinance its portfolio of construction of wind power plants in Brazil. The Issuer obtained its pre-issuance Climate Bonds certification in March 2017, following the Pre-Issuance Verification performed by Vigeo Eiris in February 2017, based on the Climate Bonds Standard version 2.1.

Founded in 2012, Rio Energy is a Brazilian company focusing on the development, construction and operation of renewable energy infrastructures in Brazil. Its portfolio consists of 2.6 GW of renewable projects including projects in operation, under construction and in development phase. Among these, the Itarema Complex contains 9 wind farms supplied by Acciona, in the state of Ceará, Brazil.

In this context, Vigeo Eiris (the "Verifier") has been commissioned by the Issuer, as stated in the engagement contract, to perform the Post-Issuance Verification of this Bond based on the limited assurance procedure, as independent third party approved by the Climate Bonds Standard Board.

The verification is based on the assessment of the compliance of the Issuer's 2017 first Green Bond with the Climate Bonds Standard version 2.1 for post-issuance requirements and with associated sector-specific technical criteria, as defined on CBI's website. Vigeo Eiris has carried out its verification from May 15th to June 15th, 2018, complemented by interviews with involved departments and managers.

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

- Planning and management of the verification.
- Desk review of the Bond and associated documentation provided by the Issuer.
- Interviews of the Issuer's managers related with the Nominated Assets to be financed by this Bond.
- Assessment of evidences provided by the Issuer against the Climate Bonds Standard 2.1.
- Internal quality control on the hereby Assurance Report and conclusions.
- Provision of Vigeo Eiris' Assurance Report to the Issuer.

The methodology, criteria, findings and assurances addressed by this Assurance Report are detailed below.

RESPONSIBILITIES OF THE ISSUER AND OF VIGEO EIRIS

The responsibility of Vigeo Eiris is to provide an external and independent assurance on the compliance of the Issuer's 2017 Green Bond with the Climate Bonds Standard version 2.1 requirements and associated sector-specific technical criteria.

This statement relies on the information provided by the Issuer to the Verifier: documentation, interviews with employees, and explanations presented during the assessment, based on the understanding that this information was provided to Vigeo Eiris in good faith. Vigeo Eiris has not 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.

POST-ISSUANCE VERIFICATION

This Post-Issuance Verification has been conducted against the Climate Bonds Standard version 2.1 requirements:

- Part A: General requirements to be applied for all Climate Bonds
- Part B: Eligible Projects & Assets - Wind Sector Eligibility Criteria of the Climate Bonds Standard Version 1.1
- Part C: Requirements for Specific Bond Types (applied here for "Use of Proceed Bond")

The verification process is performed in accordance with relevant general principles & professional standards of independent auditing, and in line with the International Standard on Assurance Engagements other than Audits or Reviews of Historical Financial Information (ISAE 3000).

The verification included checking whether the provisions of the Climate Bonds Standard 2.1 were consistently and appropriately applied and the collection of evidence supporting the verification. The details and areas covered by the verification are summarized in the following pages (see Detailed results section).

Based on the supporting elements and explanations provided by the Issuer, nothing has come to our attention that causes us to believe that, in all material respects, Rio Energy's 2017 first Green Bond is not in conformance with the Climate Bonds Standard's Post-Issuance Requirements (version 2.1) and with associated relevant sector-specific technical criteria. This level of assurance applies altogether to the Nominated Assets, the environmental benefits of the Bond, the evaluation and selection process of the assets, the proposed financial accounting system, and the monitoring & reporting system associated to the Bond, to be implemented over the term of the Bond.

Paris, June 18th, 2018

Handwritten signature of Benjamin CLIQUET in blue ink.

Benjamin CLIQUET
CSR consultant

Handwritten signature of Carlos ARAUJO in blue ink.

Carlos ARAUJO
CSR consultant

Disclaimer

Transparency on the relation between Vigeo Eiris and the Issuer: Vigeo Eiris has conducted the pre-issuance verification of the 2017 Green Bond issued by Rio Energy. No established relationship (financial or other) exists between Vigeo Eiris and the Issuer.

This Assurance Report is a document prepared by the Verifier that conveys the Verifier's opinion on the Bond alignment with the relevant requirements of the Climate Bonds Standard, but it does not provide Climate Bonds Certification itself. Providing this opinion 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: the report is provided by Vigeo Eiris to the Issuer and can only be used by the Issuer. The distribution and publication on this report is at the discretion of the Issuer, submitted to Vigeo Eiris approval.



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Vigeo Eiris offers a wide range of services:

- **For investors:** decision-making support covering all sustainable and ethical investment approaches (including ratings, databases, sector analyses, portfolio analyses, structured products, indices and more)
- **For companies & organisations:** supporting the integration of ESG criteria into business functions and strategic operations (including sustainable bonds, corporate ratings, CSR evaluations and more).

Vigeo Eiris methodology and rating services adhere to the highest quality standards.

With a team of more than 240 experts of 28 different nationalities, Vigeo Eiris is present in Paris, London, Boston, Brussels, Casablanca, Hong Kong, Milan, Montreal, Rabat, Santiago and Stockholm.

The Vigeo Eiris Global Network, comprising 7 exclusive research partners, is present in Australia, Brazil, Germany, Israel, Japan, Spain and Mexico.

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