

ASSURANCE REPORT ON DARWAY COAST NIGERIA LIMITED'S ₦1.6 BILLION GREEN BOND

2022 PRE-ISSUANCE VERIFICATION FINAL REPORT

26 August 2022



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PRE-ISSUANCE VERIFICATION REPORT

1.0 INTRODUCTION

Darway Coast Nigeria Limited (“Darway Coast”, “the Company” or “the Sponsor”) engaged Augusto & Co. Limited (“Verifier” or “Agusto & Co”) to provide an independent Pre-issuance Verification report on the Darway Coast Green Bond Framework (“the Framework”), the eligibility and readiness of projects and assets being financed to meet the Climate Bonds Standard Solar Sector Criteria for the proposed green bond issuance.

This is an independent pre-issuance assurance report of the proposed ₦1.6 billion Green Bond (Green Bond) by Infrafund SPV Limited (Issuer) sponsored by Darway Coast Nigeria Limited and guaranteed by Infrastructure Credit Guarantee Company Limited (“InfraCredit” or Guarantor”) in accordance with the pre-issuance requirements of Limited Assurance under Climate Bonds Standard Version 3.0.

We have not performed any work, and do not express any conclusion, over the performance of the Green Bond outside the scope outlined in this document.

2.0 BACKGROUND

Darway Coast Nigeria Limited is a renewable energy company with expertise in the development and operation of hybrid solar mini-grid and micro-grid solutions for residential, commercial and industrial customers in off-grid and underserved areas in Nigeria. The Company is focused on accelerating the transition to cleaner energy sources to increase access to affordable energy for enhancing the livelihoods and well-being of local people, mitigating climate change impacts through avoidance and reduction of greenhouse gases (GHG) and enabling productive economic activities.

The Company was incorporated as a private limited company in 2015 and commenced operations in 2017 and currently operates four active mini-grids in Ozuzu, Imo State (27KW), Odunade, Lagos State (50KW), Akpoku, Rivers State (7KW) and Obite, Rivers State (71KW) under power purchase agreements with cumulative solar PV capacity of 155KW.

Darway Coast plans to design and build approximately 35 mini-grids over the next three years, based on the categories of identified off-grid activities. The small grids will have installed capacities ranging from 19kWp to 99kWp, resulting in about 4.3MW of renewable producing potential.

Darway Coast Nigeria Limited plans to develop and operate six isolated hybrid-solar mini grids in selected communities in Rivers and Abia State (the ‘Project’). Darway Coast has established a special purpose vehicle, Darway Coast P1 Limited (“Project SPV”), to ringfence the Project from existing operations and for ease of capital raise. The six projects under consideration are expected to serve 7,711 households and businesses in off-grid communities in Abia and Rivers State. The Company has executed 20-year PPAs to supply power on an exclusive basis to these communities using a hybrid-solar system with a total solar PV capacity of 526.1 kilowatts (KW).

The Project SPV shall as co-obligor, issue the debt instruments having an aggregate nominal value of up to ₦1,600,000,000 (One Billion, Six Hundred Million Naira) (the “Debt Issue”) under the Guarantor’s Clean Energy Funding Programme which aims to catalyse private and public sector investment to support Nigeria’s clean energy goals and increase energy access for unserved and underserved population and businesses.

InfraFunding is a special purpose vehicle established to constitute a multi-issuer debt issuance program under which certain private debt instruments of a nominal aggregate amount not exceeding ₦200,000,000,000 (Two Hundred Billion Naira) may be issued to domestic institutional investors from time to time by the Issuer, for the benefit of eligible underlying beneficiary entities/co-obligors, in such tranches and/or series, by way of private placement, and in such proportions, on such dates and time and on such terms and conditions including without limitation, coupon rates and maturities as may be determined by the Issuer (the "Programme").

To enhance the credit rating of the Debt Instruments and facilitate the full subscription of 50% of the Bonds by institutional investors, the Company and Co-Obligors have requested, and the Guarantor (Infrastructure Credit Guarantee Company Limited) has agreed to provide an irrevocable and unconditional guarantee of up to ₦800,000,000 (Eight Hundred Million Naira) of the Bonds ("Guaranteed Bonds") constituting parts of the Debt Issue to guarantee the obligations of under a deed of guarantee (the "Guarantee"). 50% of the Debt Issue is being supported by the Climate Finance Blending Facility (the "Facility"), a catalytic first loss multi-donor facility seeded with £10 million concessional funding by the UK Foreign, Commonwealth & Development Office ("FCDO") to co-finance clean energy investments on a 50:50 basis alongside InfraCredit's local currency guarantees in Nigeria.

The Facility will help de-risk, reduce the capital cost and catalyse domestic institutional investment from insurance companies, local pension funds, and other asset managers including low carbon energy focused funds, to scale up private sector financing of affordable local currency capital for eligible off-grid clean energy infrastructure for unserved and underserved markets by providing returnable blended lower-interest rate subordinated debt capital. The Climate Finance Blending Facility will provide counterpart funding by subscribing to Loan Notes of a principal amount of ₦800,000,000 (Eight Hundred Million Naira) in equivalent value with the Guaranteed Bonds.

The SPV intends to issue up to ₦1.6 billion as a Green Bond consisting of two tranches (Tranche A - ₦800 million 7 Year Guaranteed Fixed Rate Senior Infrastructure Bonds Due 2029 and Tranche B - ₦800 million 7-Year 3% Fixed Rate Subordinated Loan Bonds subscribed by the Climate Finance Blending Facility¹). The Bond proceeds will be passed through to Darway Coast to implement the six mini-grid projects in the selected states in Nigeria.

The Company recognises the importance of incorporating a sustainability lens in its project development and has developed an Environmental and Social Management Plan (ESMP) to mitigate potential environmental and social risks and impact associated with its planned min-grid projects. Darway Coast's approach aligns with the objectives of the Paris Agreement and Nigeria's Nationally Determined Contributions (2021) to decarbonize the energy sector through a transition pathway, mitigating GHG emissions and enhancing climate resilience. The Company's overriding objective of enabling universal access to energy (serving the unserved and underserved communities) hinges on promoting greater adoption of renewables and energy-efficient technologies by domestic and commercial customers in both urban and rural areas of Nigeria.

¹ The Climate Finance Blending Facility (the Facility) is a catalytic first loss multi-donor facility seeded with £10 million concessional funding by the UK Foreign, Commonwealth & Development Office (FCDO) to co-finance clean energy investments alongside InfraCredit's local currency guarantees in Nigeria.

3.0 SCOPE OF ASSURANCE ENGAGEMENT

The objective of this assurance engagement is to obtain a Limited Assurance of the verification and conformance of the internal procedures of Darway Coast to comply with the material requirements of the Green Bonds Principles published by the International Capital Market Association, the Climate Bonds Standard Version 3.0 and the Solar Sector Criteria (version 2.1) published by Climate Bonds Initiative. The following have been assessed in this engagement:

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

4.0 OUR APPROACH

Agusto & Co. undertook necessary activities to collect sufficient evidence to present factual findings in line with the scope outlined above. Our work constituted a high-level review of the available information, based on the understanding that this information was provided to us by Darway Coast and partners in good faith. We have not performed an audit to check the veracity of the information provided to us. The Verifier's review covered an examination of relevant procedures, policies and processes, as well as verification of data provided by the Sponsor through various sampling techniques and based on our professional judgment. Our assurance procedures performed included, but were not limited to:

- Assessed Darway Coast Green Bond Framework (Framework) against the CBI Climate Bonds Standard Version 3.0
- Assessed the Company's proposed eligible assets using the verification pre-issuance requirements of the CBI's Climate Bonds Standard and the CBI's Solar criteria (version 2.1)
- Assessed the valuation of projects against the proposed size of Green Bond
- Reviewed the Issuer's Framework including processes, systems, internal procedures and controls in place for the management of bond proceeds, investment areas for Green Bond proceeds and intended types of temporary investment instruments for the management of unallocated proceeds
- Checked the list of projects, which are proposed to be associated with the Green Bond and their conformance with eligibility requirements specified in Part C of the Climate Bonds Standard
- Evaluated the procedures performed by the Sponsor regarding the organisation, its environmental objectives, intended use of bond proceeds, details of process and procedure for identifying nominated eligible assets and projects and details of the process and procedure for the management of proceeds
- Reviewed the response to the questionnaire completed by the Sponsor that covers all criteria of the Climate Bonds Standard Version 3.0
- Assessed background and supporting documents that elaborate further on the information mentioned in the questionnaire.
- Conducted interviews with key staff of Darway Coast on Thursday 11 August 2022 responsible for the Green Bond Issuance.

Agusto & Co. also sought management representation on key assertions and requested additional documentation to support key assertions made in the Framework and the ESMP.

5.0 LIMITATIONS

There are inherent limitations in performing any assurance engagement – for example, assurance engagements are based on selective testing of the information being examined – and fraud, error, or non-compliance may occur and not be detected. There are additional inherent risks associated with assurance over non-financial information including reporting against standards which require information to be assured against source data compiled using definitions and estimation methods that are developed by the reporting entity. Our assurance was limited to the Pre-issuance verification of Darway Coast's Green Bond Framework and relevant information. Therefore, our assurance procedures did not constitute an examination or evaluation of the following:

- Credit rating and financial performance of the prospective Issuer or Sponsor
- Environmental, social, or governance impact of the proposed projects, except to the extent required for compliance with Climate Bonds Initiative Version 3.0.
- Any information beyond the defined reporting boundary and period

6.0 MANAGEMENT'S RESPONSIBILITY

Darway Coast, as the Sponsor of the project, was responsible for preparing the Green Bond Framework and providing information in relation to the following:

- The selection process for the nominated projects.
- The details of the nominated projects and methodology applied.
- The intended use of the Bond proceeds
- The management systems for internal processes and controls for nominated projects.
- The details of commitments for reporting pre and post-issuance, including investment areas, management of unallocated proceeds and frequency of periodic reporting.
- Representations regarding conformity with the CBI Solar Criteria (Version 2.1) and the Climate Bond Standard Version 3.0. requirements.

7.0 VERIFIER'S RESPONSIBILITY

The tasks undertaken by Agosto & Co. as part of this Limited Assurance Engagement of Darway Coast Framework and the eligibility of projects and assets being financed to meet the Climate Bonds Standard Solar Sector Criteria (Version 2.1) for the proposed green bond issuance included the assessment of the following:

- Conformance of Darway Coast's Framework with the Climate Bonds Standard Version 3.0.
- Conformance with the Solar Eligibility Criteria (Version 2.1)
- Conformance of Darway Coast's intended use of proceeds and management thereof with the Climate Bonds Standard requirements
- Conformance with the Internal Processes & Controls requirements.
- Conformance with Reporting Prior to Issuance requirements.

8.0 INDEPENDENCE AND QUALITY CONTROL

- As an approved verifier by the Climate Bonds Initiative, Agosto & Co. ensures that the results of the independent Pre-Issuance Verification Report are of the highest quality and reflect an impartial review process of Climate Bonds Standards Version 3.0.
- Agosto & Co carried out Limited Assurance procedures in accordance with the International Standard on Assurance Engagements [ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information] established by the International Auditing and Assurance Board (IAASB) of the International Federation of Accountants (IFAC).
- Agosto & Co. nor any member of the verifier team is involved in any way in the issuance or management of Green Bonds. Agosto & Co. has applied internal procedures to confirm no conflicts of interest for this verification engagement.

9.0 CONCLUSION

Based on the limited assurance procedures conducted and evidence obtained, Agosto & Co. notes that nothing has come to our attention that causes us to believe that, in all material respects the Darway Coast's Green Bond is not in conformance with The Green Bond Principles, the Climate Bonds Standard Version 3.0, the Solar Sector Eligibility Criteria (Version 2.1) published by Climate Bonds Initiative and the Climate Bonds Standard's Pre-Issuance Checklist Requirements.

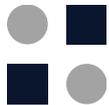
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Disclaimer

This Pre-Issuance verification report ("Report") is given by Agosto & Co and is addressed solely to the Company per the terms of the letter of engagement. We have not considered the interest of any other party in the Report. To the fullest extent permitted by law, we accept no responsibility and deny any liability to any other party for our work, for this statement or for the conclusions we have reached. Agosto & Co. will not accept any form of liability for the substance of the Report and/or any liability for damage arising from the use of the Report and/or the information provided in it. As the Report is based on information made available by the Company, Agosto & Co. does not warrant that the information presented in this Report is complete, accurate or up to date. Nothing contained in this Report shall be construed as to make a representation or warranty, express or implied, regarding the advisability of investing in any securities or any asset whose value is derived from any securities. Any person other than the Company who obtains access to the Report or a copy thereof and chooses to rely on it will do so at its own risk. Furthermore, this Report shall in no event be interpreted and construed as an assessment of the financial performance and credit worthiness of the Issuer, Company or the Bond. The issuance and the performance of the Company and the Bond are outside the scope of this engagement. We have consented to the inclusion of the Report on the Climate Bonds Initiatives (CBI) website or in such other manner as CBI shall from time to time use for making verification reports publicly available in respect of applications for certification to the Climate Bonds Standard.

10.0 APPENDIX

Appendix A: List of Nominated Projects & Assets

Site	Location	PV Size (kW)	Battery Size (kWh)	Mini Grid Type	Number of Connections
1	Lokpaukwu 1, Abia State	99.5	323	Isolated	1,597
2	Lokpaukwu 2, Abia State	99.5	323	Isolated	1,561
3	Akpoku Community, Rivers State	57	218	Isolated	800
4	Orwu Community, Rivers State	71	218	Isolated	1,404
5	Umuoye Community, Rivers State	99.5	218	Isolated	1,165
6	Eleuma Community, Rivers State	99.5	323	Isolated	1,184
		526.1	1,623		7,711

Appendix B – List of Documents Reviewed

1. Darway Coast's Green Bond Framework (1 July 2022)
2. Darway Coast's Certificate of Incorporation and Form CAC 7
3. Environmental and Social Management Plan (ESMP) for the proposed five (5) mini-grid project sites at Umunneochi Local Government Areas of Abia State, prepared by Ambioquest Limited (August 2021)
4. Environmental and Social Management Plan (ESMP) for the proposed twenty-eight (28) mini-grid project sites at Etchie, Ahoada-West, Ahoada-East, Ogba-Egbema-Ndoni and Abuah-Odual Local Government Areas of Rivers State, prepared by Ambioquest Limited (August 2021)
5. Preliminary Environmental and Social Review for Darway Coast, prepared by Aqua Earth Consulting (February 2022)
6. Development Impact Assessment Report on Darway Coast
7. Completed response to Augusto & Co.'s Green Bond Pre-Issuance Verification Questionnaire
8. Darway Coast's Project Cost estimates
9. Darway Coast Management Responsibility Letter (10 August 2022)
10. Executed Land documentation for the 6 nominated solar-hybrid mini-grid projects
11. Executed Power Purchase Agreements for the 6 nominated solar-hybrid mini-grid projects
12. The Nigerian Electricity Regulatory Commission's registration of Darway Coast as a Mini-grid Developer and approval for various mini-grid developments in Nigeria
13. Darway Coast Green Bond Committee Charter
14. Darway Coast Green Bond Asset Register
15. Darway Coast's Detailed Implementation Plan for the 6 nominated solar-hybrid mini-grid projects
16. Darway Coast's Operations and Maintenance Plan for Assets
17. Draft Applicable Private Placement Memorandum (3 August 2022)

Appendix C: Climate Bonds Standard Version 3.0 Pre-Issuance Certification Checklist

1. Use of Proceeds		
Climate Bonds Standard Requirement	Findings	Requirement Met
<p>1.1 The Issuer shall document the Nominated Projects & Assets which are proposed to be associated with the Bond and which have been assessed as likely to be Eligible Projects & Assets. The Issuer shall establish a list of Nominated Projects & Assets which can be kept UpToDate during the term of the Bond.</p>	<p>Agusto & Co. has reviewed the Green Bond Framework and the list of nominated projects to be associated with the Bond. The nominated projects are 6 solar-hybrid mini-grids with a total PV size of 526.1 KW and a Battery size of 1623 kWh expected to have 7,711 connections in two states (Abia and Rivers) in Nigeria. Based on the Framework, the net proceeds of the bond will be applied toward the construction, installation and commissioning of six solar-hybrid mini-grids. The Nominated Projects & Assets conform to the Climate Bonds Standard Solar Sector Criteria.</p>	YES
<p>1.2. The expected Net Proceeds of the Bond shall be no greater than the Issuer's total investment exposure to the proposed Nominated Projects & Assets, or the relevant proportion of the total Market Value of the proposed Nominated Projects & Assets which are owned or funded by the Issuer.</p>	<p>Darway Coast asserts that the net bond proceeds (after deducting transaction cost and debt service reserve provision) will be fully utilized for the proposed projects and Nominated Assets. In addition, the Issuer has pledged to provide any additional funds over and above the bond proceeds required to operationalize the assets.</p>	YES
<p>1.3 Nominated Projects & Assets shall not be nominated to other Certified Climate Bonds, Certified Climate Loans, Certified Climate Debt Instruments, green bonds, green loans or other labelled instruments (such as social bonds or SDG bonds) unless it is demonstrated by the Issuer that:</p>	<p>The Company's Framework and Management confirmed that the six solar-hybrid mini-grid projects have not been nominated for other climate finance tools: certificates, climate loans, certified climate debt instruments, green bonds, green loans, or other labelled instruments (such as social bonds or SDG bonds).</p>	YES
<p>1.3.1 Distinct portions of the Nominated Projects & Assets are being funded by different Certified Climate Bonds, Certified Climate Loans, Certified Climate Debt Instruments, green bonds, green loans or other labelled instruments or;</p>		
<p>1.3.2 The existing Certified Climate Bond, Certified Climate Loan or Certified Climate Debt Instrument is being refinanced via another Certified Climate Bond, Certified Climate Loan or Certified Climate Debt Instrument.</p>		

2. Process for Evaluation and Selection of Projects and Assets

Climate Bonds Standard Requirement	Findings	Requirement Met
2.1. The Issuer shall establish, document and maintain a decision-making process which it uses to determine the eligibility of the Nominated Projects & Assets. The decision-making process shall include, without limitation:	Darway Coast has established a documented process to nominate eligible projects and assets associated with this Bond issue based on environmental objectives and criteria, and compliant with the Solar sector eligibility criteria of the Climate Bond Standards.	YES
2.1.1. A statement on the climate-related objectives of the Bond.	Darway Coast has a strong commitment to mitigating climate change and achieving the Sustainable Development Goals and believes that issuing a Green Bond demonstrates its commitment and transparency to developing sustainable projects that support the transition to a net-zero economy and promote beneficial environmental outcomes. The proposed Green Bond issuance will have a direct impact on SDGs 7, 9, 11, and 13 as identified in the Green Bond Framework.	YES
2.1.2 How the climate-related objectives of the Bond are positioned within the context of the Issuer's overarching objectives, strategy, policy and/or processes relating to environmental sustainability.	Darway Coast's solar-hybrid mini-grid which uses renewable solar energy is strategically aligned with the Federal Government of Nigeria's goals to increase access to electricity for 90% of the population which contributes towards achieving the Nigeria's Nationally Determined Contributions (20% reduction in GHG emissions by 2060). Mini-grids have proven to be a cost-effective alternative to the grid in achieving this goal given that the majority of the population without access to electricity are domiciled in rural areas.	YES
2.1.3 Issuer's rationale for issuing the Bond.	Darway Coast believes that issuing a Green Bond demonstrates commitment and transparency to developing sustainable projects that support the transition to a net-zero economy and promote beneficial environmental outcomes as the net proceeds of the bond will be fully applied towards the construction, installation and commissioning of six solar-hybrid mini-grids in two states in Nigeria.	YES
2.1.4 A process to determine whether the Nominated Projects & Assets meet the eligibility requirements specified in Part C of the Climate Bonds Standard.	Darway Coast confirmed that the eligible projects & assets shall have a minimum of 85% of electricity generated from solar energy resources. Also, all the eligible activities relating to solar energy generation are projects or assets that operate in one or more of the eligible activities as noted in the Solar sector criteria section 1.1 (1.11 – 1.1.5). The Issuer has met the eligibility and technical criteria requirements for the Solar sector criteria (version 2.1) in line with Clause 10 of the Climate Bond Standard Version 3.0.	YES

2. Process for Evaluation and Selection of Projects and Assets

Climate Bonds Standard Requirement	Findings	Requirement Met
2.2 Issuer should include under Clause 2.1 further aspects of the decision-making process, including:	The decision-making process is described in 2.21, 2.22 and 2.23 below	YES
2.2.1 Related eligibility criteria, including, if applicable, exclusion criteria or any other process, applied to identify and manage potentially material environmental, social or governance risks associated with the Nominated Projects & Assets.	<p>The Selection and Exclusion criteria are formalised in the Green Bond Framework. The Green Bond Committee (GBC) whose members consist of representatives from Transaction Sponsor, Darway Coast Management Team and Guarantor representatives, will be responsible for defining the decision-making process for determining a project's eligibility with regards to the following tasks.</p> <ul style="list-style-type: none"> ○ Review and validate the selection of eligible green projects, twice a year; ○ Monitor resource allocation to eligible green projects and ensure compliance with the Use of Proceeds requirements; ○ Manage any future updates of the Framework; ○ Coordinate the preparation of reports as described in this Framework; and ○ Prepare audit trails and collect the necessary evidence to facilitate external auditor verification. 	YES
2.2.2 Green standards or certifications referenced in the selection of Nominated Projects & Assets.	The goal of the Issuer is to comply with the ICMA Green Bond Principles (2021) and obtain certification under the Climate Bond Standards	YES
2.2.3 The issuer shall assess that all proposed Nominated Projects & Assets to be associated with the Bond meet the documented objectives as stated under Clause 2.1.1 and are likely to conform to the relevant eligibility requirements under Part C of the Climate Bonds Standard.	The Company provided a list of eligible solar energy projects that it had assessed as eligible and meet the documented objectives as stated under Clause 2.1.1 and are likely to conform to the relevant eligibility requirements under Part C of the Climate Bonds Standard. As noted, the portfolio of 6 hybrid-solar mini-grids projects was assessed by the Verifier for conformance with the eligibility criteria with no discrepancies identified.	YES

3. Management of Proceeds

Climate Bonds Standard Requirement	Findings	Requirement Met
<p>3.1 The systems, policies and processes to be used for management of the Net Proceeds shall be documented by the Issuer and disclosed to the Verifier, and shall include arrangements for the following activities:</p>	<p>The Company has a documented process which has been disclosed to the Verifier</p>	<p>YES</p>
<p>3.1.1 The Net Proceeds of the Bond can be credited to a sub-account, moved to a sub-portfolio, or otherwise tracked by the Issuer in an appropriate manner and documented.</p>	<p>The Net proceeds will be appropriately tracked by Darway Coast's Finance Manager and documented with the use of the Green Bond Register. This activity will be supervised by the Guarantor of the Bond to ensure proper utilization of the proceeds.</p>	<p>YES</p>
<p>3.1.2 The balance of unallocated Net Proceeds can be managed as per the requirements in Clause 7.3.</p>	<p>Unallocated net proceeds will be held in any form of cash, bank deposit or other forms of authorized investments as stipulated in the Recourse Deed. The unallocated Net Proceeds will be managed in compliance with the requirements in Clause 7.3. of CBI standards.</p>	<p>YES</p>
<p>3.1.3 The earmarking process can be used to manage and account for funding to the Nominated Projects & Assets and enables estimation of the share of the Net Proceeds being used for financing and refinancing.</p>	<p>Darway Coast has a detailed earmarking process in the Framework, which will be reflected periodically in the Green Bond Register and complemented with an annual Allocation Reporting during the period when the bond proceeds are yet to be allocated in full. In addition, the post-issuance verification report will be completed within 24 months of the issuance of the bond, while annual reporting is required every year (after the post-issuance report) until the maturity of the bond in line with CBI requirements.</p>	<p>YES</p>

4. Reporting Prior To Issuance

Climate Bonds Standard Requirement	Findings	Requirement Met
4.1 The Issuer shall prepare a Green Bond Framework and make it publicly available prior to Issuance or at the time of Issuance. The Green Bond Framework shall include, without limitation:	Darway Coast has agreed to make the Green Bond Framework and pre-issuance verification report available on its website www.darwaycoast.com	YES
4.1.1 Confirmation that the Bonds issued under the Green Bond Framework are aligned with the Climate Bonds Standard. This may include statements of alignment with other applicable standards, such as the EU Green Bond Standard, the ASEAN Green Bond Standard, Chinese domestic regulations, Japanese Green Bond Guidelines, etc.	The Company has based the preparation of the Green Bond Framework for the Bond issue on the ICMA Green Bond Principles and the Climate Bonds Standard version 3.0.	YES
4.1.2 A summary of the expected use of proceeds, as defined under Clause 1.1, and the expected contribution of the relevant sectors or sub-sectors to the rapid transition required to achieve the goals of the Paris Climate Agreement.	Agusto & Co. confirms that Darway Coast's Green Bond Framework includes a summary of the expected use of proceeds' contribution to achieving the goals of the Paris Agreement as noted in Clause 1.1.	YES
4.1.3 A description of the decision-making process, as defined under Clause 2.1, with particular reference to the requirements in Clause 2.1.2.	Agusto & Co. confirms that Darway Coast's Green Bond Framework includes a descriptive decision-making process to ensure a rigorous project evaluation and selection as defined under Clause 2.1.	YES
4.1.4 on the methodology and assumptions to be used for: confirming, where required by relevant Sector Eligibility Criteria, the characteristics or performance of Nominated Projects & Assets required to conform to the relevant eligibility requirements under Part C of the Climate Bonds Standard; and any other additional impact metrics that the issuer will define.	Agusto & Co. affirms that the Framework includes a description of the relevant Sector Eligibility Criteria, as well as relevant impact metrics, on which Darway Coast intends to report.	YES
4.1.5 A summary of the approach to the management of unallocated Net Proceeds in accordance with Clause 3.1.	Agusto & Co. confirms that Darway Coast's Framework clearly states the approach that will be used to manage the unallocated net proceeds and reporting thereof (see clause 3.1).	YES
4.1.6 The intended approach to providing Update Reports to reaffirm conformance with the Climate Bonds Standard while the Bond remains outstanding.	Darway Coast will prepare an Allocation Report to show how proceeds are being utilized and what assets they are deployed to; an Impact Report to show the expected impact of the project and measuring performance indicators; and an Annual Assurance Report to show compliance to a set of sustainability indicators to inform about the project's contributions to environmental development.	YES
4.1.7 The list of proposed Nominated Projects & Assets associated with the Bond and the investment areas, as provided in Clause 9.1, into which the Nominated Projects & Assets fall. Where there are limits on the amount of detail that can be made available about specific Nominated Projects & Assets, information shall be presented on the investment areas which the Nominated Projects & Assets fall into, provided in Clause 9.1, and the Issuer shall provide an explanation of why details on Nominated Projects & Assets is limited.	The list of nominated projects has been identified in the Framework and they fall under the Solar Criteria of the Climate Bond Standard. Any additional information can be provided on the projects.	YES
4.1.8 Where a proportion of the Net Proceeds are used for refinancing, an estimate of the share of the Net Proceeds used for financing and refinancing, and the relevant Nominated Projects & Assets or investment areas which may be	The net proceeds will be fully deployed for financing six new solar-hybrid mini-grids and will not be used for refinancing existing projects or assets.	YES

4. Reporting Prior To Issuance

Climate Bonds Standard Requirement	Findings	Requirement Met										
refinanced. This may also include the expected look-back period for refinanced Nominated Projects & Assets.	<table border="1"> <thead> <tr> <th>Use of Proceeds (Indicative)</th> <th>Amount (NGN'000)</th> </tr> </thead> <tbody> <tr> <td>Capital Expenditure</td> <td>1,320,000.00</td> </tr> <tr> <td>Reserve Account Funding</td> <td>256,000.00</td> </tr> <tr> <td>Transaction Cost</td> <td>24,000.00</td> </tr> <tr> <td>Total</td> <td>1,600,000.00</td> </tr> </tbody> </table>	Use of Proceeds (Indicative)	Amount (NGN'000)	Capital Expenditure	1,320,000.00	Reserve Account Funding	256,000.00	Transaction Cost	24,000.00	Total	1,600,000.00	
Use of Proceeds (Indicative)	Amount (NGN'000)											
Capital Expenditure	1,320,000.00											
Reserve Account Funding	256,000.00											
Transaction Cost	24,000.00											
Total	1,600,000.00											
4.2 The Issuer shall include in the Disclosure Documentation:												
4.2.1 The investment areas, as provided in Clause 9.1, into which the Nominated Projects & Assets fall.	The selected Projects fall in the "Solar" classification of Climate Bonds Taxonomy.	YES										
4.2.2 The intended types of temporary investment instruments for the management of unallocated Net Proceeds in accordance with Clause 7.3.	The unallocated proceeds will be held in investment instruments including treasury bills issued by the Federal Republic of Nigeria; demand or time deposits; and such other investments that the Security Trustee may instruct in line with the Recourse Deed.	YES										
4.2.3 The Verifier engaged by the Issuer for the mandatory verification engagements.	The Issuer has commissioned Agosto & Co. as an independent Verifier approved by the Climate Bonds Standards Board to perform the Pre-Issuance and Post-Issuance Verification of the Green Bond.	YES										
4.2.4 The intended approach to providing Update Reports to reaffirm conformance with the Climate Bonds Standard while the Bond remains outstanding, including the location of the published documents.	Darway Coast reaffirm conformance with the Climate Bonds Standard while the Green Bond remains outstanding through these three reports (Allocation Report, Impact Report and Assurance Report) that would be available on the Company's website.	YES										
4.2.5 The CBI Disclaimer provided in the Certification Agreement.	The Company states that it will provide the CBI's disclaimer in the certification agreement.	YES										

Disclaimer

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