



R.Power Green Bond Framework

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Introduction

R.Power (rpower.pl) is one of the fastest-growing integrated renewables companies in Europe whose primary focus is on photovoltaics (PV) technology. The company operates across the full PV market value chain, which includes utility scale solar project development, project construction, project technical services (Operations & Maintenance of solar projects) and PV asset investment (Independent Power Producer – IPP). R.Power’s strategy is to be a leading player in each of these segments of the PV sector in selected European markets (we are currently no. 1 or no. 2 in Poland in each of these segments). In the last 2 years alone, the company developed and commercialized >300 MWp of solar projects, significantly contributing to the evolution of the Polish energy system towards zero emissions. Our development pipeline is one of the largest in Europe (3 GWp of solar projects in Poland and 100+ MWp in Italy and Portugal) and we expect to construct 300-500 MWp of PV projects annually over the next 3 years. We operate in Poland, Spain, Italy, Portugal and Holland. R.Power currently has offices in Warsaw, Milan, Lisbon and Amsterdam.

Sustainability standards

R.Power is committed to creating renewable, clean energy sources at competitive prices in a sustainable manner, thus contributing to zero-emission economic development and promoting a healthy environment in all the markets in which the company is present. Our business model is centered around creating renewable, clean energy sources, and as we do so we strive to:

- Initiate and support measures that optimize the intensity of resources used for constructing renewable energy sources
- Initiate and support measures that optimize the usage of renewable energy
- Contribute to a clean and sustainable environment with respect to land, water and air
- Act transparently and ethically towards all stakeholders
- Generate awareness and share knowledge on sustainable development among employees, other stakeholders and the public at large

R.Power Green Bond Framework Overview

Under this R.Power Green Bond Framework (“Framework”) the company intends to issue Green Bonds to help finance the development, purchase, construction and operation of Eligible Green Projects (defined later in the document). We intend to do this in a manner consistent with the Green Bond Principles (GBP) established by the International Capital Markets Association, which provides guidelines for the following four key areas:

- Use of proceeds
- Project evaluation and selection process
- Management of proceeds
- Reporting

Use of proceeds

The proceeds from R.Power’s issuance of Green Bonds will be applied to the following Eligible Green Projects, each of which is in an area that will have a positive environmental impact:

- Investments in the development and/or construction of solar projects, in which solar electricity is generated from photovoltaic energy sources
- Investments in the development/construction of hybrid solar + storage projects, in which solar electricity is generated from photovoltaic energy sources and a utility scale storage system enhances the contribution of renewable sources to the stability of the energy system
- Purchases of solar projects or assets, or purchases of hybrid solar + storage projects or assets
- Financing or re-financing new or existing solar projects in which solar electricity is generated from photovoltaic energy sources
- Financing extensions of the scope of services related to construction, operations and maintenance of solar projects and assets
- Financing technologies providing greater productivity from solar assets and more effective and less energy-intensive construction or operation of solar energy (renewable) sources

All of the above objectives shall contribute to the energy sector transitions to zero emissions in all of the markets in which R.Power is currently present or will be operating in the future.

Due to the company’s organizational structure, these EGP investments shall be made directly by R.Power or through a fully (100%) owned dedicated asset holding subsidiary.

Process of Project Evaluation and Selection

To ensure the proper evaluation of potential Eligible Green Projects, a Green Investment Committee (“GIC”) has been established. The key role of the GIC is to select Eligible Green Projects according to the provisions of this Framework. Additionally, the GIC is responsible for the implementation of this Framework, the management of proceeds, reporting and where applicable, commissioning external reviews.

To exercise a comprehensive evaluation of any potential EGP, a Feasibility Report is prepared prior to any investment decision is taken, and the GIC’s decision to select each EGP will be based on such a report. The GIC may rely on and/or be supported in the process of evaluating EGPs by external parties providing due diligence or other advisory services.

Management of Proceeds

R.Power will maintain one or more separate bank account(s) for the proceeds received from the issue of Green Bonds. R.Power will allocate the amount equal to the net proceeds for the issue of the Green Bonds for the financing of Eligible Green Projects. The company will establish an internal tracking system to monitor and account for the allocation of the bond issue proceeds.

Unallocated proceeds shall be held in a form of temporary cash-like instruments, which include cash, liquid term deposits with commercial banks, units of debt mutual funds or government securities.

Reporting

R.Power will publish an annual Allocation Report on its website, which shall provide information on the allocation of proceeds from the Green Bond issue. The Allocation Report will include the list of chosen EGPs, the aggregated allocation of funds to EGPs and the remaining balance of unallocated proceeds.

Additionally, R.Power will publish an annual Impact Report which shall provide information on KPIs, which may include installed renewable capacity (MW), renewable electricity generated (MWh or GWh) or estimated CO2 avoided.

Both reports shall be published as long as R.Power has any outstanding green bonds.

External Review

Second Party Opinion: R.Power will request a Second Party Opinion on its Green Bond Framework by an eligible external, independent party.

Verification: R.Power may request an assessment of the allocation of the Green Bond proceeds by an external auditor.

Annual review: R.Power may ask an eligible external, independent party to annually assess the Green Bonds' compliance with this Framework.