

POST ISSUANCE VERIFICATION REPORT

- ▶ EGE HAINA
- ▶ Santo Domingo, Dominican Republic.
- ▶ December 2022



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▶ **Verification details**
 TYPE OF ENGAGEMENT: ASSURANCE ENGAGEMENT
 ELECTRICITY GENERATION FACILITIES CRITERIA OF THE CLIMATE BONDS STANDARD
 PERIOD ENGAGEMENT WAS CARRIED OUT: DECEMBER 2022.
 APPROVED VERIFIER: PACIFIC CORPORATE SUSTAINABILITY – PACIFIC CREDIT RATING GROUP
 POST-ISSUANCE ENGAGEMENT LEADER: SANDRA CARRILLO SCARRILLO@PCSLATAM.COM.



1. Introduction

This is an independent post-issuance assurance report of the proposed US Dollar denominated securities aggregating up to US\$ 100,000,000.00 (“Green Securities”) by EMPRESA GENERADORA DE ELECTRICIDAD HAINA, S.A. (EGE Haina), located in Avenue Lope de Vega N°29, Torre Novo-Centro, 17 Floor, Santo Domingo City, Dominican Republic (“Issuer”) in accordance with the post-issuance requirements of “Limited Assurance” under Climate Bonds Standard Version 3.0.

All Securities received Pre-Issuance Certification by the Climate Bonds Initiative (“CBI”) Standard Board under the Wind and Solar Criteria.

2. Assurance Scope and Objectives

EGE Haina engaged Pacific Corporate Sustainability to provide an independent verification on the alignment of green securities issued under Green Bonds certification with the Climate Bonds Standard Post-Issuance Requirements.

This Post Issuance Verification Report is intended to address the two issuances of Larimar I Public Offering of Securities Trust that have been placed at US\$ 20,000,000 in December 2021 and US\$ 40,000,000 in February 2022.

3. Performed Procedures

Procedures undertaken for this verification included interviews with key staff and reviews of internal and public documents have been carried out on the following aspects:

- PCS’s review included an examination of the relevant procedures, policies, and processes, as well as verification of the data provided by the issuer.
- The issuer provided an overview of the project nominated and the relevant processes and documentation regarding the proceeds (e.g., use of proceeds, management of proceeds) to PCS.
- The issuer filled in a questionnaire that covers all criteria of the Climate Bonds Standard 3.0.
- The issuer provided background documents that elaborate further on the information mentioned in the questionnaire.
- Using the questionnaire and background documents, PCS assessed the CBI criteria. In case any answers were unclear, PCS contacted the issuer for more details and clarification.

4. Conformance with Climate Bonds Standard and Sector Criteria

4.1 Use of Proceeds and Conformance with Sector Criteria

The proceeds obtained through the Issuance Program were used to the refinancing of Girasol Solar Park, equivalent to US\$60,000,000. During the period, capital amortizations of the securities issued by the Trust have been made for an amount of US\$4,000,200, subtracting US\$55,999,800 allocated to the refinancing of the Girasol Solar Park following the "Fund Management" section of the Green Securities Framework.

4.2 Reporting Status

EGE Haina has provided information on the impacts of the Securities-financed activities in the 2022 Fiscal Year Annual Report, which is available on the EGE Haina website: <https://www.egehaina.com/>

The Green Securities Impact Report details EGE Haina's reporting on allocation, eligibility, and impact of Securities-financed activities. Impact metrics and key performance indicators on Securities-financed activities reported include but are not limited to:

- Total number of renewable energy projects installed
- Installed Capacity (MW)
- Avoided emissions (ton CO₂e)
- Generated Energy (MWh)

The EGE Haina reports all impact metrics on a deal-by-deal basis and makes all data publicly available. Assumptions and methodologies for impact quantification are available in the 2022 Green Securities Impact Report.

Performance Indicators

The amount allocated to the Girasol Solar Park has contributed to the financing of 76.4 MW, which is expected to increase to 89.2 MW at the end of 2022 with the placement of a third issuance. As of December 29, 2022, the Solar Park has generated 129,347 MWh of clean energy attributable to the installed capacity financed by Green Securities.

The estimated avoided annual GHG emissions (tCO₂e), total and proportional to the financing through Green Securities are calculated using the energy generated by the Girasol Solar Park and the SENI emission factor published by the UNFCCC¹, following what is stated in the Green Securities Framework. The avoided emissions projected as of December 2022 are 138,262-ton CO₂e².

5. Conclusion

Based on the limited assurance procedures conducted and evidence obtained, nothing has come to our attention that causes us to believe that in all material respects the Securities issued under the Green Securities Framework conform, with the Post-Issuance Verification Requirements of the Climate Bonds Standard Version 3.0, and the Securities-financed activities are aligned with the Solar Energy Sector Criteria.

¹ Grid emission factor for the Dominican Republic published by the UNFCCC as an Approved Standardized Baseline (ASB0047-2020) or its substitute: https://cdm.unfccc.int/methodologies/standard_base/2015/sb143.html

² Estimation for the fiscal Year.

6. Limitations of Assurance Engagement

This assurance engagement was limited to the Post-Issuance of the EGE Haina's Green Securities; therefore, our procedures did not constitute an examination or evaluation of the following:

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

6. Independence and Quality Control

As an approved verifier by the Climate Bonds Initiative, PCS 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.

PCS carried out Limited Assurance procedures by the International Standard on Assurance Engagements (ISAE 3000) established by the International Auditing and Assurance Board (IAASB) of the International Federation of Accountants (IFAC).

PCS nor any member of the verifier team is involved in any way in the issuance or management of Green Securities. PCS has applied internal procedures to confirm no conflicts of interest for this verification engagement.



Sandra Carrillo

General Manager of Pacific Corporate Sustainability (PCS)

Pacific Credit Rating Group

Annex A: Climate Bonds Standard Version 3.0 Post-Issuance Certification Checklist

5. Use of Proceeds		
Climate Bonds Standard Requirement	Findings	Requirement Met
5.1. Proceeds allocation	The allocation of the Net Proceeds of the Securities to the Nominated Project.	Meets
5.2. Eligibility Criteria	The alignment of Nominated Projects with Sector Criteria and the overarching climate objectives of Green Securities.	Meets
5.3. Allocation Timeline	Allocation within 24 months of issuance or discloses the timeline for allocation to Nominated Projects.	Meets
5.4. Multiple Nominations for Certified Debt Instruments	PCS reviewed Nominated Projects for previous nominations to other Certified Climate Debt Instruments, green Securities, or other designated instruments, including whether certain portions are being financed by separately designated Certified Debt Instruments and/or whether Nominated Projects have been refinanced by other Certified Debt Instruments or Securities under assessment have refinanced existing Certified Debt Instruments.	Meets
5.5. Refinancing	PCS confirms appropriate tracking of Net Proceeds for refinancing.	Meets
5.6. Proceed Management	PCS confirms procedures for appropriate tracking of allocation of proceeds and tracking unallocated funds	Meets
5.7. Valuation	PCS reviewed the Net Proceeds of the Securities to ensure they are not greater than the value of the Nominated Projects.	Meets

<p>5.8. Nominated Project Modifications (5.8.1)</p>	<p>PCS confirms that EGE Haina will inform modifications or alterations to the Nominated Projects and determine the requirement to engage a Verifier to perform a Pre-Issuance or Post-Issuance Verification.</p>	<p>Meets</p>
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6. Process for Evaluation and Selection of Projects & Assets

Climate Bonds Standard Requirement	Findings	Requirement Met
<p>6.1. Decision-making Process for Determining Eligibility (6.1.1 - 6.1.5)</p>	<p>PCS reviewed continued documentation of the decision-making process used to determine eligibility, including conformance with climate-related objectives, and review of alignment of the Nominated Projects with Sector Criteria.</p> <p>EGE Haina’s Strategy Committee has selected an eligible project, the Girasol Solar Park, and has allocated 100% of the proceeds raised and returned it to EGE Haina to refinance it.</p>	<p>Meets</p>

7. Management of Proceeds

Climate Bonds Standard Requirement	Findings	Requirement Met
<p>7.1. Proceeds Held in Subaccount</p>	<p>PCS confirms the allocation of proceeds to a subaccount, sub-portfolio, or alternative accounting to appropriately track the allocation of proceeds to Nominated Projects.</p>	<p>Meets</p>
<p>7.2. Earmarking of Proceeds</p>	<p>PCS reviewed and confirmed the earmarking process to track the flow of funds and uses of proceeds.</p>	<p>Meets</p>

<p>7.3. Temporary Investment Instruments (7.3.1) – (7.3.3)</p>	<p>PCS reviewed the management of unallocated proceeds, including temporary investments, and confirm non-contamination of proceeds.</p>	<p>Meets</p>
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<p>8. Reporting</p>		
<p>Climate Bonds Standard Requirement</p>	<p>Findings</p>	<p>Requirement Met</p>
<p>8.1. Reporting Approach</p>	<p>PCS confirms the disclosure and execution of procedures to provide Update Reports and/or procedures to undertake periodic Assurance Engagements during the term of the Securities to reaffirm conformance with the Climate Bonds Standard. Confirm availability of the Update Reports for investors and reporting in case of material developments.</p>	<p>Meets</p>
<p>8.1.2. The Update Report shall be made available to holders of the Bond and the Climate Bonds Standard Board.</p>		<p>Meets</p>
<p>8.1.3. The Issuer should provide an Update Report to holders of the Bond on a timely basis in case of material developments</p>		<p>Meets</p>

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The client is fully accountable for certifying and safeguarding its commitments' fulfillment, execution, and monitoring.

About Pacific Corporate Sustainability (PCS)

PCS has the objective of integrating sustainability standards into business strategies, based on global trends with potential investors and society. PCS belongs to Pacific Credit Rating Group (PCR), the only rating group with a real and direct international presence in Latin America, with 27 years of experience providing quality service in the region.

The PCR Group is a signatory member of the Principles of Responsible Investment promoted by the United Nations, being the only Latin American rating group that is part of the Financial Rating Agencies Initiative at a global level. It has also been recognized as a supporting institution for the Financial Initiative of the United Nations Environment Program (UNEP FI) to promote sustainable finance

PCR Group has been certified by the Climate Bonds Standard Board as an approved verifier organization since March 2020. This accreditation has reinforced its commitment to promote sustainable finance in the region, highlighting the generation of awareness and benchmarking of good practices.

