



# AL DHAFRAH PV2 ENERGY COMPANY'S GREEN BOND FRAMEWORK 2025



**Document title:** Second Party Opinion ("SPO") on Al Dhafrah PV2 Energy Company's Green Bond Framework 2025

**Prepared by:** DNV Business Assurance Services UK Limited

**Location:** London, U.K.

**Date:** July 2025

**Project Number:** 10570250

**Identification:** DNV-2025-ASR-10570250

## Disclaimer

Our assessment relies on the premise that the data and information provided by the client to us as part of our review procedures are provided in good faith. Because of the selected nature (sampling) and other inherent limitation of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not be detected. Limited depth of evidence gathering including inquiry and analytical procedures and limited sampling at lower levels in the organization were applied as per scope of work. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Statement.

## Statement of Competence and Independence

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17029:2019 - Conformity Assessment – General principles and requirements for validation and verification bodies, and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We have complied with the DNV Code of Conduct during the assessment and maintain independence where required by relevant ethical requirements.

# AL DHAFA RAH PV2 ENERGY COMPANY'S GREEN BOND FRAMEWORK ASSESSMENT 2025

## DNV ELIGIBILITY ASSESSMENT

### Scope and objectives

Al Dhafrah PV2 Energy Company LLC, (henceforth referred to as "DPEC" or the "Company"), the project manager of Al Dhafrah PV2 project (a major solar photovoltaic project, the "Project"), was developed by a consortium, comprising of EDF Renewables S.A. ("EDF Renewables"), Jinko Power Company Limited ("Jinko Power"), Abu Dhabi National Energy Company ("TAQA"), and Abu Dhabi Future Energy Company ("Masdar"). A holding company, owned by TAQA and Masdar own 60% of the project company, with 40% owned by an international holding company, jointly owned by EDF Renewables and Jinko Power. All electricity produced and generated by this Project will be sold to Emirates Water and Electricity Company under a Power Purchase Agreement (PPA).

Having begun official commercial operations in 2023, the project located 35km south of Abu Dhabi city, consists of a greenfield photovoltaic solar power plant with a total installed capacity of 2.1GWp, spanning an area of approximately 20 km<sup>2</sup>. Upon the time of the Project's implementation, this doubled the installed capacity of clean energy, contributing to more than 23% of the United Arab Emirates' (UAE) total energy mix at that time.

The electricity generated by Al Dhafrah PV2 currently provides power to up to 200,000 households across the UAE, marking a significant contribution to the UAE Energy Strategy 2050, with the goal of raising clean energy's contribution to 50% of the total energy mix by 2050.

To support this, DNV Business Assurance Services UK Limited ("DNV") has been commissioned by DPEC to provide an eligibility assessment of their Green Bond Framework ("the Framework") against the International Capital Market Association's ("ICMA") Green Bond Principles 2025 ("GBPs"). Our methodology to achieve this is described under 'Work Undertaken' below.

DNV was not commissioned to provide independent assurance or other audit activities. No assurance is provided regarding the financial performance of the Green Bonds as issued under the Company's Framework, the value of any investments, or the long-term environmental and/or societal benefits of the associated transactions. Our objective has been to provide an assessment that the Framework has met the criteria established on the basis set out below.

### Responsibilities of the Management of DPEC and DNV

The management of DPEC has provided the information and data used by DNV during the delivery of this review. Our statement represents an independent opinion and is intended to inform DPEC's management and other interested stakeholders in the Framework, 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 DPEC. DNV 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 shall not be held liable if any of the information or data provided by DPEC's management and used as a basis for this assessment, were not correct or complete.

### Basis of DNV's opinion

We have adapted our eligibility assessment methodology to create an Al Dhafrah PV2 Energy Company-specific Green Bond Framework Protocol (henceforth referred to as "Protocol") as outlined in [Schedule 2](#). Our Protocol includes a set of suitable criteria that can be used to underpin DNV's opinion.

As per our Protocol, the criteria against which the Green Bond Framework has been reviewed are grouped under the four Principles:

- **Principle One: Use of Proceeds.** The Use of Proceeds criteria are guided by the requirement that the Green Bonds must use the funds raised to finance eligible activities, that should produce clear green and/ or social benefits.
- **Principle Two: Process for Project Evaluation and Selection.** The Project Evaluation and Selection criteria are guided by the requirements that an issuer of a Green Bond should outline the process it follows when determining the eligibility of an investment using the proceeds and outline any impact objectives it will consider.
- **Principle Three: Management of Proceeds.** The Management of Proceeds criteria are guided by the requirements that the Green Bonds should be tracked within the issuing organisation, that separate portfolios should be created when necessary and that a declaration of how unallocated funds will be handled should be made.
- **Principle Four: Reporting.** The Reporting criteria are guided by the recommendation that at least annual reporting should be provided on the use of proceeds until all have been allocated, and that quantitative and/or qualitative performance indicators should be used, where feasible.

## Work undertaken

Our work constituted a high-level review of the available information provided to us by DPEC based on the understanding that this information was provided to us by DPEC 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 of a company-specific Protocol, adapted to the purpose of the Framework, as described above, and in [Schedule 2](#) of this Assessment.
- Assessment of documentary evidence provided by DPEC on the Framework and supplemented by high-level desktop research. These checks refer to current assessment best practices and standards methodology.
- Discussions with DPEC management, as well as a review of relevant documentation and evidence related to the criteria of the Protocol; and
- Documentation of findings against each element of the criteria, as detailed in [Schedule 2](#) of this document.

Our opinion as detailed below is a summary of these findings.

## Findings and DNV's opinion

DNV's summary findings are listed below, with further detail found in [Schedule 2](#):

### 1. Principle One: Use of Proceeds.

DPEC intends to exclusively use the net proceeds from the Green Bonds issued under this Framework to (re)finance, in part or in full, the Al Dhafrah Solar PV2 project (the “Eligible Green Project”), which falls under the following ICMA Eligible Green Project category - Renewable Energy.

DNV confirms that this category outlined in [Schedule 1](#) is appropriately aligned with the applicable substantial contribution criteria of the EU Taxonomy specifically for the economic activity 4.1 and will also provide clear environmental and social benefits.

DNV can conclude that the Al Dhafrah Solar PV2 project is consistent with the GBPs.

### 2. Process for Project Evaluation and Selection:

The Company also aims to ensure continued compliance of the Eligible Green Project against the Framework, internal policies and procedures, the Company's wider Sustainability approach, alongside applicable legislation, Environmental Permits

This responsibility is borne by the Board, supported by the Board Technical Committee, the Audit Committee and the Finance Committee, who meet quarterly. Discussions are chaired by the Board's Chairman.

DNV concludes that the Project meets the relevant requirements as set out under the GBPs.

### **3. Management of Proceeds:**

The net proceeds of any Green Bond issued under the Framework will be allocated in accordance with relevant Offering Memorandum and related finance documentation. The responsibility of managing proceeds from the Green Bond issuances to the (re-)financing of the Project will be managed by DPEC's Finance team and overseen by the Finance Committee.

DPEC will ensure that the total value of Eligible Green Project financed under the Framework will, at all times, exceed the net proceeds raised through the Green Bond issuances, until their maturity.

For proceeds that cannot be immediately allocated to the Project, DPEC will temporarily hold any amounts in the Company's dedicated bank account until the time at which it can be deployed to the Eligible Green Project.

It has also been confirmed by the Company that any net proceeds will not be invested in fossil fuel related projects.

DNV has reviewed the evidence presented and concludes that DPEC has made the appropriate plans to track the use of proceeds and can confirm that this is attested to by a formal internal process that this is in line with the GBPs.

### **4. Reporting:**

The Company anticipates net proceeds of any Green Bond issuances to be fully allocated at closing.

In the event that this is not the case, an **Allocation report** will be published until proceeds are fully allocated as well as in the case of any material developments.

The report will be made publicly available by DPEC on the [Project's Website](#) or shared with the Trustee of any Green Bonds for distribution to bondholders.

Additionally, DPEC have confirmed that **Impact reporting** at the Eligible Green Project level will not be published beyond the disclosures already provided within the Framework.

For more details on the quantified impact, please see [Schedule 2](#).

DNV can confirm the Company's commitment to appropriate and transparent reporting on the Eligible Green Project, which meets the requirements of the GBPs.

Based on the procedures conducted, nothing has come to our attention that causes DNV to believe that the Green Bond is not, in all material respects, in accordance with the Pre-Issuance requirements of the associated Renewable Energy category of the GBPs.

**for DNV Business Assurance Services UK Limited**

London, 7 July 2025



**Zohrah Yaqub**  
Lead Verifier  
DNV – Business Assurance Services



**George Oakman**  
Quality Reviewer  
DNV – Business Assurance Services

#### **About DNV**

Driven by our purpose of safeguarding life, property and the environment, DNV 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 15,000 professionals are dedicated to helping customers make the world safer, smarter and greener.

## 1. SCHEDULE 1: DESCRIPTION OF ACTIVITIES TO BE FINANCED UNDER THE FRAMEWORK

DPEC has listed its Eligible Green Project, supplemented by description of the project to be (re)financed. The Company has noted the eligibility criteria that it meets and mapped out the project's alignment to both the UN SDG specified and the substantial contribution criteria for climate change mitigation of EU Taxonomy economic activity outlined below.

**Eligible Green Project Category:**

| ICMA Eligible Green Project Category | Eligibility of Project to be Financed  | Alignment with the Taxonomy                                    | EU  | UN SDG Alignment |
|--------------------------------------|--|--|---|------------------|
| Renewable Energy                     | <ul style="list-style-type: none"> <li>▪ (Re-)financing expenditures associated with the construction, operation, and maintenance of solar PV energy activities, projects, and assets linked to the "Al Dhafrah Solar PV2" project, including the:           <ul style="list-style-type: none"> <li>○ Production of solar PV assets</li> <li>○ Purchase of renewable energy application and technologies and associated equipment</li> <li>○ Maintenance work for its own PV plant.</li> </ul> </li> </ul> | 4.1 Electricity generation using solar Photovoltaic technology | <br><b>SDG 7.2:</b> By 2030, increase substantially the share of renewable energy in the global energy mix |                  |

## 2. SCHEDULE 2: AL DHAFRAH PV2 ENERGY COMPANY'S GREEN BOND FRAMEWORK ELIGIBILITY ASSESSMENT PROTOCOL

### 1. Use of Proceeds

| Ref. | Criteria                     | Requirements  | Work Undertaken  | DNV Findings   |
|------|------------------------------|---|--|--|
| 1a   | Types of Financing Framework | The Framework should make clear what financial instruments are to be defined as eligible for green, financing.  | <p>In addition to reviewing the evidence below, we have had discussions with DPEC.</p> <ul style="list-style-type: none"><li>▪ Al Dhafrah PV2 Energy Company Green Bond Framework 2025</li></ul> | <p>DPEC's intent is to use this Framework to issue Green Bonds, whereby all net proceeds will be used to (re)finance the Al Dhafrah Solar PV2 project as defined in <u>Schedule 1</u> of this opinion</p> <p>A lookback period has not been established for the issuance of Green Bonds, as all proceeds will be directed toward a single project and are expected to be fully utilised upon the closing of each Green Bond.</p> <p>DNV can confirm that the Eligible Green Project, i.e. the Al Dhafrah Solar PV2 project is consistent with the GBPs.</p>  |
| 1b   | Green Project Categories     | The cornerstone of a Green Bond is the utilisation of the proceeds which should be appropriately described in the legal documentation for the security. | <p>In addition to reviewing the evidence below, we have had discussions with DPEC.</p> <ul style="list-style-type: none"><li>▪ Al Dhafrah PV2 Energy Company Green Bond Framework 2025</li></ul> | <p>DPEC intends to exclusively use the net proceeds from the Green Bonds issued under this Framework to (re)finance in full, the Al Dhafrah Solar PV2 project falling under the following Eligible Green Project category "Renewable Energy" within the GBPs.</p> <p>DNV confirms that this category is consistent with the GBPs and is appropriately aligned with the applicable substantial contribution criteria of the EU Taxonomy for the economic activity 4.1 – Electricity Generation using Solar Photovoltaic Technology.</p> <p>DNV also concludes that the Framework appropriately describes the proposed utilisation of Green Bond proceeds into the Solar PV project.</p> |

| Ref. | Criteria               | Requirements   | Work Undertaken  | DNV Findings   |
|------|------------------------|--|--|--|
| 1c   | Environmental Benefits | All designated Green Project categories should provide clear environmental, benefits, which, where feasible, will be quantified or assessed by the Issuer. | <p>In addition to reviewing the evidence below, we have had discussions with DPEC.</p> <ul style="list-style-type: none"><li>▪ Al Dhafrah PV2 Energy Company Green Bond Framework 2025</li><li>▪ Al Dhafrah PV2 website, (<a href="#">link here</a>)</li></ul> | <p>Through alignment with the substantial contribution criteria to climate change mitigation of the EU Taxonomy's economic activity 4.1, the Company has shown how the Eligible Green Project will provide clear environmental benefits.</p> <p>DNV also notes that investment into the Eligible Green Project is aimed at increasing the contribution of clean energy to 50% of the total energy mix by 2050 for the Emirate of Abu Dhabi.</p> <p>Alongside the strategic ambitions outlined, DPEC has demonstrated its commitment to working towards these benefits though specifying the UN SDG which the Solar PV Project will contribute towards, i.e. <u>Goal #7</u> (Affordable &amp; Clean Energy).</p> <p>Additionally, DNV acknowledges the Project is committed to achieving the following social objectives and benefits by requiring all Project Contractors to adhere to the Quality, Health, Safety, Social and Environmental ("QHSSE") commitments.</p> <p>Some these include:</p> <ul style="list-style-type: none"><li>▪ Providing and maintaining safe working environments to minimise health, safety, environmental, and welfare risks to the lowest practicable level.</li><li>▪ Training all employees to be aware of their own responsibilities in respect of relevant Quality health and safety matters to ensure they participate in the prevention of accidents and co-operate with measures taken to prevent industrial disease.</li></ul> |

| Ref. | Criteria          | Requirements  | Work Undertaken  | DNV Findings   |
|------|-------------------|---|--|--|
|      |                   |   |  | <ul style="list-style-type: none"> <li>Safeguarding employees' and workers' rights by ensuring optimal working conditions on-site and improved accommodation, alongside the right to raise grievances.</li> </ul> <p>DNV confirms that the Eligible Green Project as detailed in <a href="#">Schedule 1</a>, will provide clear environmental and social benefits.</p>                               |
| 1d   | Refinancing Share | In the event that a proportion of the proceeds may be used for refinancing, it is recommended that issuers provide an estimate of the share of financing vs. re-financing, and where appropriate, also clarify which investments or project portfolios may be refinanced. | <p>In addition to reviewing the evidence below, we have had discussions with DPEC.</p> <ul style="list-style-type: none"> <li>Al Dhafrah PV2 Energy Company Green Bond Framework 2025</li> </ul> | <p>The Company has confirmed that all forms of (re)-financing will be allocated towards the solar PV assets.</p> <p>DNV confirms that the intended use of net proceeds from the Green Bond is expected to comply with the Principles, as 100% of the allocation is towards an asset that is aligned with the substantial contribution criteria for climate change mitigation of the EU Taxonomy.</p> |

## 2. Process for Project Selection and Evaluation

| Ref. | Criteria                    | Requirements  | Work Undertaken  | DNV Findings  |
|------|-----------------------------|---|--|---|
| 2a   | Investment-decision process | The issuer of Bonds should outline the decision-making process it follows to determine the eligibility of projects using Green Bond proceeds. | <p>In addition to reviewing the evidence below, we have had discussions with DPEC.</p> | <p>All net proceeds obtained from Green Bond issuances will be allocated towards the Solar PV Project.</p> <p>The responsibility of ensuring that the Project continues to align with this commitment, alongside applicable legislation, Environmental Permits, and performance against ESG</p> |

| Ref. | Criteria                                    | Requirements   | Work Undertaken   | DNV Findings  |
|------|---|--|---|---|
|      |   |  | <ul style="list-style-type: none"><li>▪ Al Dhafrah PV2 Energy Company Green Bond Framework 2025</li></ul>   | <p>policies, falls unto the Board, supported by the Board Technical Committee, the Audit Committee and the Finance Committee.</p> <p>The Board and the Committees meet quarterly and are chaired by the Board's Chairman.</p> <p>DNV concludes that the Project meets the relevant requirements as set out under the GBPs.</p>  |
| 2b   | Issuer's environmental governance framework | In addition to the information disclosed by an issuer on its Green Bond process, criteria and assurances, investors may also take into consideration the quality of the issuer's overall Framework and performance regarding environmental sustainability. | <p>In addition to reviewing the evidence below, we have had discussions with DPEC.</p> <ul style="list-style-type: none"><li>▪ Al Dhafrah PV2 Energy Company Green Bond Framework 2025</li><li>▪ Al Dhafrah PV2 website – About Us, (<a href="#">link here</a>)</li></ul> | <p>DNV has reviewed evidence showing that the Framework falls within the wider environmental and social approach of DPEC.</p> <p>The Company also aims to ensure continued compliance of the Eligible Green Project against the Framework, internal policies and procedures and the Company's wider Sustainability approach.</p> <p>Examples of compliance demonstrated in the Framework include DPEC's efforts to:</p> <ul style="list-style-type: none"><li>▪ Adopt Quality, Health, Safety, Social and Environmental ("QHSSE") commitments</li><li>▪ Ensure the Project aligns with environmental protection laws through permits from appropriate authorities. These laws include regulation on waste management, air quality, soil contamination, and other relevant areas.</li><li>▪ An Environmental and Social Assessment Report conducted in August 2020, supported by an Addendum Environmental and Social Impact Assessment in October 2020. This demonstrates alignment with local laws and governance, the</li></ul> |

| Ref. | Criteria | Requirements | Work Undertaken | DNV Findings  |
|------|----------|--------------|-----------------|---|
|      |          |              |                 | <p>Equator Principles and the IFC Performance Standards.</p> <ul style="list-style-type: none"> <li>▪ Securing local Environmental permits from relevant Authorities</li> <li>▪ Continued environmental and social impact assessments</li> </ul> <p>This gives DNV the opinion that the Framework is in line with the Company's wider approach to managing environmental and social responsibilities, which is aligned with the GBPs.</p> |

### 3. Management of Proceeds

| Ref. | Criteria           | Requirements  | Work Undertaken  | DNV Findings  |
|------|--------------------|---|--|---|
| 3a   | Tracking procedure | The net proceeds of Green Bond issuances should be credited to a sub-account, moved to a sub-portfolio, or otherwise tracked by the issuer in an appropriate manner and attested to by a formal internal process that will be linked to the issuer's lending and investment operations for Eligible Green Projects. | <p>In addition to reviewing the evidence below, we have had discussions with DPEC.</p> <ul style="list-style-type: none"> <li>▪ Al Dhafrah PV2 Energy Company Green Bond Framework 2025</li> </ul> | <p>The net proceeds of any Green Bond will be allocated in accordance with relevant Offering Memorandum and related finance documentation.</p> <p>The responsibility of managing proceeds from the Green Bond issuances to the (re-financing of the Project will be managed by DPEC's Finance team and overseen by the Finance Committee.</p> <p>DNV concludes that DPEC has made the appropriate plans to track the use of proceeds and can confirm that this is attested to by a formal internal process.</p> |

| Ref. | Criteria           | Requirements  | Work Undertaken  | DNV Findings   |
|------|--------------------|---|--|--|
| 3b   | Tracking procedure | So long as the Green Bonds are outstanding, the balance of the tracked proceeds should be periodically reduced by amounts matching Eligible Green investments made during that period.                          | <p>In addition to reviewing the evidence below, we have had discussions with DPEC.</p> <ul style="list-style-type: none"> <li>▪ Al Dhafrah PV2 Energy Company Green Bond Framework 2025</li> </ul> | <p>DPEC will ensure that the total value of the Eligible Green Project financed under the Framework will, at all times, exceed the net proceeds raised through the Green Bond issuances, until their maturity.</p> <p>DNV concludes that there is a clear process in place for the tracking of the balance of the proceeds which accounts for disbursements appropriate for the single Eligible Green Project.</p>   |
| 3c   | Temporary holdings | Pending such investments or disbursements to Eligible Green Projects, the issuer should make known to investors the intended types of temporary investment instruments for the balance of unallocated proceeds. | <p>In addition to reviewing the evidence below, we have had discussions with DPEC.</p> <ul style="list-style-type: none"> <li>▪ Al Dhafrah PV2 Energy Company Green Bond Framework 2025</li> </ul> | <p>For proceeds that cannot be immediately allocated to the Project, DPEC will temporarily hold any amounts in the Company's dedicated bank account until the time at which it can be deployed to the Eligible Green Project.</p> <p>It has also been confirmed by the Company that any net proceeds will not be invested in fossil fuel related projects.</p> <p>DNV concludes that DPEC has appropriately disclosed how it will manage proceeds from the Green Bond issuances, and that this is in line with the GBPs.</p> |

#### 4. Reporting

| Ref. | Criteria             | Requirements   | Work Undertaken   | DNV Findings   |
|------|----------------------|--|---|--|
| 4a   | Periodical reporting | In addition to reporting on the use of proceeds and the temporary investment of unallocated proceeds, issuers should provide at least annually a list of projects to which Bond, have been allocated including | In addition to reviewing the evidence below, we have had discussions with DPEC. | <p>The Company anticipates net proceeds of any Green Bond issuances to be fully allocated at closing.</p> <p>In the event that this is not the case, an <b>Allocation report</b> will be published by DPEC. This will be published until</p> |

| Ref. | Criteria | Requirements   | Work Undertaken   | DNV Findings  |
|------|----------|--|---|---|
|      |          | <p>- when possible, with regards to confidentiality and/or competitive considerations - a brief description of the projects and the amounts disbursed, as well as the expected environmental impact.</p> | <ul style="list-style-type: none"><li>▪ Al Dhafrah PV2 Energy Company Green Bond Framework 2025</li><li>▪ Al Dhafrah PV2 website, (<a href="#">link here</a>)</li></ul> | <p>proceeds are fully allocated as well as in the case of any material developments.</p> <p>This will contain detail on:</p> <ul style="list-style-type: none"><li>▪ The Green Bonds' proceeds outstanding</li><li>▪ The amount of any unallocated proceeds</li><li>▪ A confirmation that the proceeds have been allocated to expenditures related to the Project.</li></ul> <p>The report will be made publicly available by DPEC on the <a href="#">Company Website</a> or shared with the Trustee of any Green Bonds for distribution to bondholders.</p> <p>Additionally, DPEC have confirmed that <b>Impact reporting</b> at the Eligible Green Project level will not be published beyond the disclosures already provided within the Framework.</p> <p>Since the Project officially began commercial operations in June 2023, its impact has been quantified and outlined by the Company within the Framework:</p> <ul style="list-style-type: none"><li>▪ The Project covers an area of 21.5 kilometres squared;</li><li>▪ Features 3.8 million bi-facial solar photovoltaic panels;</li><li>▪ Installed capacity of 2.1 GWp in DC (1.64 GWac);</li><li>▪ Estimated production capacity per year of 4,700 GWh;</li><li>▪ Meets the needs of approximately 160,000-200,000 homes per year.</li></ul> <p>DNV can confirm the Company's commitment to appropriate and transparent reporting on the allocation of the Eligible Green Project. Given the nature of the financing and maturity of the asset, impact reporting is less relevant.</p> |

| Ref. | Criteria | Requirements | Work Undertaken | DNV Findings  |
|------|----------|--------------|-----------------|---|
|      |          |              |                 | Where appropriate, this meets the requirements of the GBPs. |