

SENVION GREEN BOND

DNV GL ELIGIBILITY ASSESSMENT

Scope and Objectives

Senvion Holding GmbH (formerly, Rapid Holding GmbH, "Senvion") develops, manufactures, installs, erects, and sells onshore and offshore wind energy turbines ("WTGs"), and develops and provides turnkey wind farms. The company's product portfolio comprises wind turbines with nominal powers of 2.0 to 6.15 megawatts; and rotor diameters ranging between 82 and 152 meters. It also provides clients with project-specific solutions in the areas of wind farm engineering, foundation, transportation, and installation, as well as service and maintenance.

Senvion is intending to issue a Green Bond in the principal amount of €400 million (henceforth referred to as "the Bond") with a 5.5 year tenor. The purpose of the bond is to re-finance Senvion's green bond issued in 2015 the proceeds of which were used to acquire Senvion GmbH and its subsidiaries (the "Senvion Group") from Suzlon Energy.

DNV GL Business Assurance Services Limited ("DNV GL") has been commissioned to provide a Green Bond eligibility assessment on the Bond. Our methodology to achieve this is described under 'Work Undertaken' below. We were not commissioned to provide an independent assurance or other audit activity.

No assurance is provided regarding the financial performance of the bond, the value of any investments in the bond, or the long term environmental benefits of the transaction. Our objective has been to provide an assessment that the Bond has met the criteria established on the basis set out below.

Responsibilities of the Management of Senvion and DNV GL

The management of Senvion has provided the information and data used by DNV GL to evaluate that the conditions established by the framework are met. Our statement represents an independent opinion and is intended to inform Senvion management and other interested stakeholders in the Senvion green bond 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 Senvion. DNV GL is not responsible for any aspect of the assets referred to in this opinion and cannot be held liable if estimates, findings, opinions or conclusions are incorrect. Thus, DNV GL shall not be held liable if any of the information or data provided by Senvion's management and used as a basis for this assessment were not correct or complete.

Basis of DNV GL's opinion

We have adapted our green bond eligibility assessment methodology to create a Senvion- specific Green Bond Eligibility Assessment Protocol (henceforth referred to as "Protocol") – see Schedule 1. Our Protocol includes a set of suitable criteria that can be used to underpin DNV GL's opinion. The overarching principle behind the criteria is that a green bond should "enable capital-raising and investment for new and existing projects with environmental benefits".

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

- **Principle One: Use of Proceeds.** The Use of Proceeds criteria are guided by the requirement that an issuer of a green bond must use the funds raised to finance eligible activities. The eligible activities should produce clear environmental 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 eligibility of an investment using Green Bond 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 a Green Bond should be tracked within the issuing organization, 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 to the bond investors should be made of the use of bond proceeds 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, based on the understanding that this information was provided to us by Senvion 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:

- The creation of a Senvion-specific Protocol, adapted to the purpose of the Bond, as described above and in Schedule 1 to this Assessment;
- Assessment of documentary evidence provided by Senvion on the Bond and supplemented by high-level desktop research. These checks refer to current assessment best practices and standards of methodology.
- Review of Senvion's published material with regards to Senvion's environmental activities;
- Discussions with Senvion's management and review of relevant documentation and evidence related to the criteria of the Protocol.
- Documentation our findings against each element of the criteria in the Framework. Our opinion as detailed below is a summary of these findings.

Findings and DNV GL's opinion

DNV GL's findings are listed below, as per the four Green Bond Principles.

- 1. Principle One: Use of Proceeds.** The proceeds of the Bond are being used to re-finance a previous bond issuance used to acquire the Senvion Group whose sole purpose is to produce and service wind turbine generators. As stated above, DNV GL provides no assurance regarding the financial performance of the Bond, the value of any investments in the Bond, or the effects of the transaction.
- 2. Principle Two: Process for Project Evaluation and Selection.** As the proceeds of the Bond will be utilized for a one-off transaction, there is no need for the issuer to establish a process for project evaluation and selection.
- 3. Principle Three: Management of Proceeds.** As this is a refinancing transaction, the proceeds from the offering of the Bonds, together with Senvion's cash on balance sheet, will be used to repay Senvion's existing bonds on the closing date.
- 4. Principle Four: Reporting.** Given the nature of the transaction, which is a refinancing, and the reporting undertaken to investors to date, all relevant reporting has taken place and therefore there is no defined need for additional reporting post-issuance.

On the basis of the information provided by Senvion and the work undertaken, it is DNV GL's opinion that the Bond meets the criteria established in the Protocol and that it is aligned with the stated definition of Green Bonds within the Green Bond Principles, which is to "enable capital-raising and investment for new and existing projects with environmental benefits".

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for DNV GL Business Assurance Services UK Limited

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About DNV GL

Driven by our purpose of safeguarding life, property and the environment, DNV GL 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 16,000 professionals are dedicated to helping customers make the world safer, smarter and greener.

SCHEDULE 1: SENVION-SPECIFIC GREEN BOND ELIGIBILITY ASSESSMENT

Ref.	Criteria	Requirements	Work Undertaken	DNV GL Findings
1a	Type of bond	<p>The bond must fall in one of the following categories, as defined by the Green Bond Principles:</p> <ul style="list-style-type: none"> • Green Use of Proceeds Bond • Green Use of Proceeds Revenue Bond • Green Project Bond • Green Securitized Bond 	<p>Review of:</p> <ul style="list-style-type: none"> • Summary of the terms and conditions of the Bond contained in the offering document • Discussion with issuer's advisors 	<p>The Bond falls into the category of a Green Use of Proceeds Bond.</p> <p>The Bond will refinance Senvion's existing debt financing.</p>
1b	Green Project Categories	<p>The cornerstone of a Green Bond is the utilization of the proceeds of the bond which should be appropriately described in the legal documentation for the security.</p>	<p>Review of:</p> <ul style="list-style-type: none"> • Summary of the terms and conditions of the Bond contained in the offering document 	<p>The Issuer declares the eligible purposes of the proceeds of its Green Bond to be wind energy.</p>
1c	Environmental benefits	<p>All designated Green Project categories should provide clear environmentally sustainable benefits, which, where feasible, will be quantified or assessed by the issuer.</p>	<p>Review of:</p> <ul style="list-style-type: none"> • Offering document relating to the Bonds 	<p>The Company's activities include the development, manufacture, assembly, instalment, and marketing of onshore and offshore wind turbine generators ("WTGs"). In addition to the above, the Company offers services for the operation and maintenance of WTGs. As such, all of the Company's activities contribute to a competitive wind energy market.</p> <p>Wind energy is a clean energy source with clear environmental benefits over fossil fuels.</p> <p>The environmental benefits of wind energy can be quantified and assessed in a number of ways, including renewable energy produced (MWh), CO2 emissions avoided when compared to fossil fuels (tonnes), or installed nameplate capacity (MW).</p>
1d	Refinancing share	<p>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,</p>	<p>Review of:</p> <ul style="list-style-type: none"> • Summary of the terms and conditions of the Bond contained in the offering document Discussion with 	<p>The full proceeds of the Bonds will be used to refinance Senvion's existing debt financing.</p>



Ref.	Criteria	Requirements	Work Undertaken	DNV GL Findings
		and where appropriate, also clarify which investments or project portfolios may be refinanced.	issuer's advisors	