



Continuum Green Energy External Review of Allocation and Impact Report 2022

31 January 2023

CICERO Shades of Green has reviewed Continuum’s Allocation and Impact Report 2022 (“Report”). We review allocation against Continuum’s Green Bond Framework (dated December 2020 and with a minor update in February 2022, the “Framework”) criteria, and impact metrics for relevance and transparency.

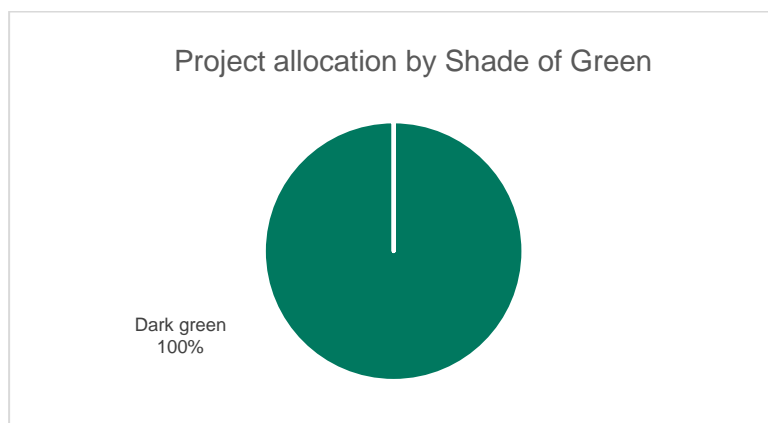
We consider that the allocations considered in the Report align with the Framework and that the Report utilizes relevant and sufficiently transparent impact metrics. Note that, since last year’s Report, there have been no changes to allocation and that Continuum uses the same methodology to calculate avoided emissions. Moreover, we consider the Report aligns with the core principles and recommendations contained in ICMA’s Handbook – Harmonized Framework for Impact Reporting (June 2022).¹

Project allocation

Continuum has issued green bonds under the Framework with a value of USD 561 million, where USD 549 million was used to subscribe to non-convertible debentures of the Indian Restricted Subsidiaries. The allocation was made in March 2021 and there have been no changes to allocation in the meantime. As of 16 January 2023, USD 542,767,500 is outstanding.

In respect of allocation, CICERO Shades of Green considers the Report aligned with the Framework and that it satisfies the commitments in the Framework. For a more detailed review, please see Appendix 1.

The Framework was assigned an overall Dark Green in our Second Party Opinion.² The Framework included only one project category, renewable energy, where proceeds would finance or re-finance the development, construction, and operation of wind farms (on- and off-shore), solar energy, and energy storage. This project category also received a Dark Green shading, and all proceeds have necessarily been allocated to this category (see Figure 1).



¹ [ICMA Handbook](#)

² [pbb - SPO](#)



Figure 1: Allocation by SPO Shade of Green. Allocation by SPO Shade of Green. Shading is based on evaluation at time of issuance and does not reflect ex-post project verification.

Impact metrics

Continuum reports impacts for the period 1 January 2022 to 31 December 2022. In its Report, Continuum reports on i) installed capacity, ii) renewable energy generation, and iii) avoided/reduced CO₂ emissions. These are example indicators given in the Framework and commonly used for renewable energy.

Continuum uses the same methodology to calculate the avoided emissions as in its last Report. This allows for comparability of results: in 2022 the projects financed under the Framework generated slightly less energy and therefore avoided slightly less emissions than in 2021. In respect of impacts, CICERO Shades of Green considers that the Report is sufficiently transparent. There is always uncertainty around emissions data and especially avoided emissions, and we welcome that Continuum includes information on its methodology. For a more detailed review, please see Appendix 1.

Terms

CICERO Shades of Green provides a review of Continuum's annual reporting based on documentation provided by Continuum and information gathered during teleconferences and e-mail correspondence with Continuum. Continuum is solely responsible for providing accurate information. All financial aspects of the sustainable finance reporting - including the financial performance of the bond and the value of any investments in the bond - are outside of our scope, as are general governance issues such as corruption and misuse of funds. CICERO Shades of Green does not validate nor certify the existence of the projects financed and does not validate nor certify the climate effects of the projects. Our objective has been to provide an assessment of the extent to which the bond has met the allocation and reporting criteria established in the Framework. The review is intended to inform Continuum management, investors and other interested stakeholders and has been made based on the information provided to us. CICERO Shades of Green cannot be held liable if estimates, findings, opinions, or conclusions are incorrect. Our review does not follow verification or assurance standards and we can therefore not provide assurance that the information presented does not contain material discrepancies.



Appendix 1 - Detailed Review

Category	Description	Review against framework criteria	Impact Metrics	Relevance of metrics	Transparency considerations
Renewable Energy	<ul style="list-style-type: none"> Development, construction, and operation of onshore and offshore wind farms and related support infrastructure. Development, construction and operation of solar energy and related support infrastructure. Development, construction, and operation of energy storage. 	<p>No discrepancies identified</p> <ul style="list-style-type: none"> There have been no changes to allocation since last year i.e. five wind farms and one combined wind and solar PV project and related support infrastructure have been financed. Share of refinancing is the same as last year: 96.9%. According to Continuum, there have not been any noteworthy issues at its projects since the last Report, for example environmental concerns, increased local opposition, or permitting problems. 	<ul style="list-style-type: none"> Renewable energy capacity installed (MW) Annual renewable energy generation (MWh) Annual CO₂ emission reduction/avoidance (tonnes of CO₂). 	<ul style="list-style-type: none"> ✓ Metrics provide a good indication of the environmental impact of the investment, as well as the energy installed and generated. ✓ These metrics are commonly used in green bond reporting and are in line with core indicators in the ICMA Handbook. 	<ul style="list-style-type: none"> ✓ Reporting is on a portfolio basis. ✓ As of 31 December 2022, there is an additional working capital facility of around INR 750 million outstanding (around USD 9.2 million). Impacts have not been pro-rated to reflect this additional financing raises outside of the Framework. ✓ Continuum uses the same methodology as last year, allowing for better comparison across its Reports. ✓ Methodology is sufficiently disclosed, including information on conversion factors.