Baker McKenzie.

Sustainable Finance

A Growth Opportunity for Business

TRANSACTIONAL POWERHOUSE

Leading and closing three deals a day

Baker McKenzie.

Sustainability is an increasingly important driver of business strategy

We are in the midst of a paradigm change in the way global business operates. For all – regulators, governments, policy makers, the private sector, investors and financiers – the UN Sustainable Development Goals and, in particular, climate change considerations have moved rapidly from the margins to the very heart of decision making.

With the growing global recognition of the importance of these environmental, social and governance (ESG) considerations in financial markets, we are witnessing a notable shift in the approach taken by policy makers and industry players. This shift opens up new opportunities, but also new challenges for market participants navigating the ever evolving sustainability ecosystem.

At Baker McKenzie, we are pioneers and market leaders in sustainable finance. Leveraging decades of experience and knowledge in climate change, clean energy, green finance, and corporate governance, we stand ready to help our clients successfully execute their sustainable finance strategies.

"Sustainable Finance" refers to any form of financial service and/or product which integrates ESG criteria into business, financing or investment decisions.

What is driving the growth in sustainable finance?

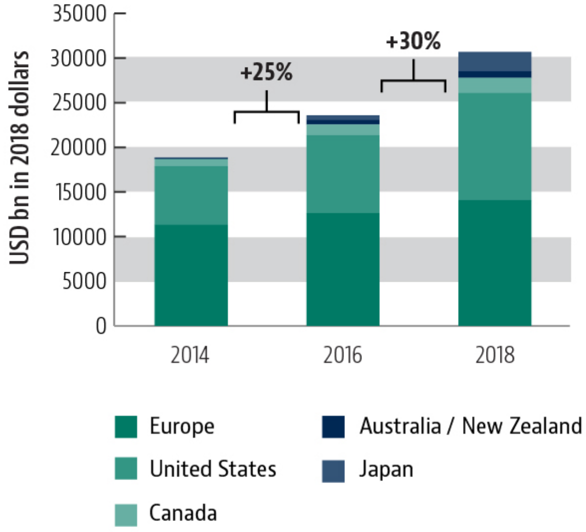
Sustainable Finance is capturing the attention of the business world like never before. Studies and statistics from the Global Sustainable Investment Alliance and the UN Principles for Responsible Investment (PRI) highlight the ever growing appetite for climate and other ESG-focussed investments. We are witnessing six key trends contributing to this growth highlighted in the forthcoming section.

1. Good governance frameworks - Corporate scandals of various forms continue to maintain public and political interest in the field of corporate governance. Good governance frameworks and ESG regulation help businesses mitigate these serious risks and also provide opportunities for businesses to improve top level decision making, internal controls and ultimately their own profitability.

2. Better data and reporting - Historically, a lack of data and the necessary tools to get a handle on the data available was a significant hurdle for ESG. However, due to a greater demand for such data and increased levels of disclosure, the market for ESG information is maturing and quality is improving all of the time. This is enabling businesses to report back to investors, regulators and the general public, allowing them to assess the progress that is being made in the sustainable finance arena.

3. Demographic changes - "Millennials" and "Generation-X" are comprising a larger proportion of society and holding a greater share of its wealth. In addition, these groups are gradually taking over from "Baby Boomers" in positions of influence in the business world. Many studies have highlighted how this younger generation are generally more focussed on ESG than their parents. This shift has a trickle-down effect on investment decisions being made in the business world.

4. Risks in global value chains - Large international corporations' value chains increasingly span a broad network of countries. These value chains can be complex and if poorly managed are prone to reputational and operational risk. Policy makers, investors and more recently, consumers, can be quick to punish companies for climate emissions, environmental pollution, child labour practices, human rights issues and corruption.

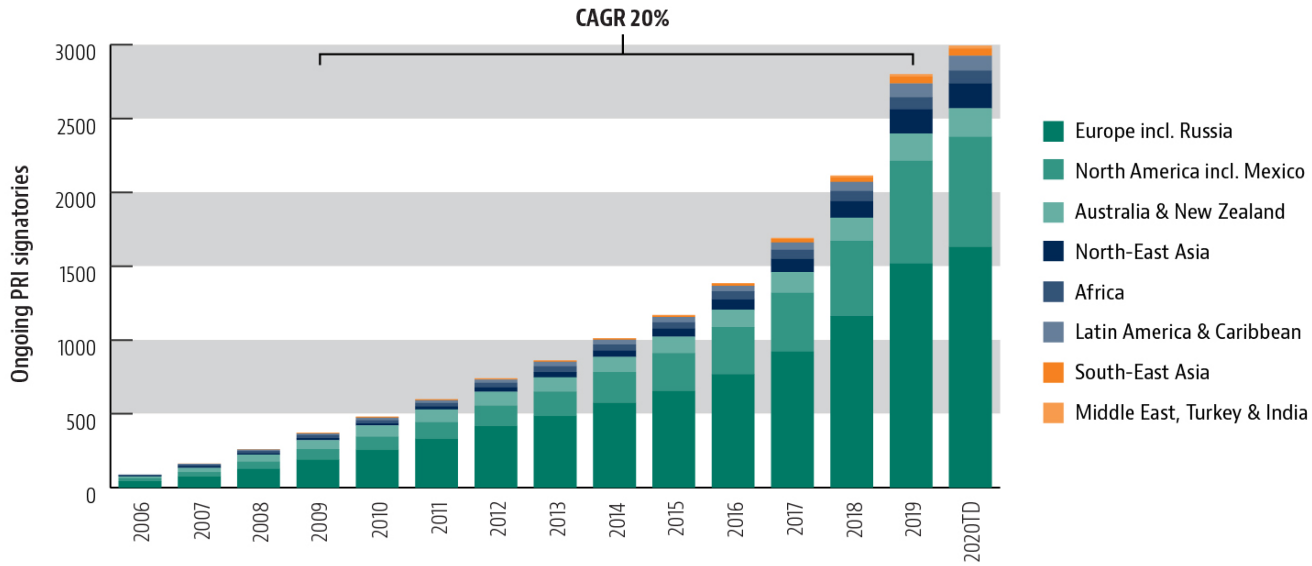


Total sustainable investing assets for selected geographies, 2014 - 2018. Local currency figures converted to USD at 31-Dec-2018 rates.

Source: Global Sustainable Investment Alliance, 2018 Global Sustainable Investment Review, http://www.gsi-alliance.org/

5. Climate change - Climate change is no longer a distant threat on the horizon, but an existential threat that is having a major impact on the world we live in today. In response to this threat, policy makers are developing an evolving framework of climate change legislation, and non-governmental organisations are championing new industry standards and guidelines. Meanwhile, the business community are playing a key role in the mitigation of climate change, in a variety of ways, from cutting their carbon footprint to investing in green products.

6. Improved returns - There is a growing body of empirical evidence illustrating that sustainable investment goals can be aligned with, and furthermore advance, the financial performance of a business. This can be put down to a variety of factors, including reduced costs, improved worker productivity, mitigated risk potential and investment optimisation.



Ongoing signatories to the UN Principles for Responsible Investment as at March 2020. Source: UN PRI.

Why is sustainable finance important to your business?

Understanding climate and other ESG risk

In recent years, leading legal professionals and now corporate and prudential regulators have expressed the view that climate change may constitute a financial risk to companies and institutional investors.

Failure to consider these risks could result in breaches of directors' duties related to the exercise of due care and diligence. Companies are now actively considering how physical and transitional climate risks, and broader ESG risks, may impact upon their business and assets, and where there might be opportunities to profit from the transition to a low-carbon economy.

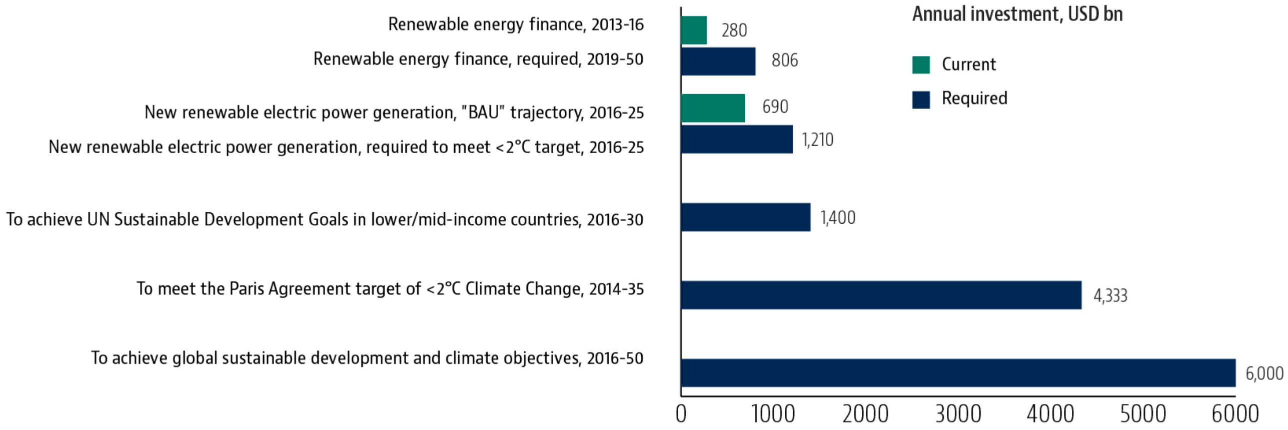
In particular, the identification, assessment, disclosure and management of climate risks has become a mainstream requirement, since the publication of the final recommendations of the Task Force on Climate-related Financial Disclosures in 2017. Disclosing these risks is now a legal requirement in multiple jurisdictions with many more poised to follow suit.

Investment in a sustainable future is increasingly being rewarded by investors. Failing to do so, opens businesses up to increasing levels of risk related to climate change and other sustainability concerns. In response, industry leaders are already taking action to reduce their exposure to these climate and other ESG risks, both by thoroughly disclosing their risks, as well as by taking meaningful steps to reduce their own emissions of greenhouse gases that contribute to global warming or mitigating ESG risks in their supply chains. Competitors who fall behind are likely to find it increasingly difficult to win investment and customers, which could in turn pose a threat to their own long-term success.

In a world that is constantly changing and forces companies to remain nimble on their approach to global issues across the ESG spectrum, now more than ever, companies need boards that are leading discussions and bringing these sustainability issues to the forefront. Good corporate governance is not just a legal or regulatory necessity - it is the foundation for growing and protecting a sustainable long-term business and to manage every aspect of legal, reputational and operational risk. The need for updated processes for oversight of sustainability in risk assessments and strategy, sustainability management, and reporting and disclosure are needed for companies to ensure long-term value creation. Having clear and effective tactics for broader stakeholder engagement has never been more critical to help companies understand and adequately react to the impact the company's efforts (or lack thereof) regarding climate change will have on key stakeholders such as employees, suppliers and customers.

Financial institutions, and potentially asset managers in selected jurisdictions, will need to make a variety of public and pre-contractual disclosures around their approach to ESG. As a result of new rules on disclosure, it's important to understand the associated litigation and regulatory enforcement risk relating to ESG factors, and mitigation strategies through relevant contractual terms. Also, as a result of emerging regulations affecting credit rating agencies, the rating process will increasingly require a consideration of sustainability risk to be assessed in a formal manner. Similarly, for larger issuers, regulations affecting how benchmark providers are required to construct ESG-aligned benchmarks, and to build in an assessment of sustainability risk.

Annual investments required to meet ESG objectives



Annual investments required to meet ESG objectives. Sources: Renewable Energy data from International Renewable Energy Agency, "Global Landscape of Renewable Energy Finance 2018". Other data from City of London Corporation, "Globalising Green Finance: the UK as an investment hub", November 2016, which compiled findings from sources including: United Nations Association UK (2016), G20 (2016), International Energy Agency (2014), BloombergNEF (2016).

Note: Compiled and calculated from multiple sources. Where annual rate was not known an average was calculated across the period from the publication date until the final goal date. Amounts above have overlapping scopes and cannot be added together.

- USD 94 trillion by 2040 (global sustainable infrastructure investment gap to meet the Paris Agreement)

- Moody's Investors Service, a credit-rating agency, now incorporates ESG risks into its sector-specific reviews and has continued to propose new cross-sector methodologies
(SP Global)

- "Developing new green infrastructure presents an estimated USD 100 trillion investment opportunity over the next 15 years to meet the Paris Agreement on Climate Change and to mitigate risks posed to extant portfolios." (University of Technology Sydney "UTS")

- "Sustainability needs to be integrated into the [responsibilities] of the entire board, not reside solely in a specific board "sustainability" designee."

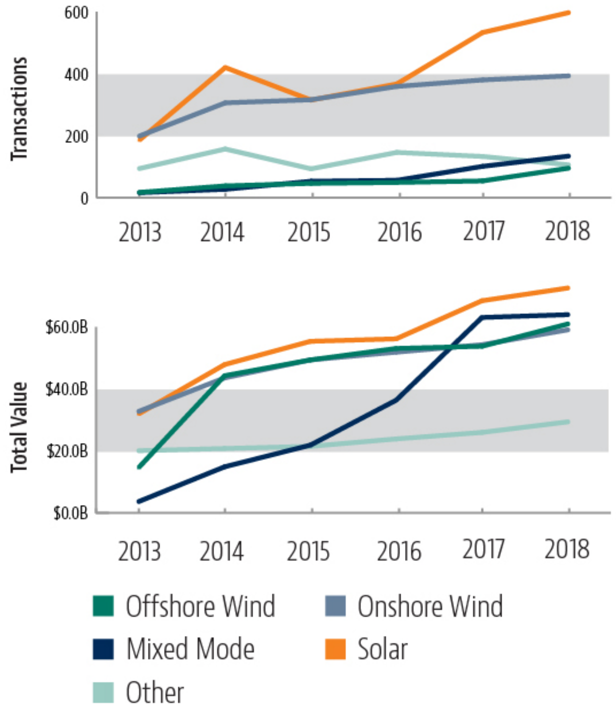
- "The board has an oversight responsibility for key decisions made within the organization. This should include oversight of sustainability information. Failing to integrate sustainability into all elements of the board agenda may impact the achievement of the company strategy and business objectives." (WBCSD "Modernizing governance: ESG challenges and recommendations for corporate directors" report, January 2020)

Where does sustainable finance need to flow?

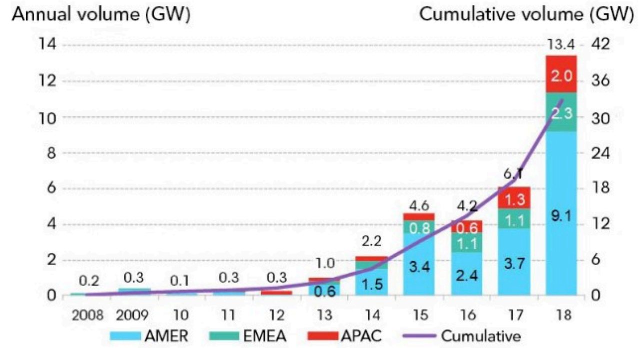
Transitioning to a clean energy and low-carbon economy

The transition to a low-carbon and environmentally sustainable economy will create many new business opportunities, requiring large amounts of equity and debt investments. In the energy sector alone, a wide range of new and maturing asset classes across renewable energy, grid infrastructure, storage technologies and other low-carbon energy sources, such as clean hydrogen, are emerging as competitive options for companies wanting to manage their climate risk exposure.

These asset classes will continue to grow, as can be seen in the chart below, as the clean energy transition and further investment in low-carbon and climate resilient infrastructure accelerates, alongside greater investment in water, waste and broader "circular economy" infrastructure. Simultaneously, we are seeing more and more corporates seeking to lock in long-term access to clean energy assets via Corporate Power Purchase Agreements (PPAs) and similar arrangements.



Source: Renewable energy projects growing by type 2013 - 2018 IJGlobal

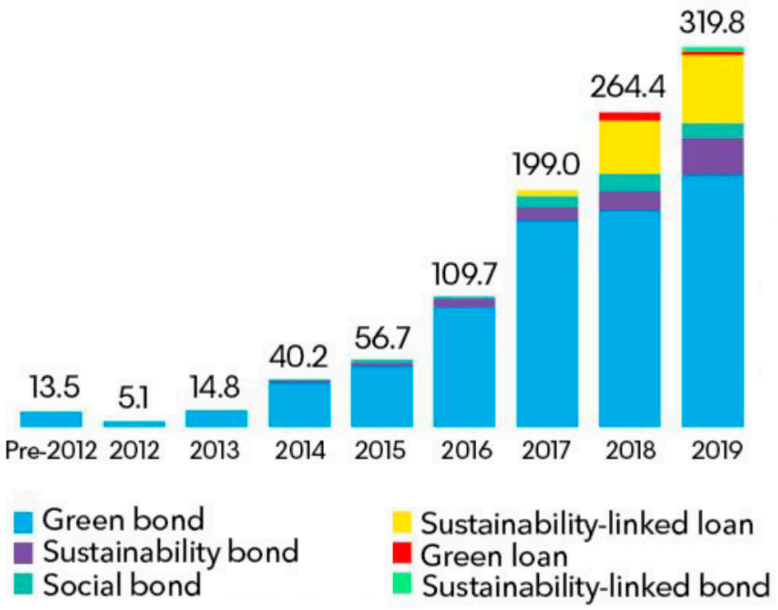


Source: BloombergNEF. Note: Data in this report is through 2018. Onsite PPAs not included. Australia sleeved PPAs are not included. APAC number is an estimate. Pre-market reform Mexico PPAs are not included. These figures are subject to change and may be updated as more information is made available.

What are the finance instruments that can meet this investment need?

Growth in green debt instruments and products

Financing is naturally needed to fund sustainability-related projects – not just those focused on reducing carbon emissions, but other initiatives that improve social outcomes such as affordable housing and smart cities. To channel such investments efficiently, investors are looking for sustainable finance instruments that they understand and that meet their risk profiles, underpinned by bankable and commercially-attractive projects that deliver measurable and verifiable sustainability outcomes.



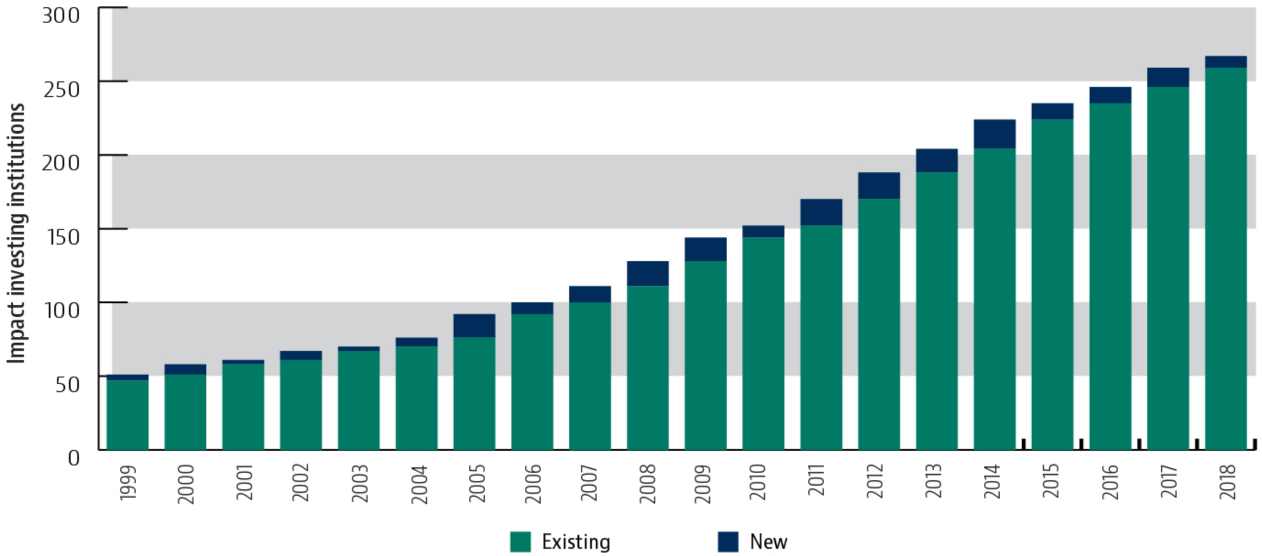
Source: BloombergNEF

- Green bond issuance rose four times from 2014-18 (BloombergNEF)

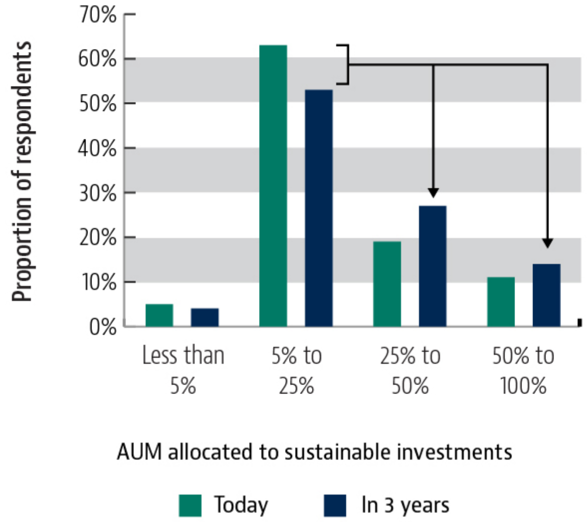
- "The sustainable finance market surged 26% in 2018, with a record USD 247 billion worth of sustainability-themed debt instruments raised during the year. Green bonds issuance hit a new high of USD 182.2 billion, and sustainability-linked loans reached USD 36.4 billion." (BloombergNEF)

- Surveys show the share of asset-managers allocating a substantial share of their portfolio to sustainable investments will increase markedly in the next few years

In response, we see a rapid growth in sustainable investment vehicles for raising debt, such as green bonds, sustainability bonds, social bonds, sustainability-linked loans and green loans, which can provide opportunities for companies across a variety of industries to align financing goals with ESG goals. Additionally, they allow transparent and credible reporting to investors, regulators and the broader community.



Impact-investing institutions registered with the Global Impact Investor Network. Source: GIIN Annual Impact Investor Survey 2019.



Share of Asia-Pacific assets under management allocated to sustainable investments. Source: The Economist Intelligence Unit, "Financing Sustainability: Asia Pacific embrace the ESG challenge", 2020.

How can asset managers and institutional investors meet the growing demand for investment into sustainable assets?

Responsible investing into impact funds and pooled investment vehicles

On the private investment side, we are seeing increased appetite from institutional investors like sovereign wealth funds, public and private pension funds, and philanthropic foundations as well as from financial sponsors looking to increase their exposure to sustainable and ethical investments that align with established ESG goals. Now more than ever, institutional investors and financial sponsors want to invest in sustainable businesses and asset classes that demonstrate responsible management and their social and environmental impacts, without compromising returns. To achieve this, asset managers are adopting a variety of investment techniques: excluding companies or industries that do not reflect investors' ESG values, integrating ESG criteria into construction and management of their portfolios to improve returns and reduce risk, and impact investing in targeted sectors or asset classes that have quantifiable ESG impacts alongside financial returns.

Currently, demand for sustainable assets that meet established ESG criteria outstrips the scale of existing opportunities. In the area of clean energy and low-carbon infrastructure assets, as one example, institutional investors consistently cite the lack of better pooled investment vehicles that will enable them to deploy significantly greater amounts of capital. There is a clear market opportunity for companies and project developers to help build attractive pooled investment vehicles to meet this demand. For investors looking more broadly at ESG-compliant investment that pursues both positive impact and attractive financial returns, private equity impact funds offer an ESG-focused approach to sustainable investments across a variety of industries and asset types.

Moreover, in some jurisdictions, asset managers will be required to develop corporate engagement strategies and disclose these strategies in a formal manner and potentially also informally to investors. This will include issues such as how they vote shares, but it will also cover direct engagement with target companies' boards. This need for engagement could therefore feed into negotiations around what goes into transaction documentation. These could be terms to reflect the need for investee companies to engage on ESG issues, or to periodically deliver ESG data to lenders or investors. In some cases, asset managers and sub-managers may be required to factor the ESG profile of investee companies into their due diligence process. This may mean requesting additional data or undertaking additional searches in connection with financing transactions.

- Only 1% of investment now is institutional, but will be 10+% by 2023, and will be in the tens of billions of USD

- Many public investors incorporate ESG criteria in their investment decisions, with 88+% investing in green assets and most considering ESG "important" or "very important"

- 55% of public investors now plan to increase their green investments, primarily via green bonds

- 48% of institutional investors believe better pooled investment vehicles would significantly help to unblock their investment into clean-energy assets

- Similarly, 42% demand better in-house expertise and 41% demand greater access to sustainable investments"

How will disruptive innovation support increased flows of sustainable finance?

Digitisation and technology innovation will be the enablers of sustainable finance

Disruptive technologies – from big data, blockchain and the internet of things – will be the enablers that help accelerate the growth in sustainable assets, finance instruments and investing platforms. Digital platforms, in particular, are emerging as key enablers, operating as innovative and efficient means to track and verify sustainable activities and to generate and trade digital assets and rights attributable to the underlying, real-world sustainable projects. They are often based on blockchain or similar technologies, relying on seamless inputs from sustainable developments to facilitate secure, verifiable and accurate exchanges on a borderless basis. These emerging platforms – along with big data that can capture, analyse and share accurate, real-time data on the operation of projects, networks and systems – are helping drive new behaviours in the uptake of sustainable products and services - everything from accessing debt capital through to participating in clean energy markets, to the way in which ESG risk is calculated and reported.

This disruption is not limited to the digital world. Technology innovation – from smart grid and storage technologies that can support higher levels of renewable energy, through to 5G networks and the Internet of Things (IoT) that provide the connectivity to, and monitoring of, real-world inputs from waste treatment technologies that can convert waste into a resource or energy, through to water saving technologies in materials manufacturing – will all help facilitate greater levels of sustainable investment as growing numbers of businesses and projects are able to commercialise and deploy these new technologies.

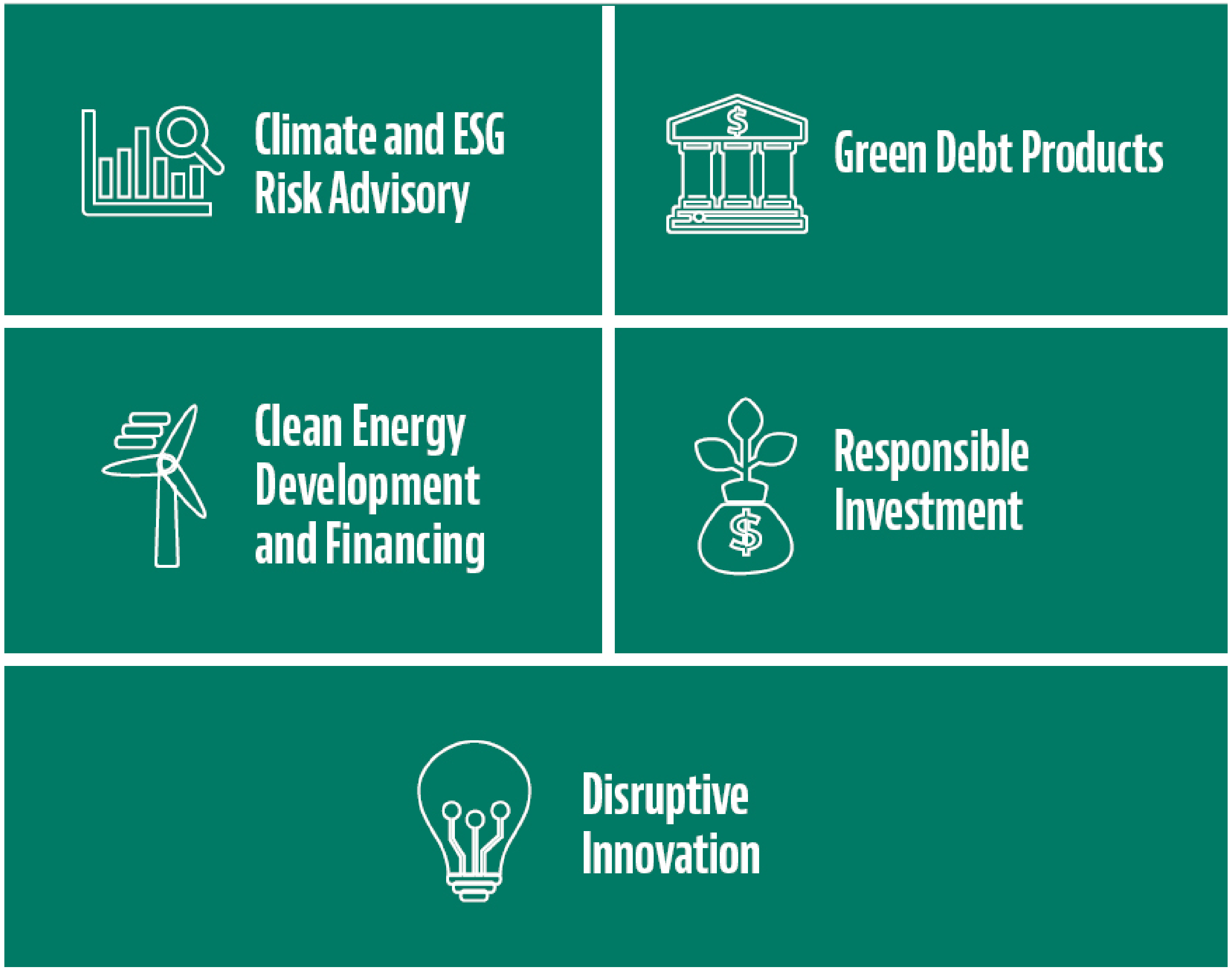
Your strategic partner for Sustainable Finance

The global leader in Sustainable Finance

As a pioneer in climate and sustainability for more than 20 years, Baker McKenzie is the global leader in sustainable finance. As part of Baker McKenzie's commitment to sustainability and leading market experience in this growing area, we are proud to leverage our talent, innovation and relationships to make a positive and sustainable societal impact, and partner with our clients from a variety of industries to help them execute their sustainability investments and strategy.

Combining Baker McKenzie's world-leading Clean Energy and Climate Change Practice with our creativity and understanding of this trend to our clients' business, we are superbly placed to lead this momentous paradigm shift in doing business with our clients.

www.bakermckenzie.com/sustainable-finance



Climate and ESG Risk Advisory

As the market leaders on climate change for over 20 years – having drafted key domestic and international laws and policies on climate change - we are the trusted advisor to corporates on climate change issues and trends, including how to manage risk, meet sustainability goals, drive profitability, report and maintain a positive company reputation. As climate risk and opportunity increasingly becomes part of the board's ESG agenda, we assist boards on improved governance to integrate sustainability into their decision making and oversight roles, on understanding the risks and opportunities presented by climate change and on the expectations of investors as regards the company's focus on these, including reporting and assurance. We take a holistic approach to helping companies identify and manage areas of governance and compliance risk for their business to assist them in creating sustained long term value. From issues surrounding ESG benchmarks and ratings to the growing expectation on financial institutions to make detailed disclosures on their approach to incorporating sustainability risk into investment decisions, we have worked alongside major institutions on drafting public and non-public policies on ESG and sustainability. We know how important it is to our clients to strike the right balance between formulating a commercial approach and avoiding pitfalls around enforcement and litigation risk.

How we can help you

- Advising corporates at the board level to help keep ahead of the latest climate law policy and regulations, whilst ensuring they meet their climate risk disclosure obligations by effectively incorporating these into their ESG agenda.
- Empowering companies to put climate investment strategies into action, meeting long term challenges which will lower climate risk, comprising everything from new technology platforms, major projects and accessing sustainable finance, climate litigation, to mergers and acquisitions.
- Advising on compliance with specific transparency, reporting, disclosures and corporate governance obligations of parent companies and their subsidiaries, including: mandatory and voluntary ESG frameworks and standards for major reporting frameworks like GRI, SASB, IRRC, CDP, EU Non-Financial Directive, EU Taxonomy and TCFD, content of specific ESG reports and annual filings, and ESG litigation related to voluntary and mandatory framework claims.
- Advising on all aspects of the growing body of financial services regulation in the ESG and sustainability space.
- Supporting cross-border risk and materiality assessments and mitigation initiatives initiated by boards of global organizations in varied context, including: oversight of the ESG program and policies, improving internal governance frameworks across groups of companies, assessing a target’s governance framework in the context of M&A, rolling governance frameworks out to acquired businesses, ESG performance in the supply chain and a company's supply chain program, compensation executive remuneration advice, and brand and reputation management.

Selected experience

- Developing climate change strategies for large multinational resources companies, including advising on strategic engagement with policy development and carbon market engagement, and risk-management approaches to dealing with climate change.
- Advising governments on the design and implementation of climate change laws and policies, including the governments of the EU, Australia, New Zealand and Fiji.

- Advising corporations on their engagement and compliance with Australian greenhouse and energy reporting, renewable energy, carbon pricing and corporate reporting laws, including most recently on recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and their alignment with Australian corporate reporting obligations.
- Undertaking a detailed first-of-its-kind legal analysis of climate-related disclosures for UN Principles for Responsible Investment (PRI). This included a series of jurisdiction-specific market reviews that assessed how the TCFD recommendations integrated into existing legal frameworks for corporate risk disclosure.
- Advising the Australian Government and numerous companies on various emissions trading legal and design issues in relation to the draft Carbon Pollution Reduction Scheme, the Carbon Price Mechanism and Carbon Farming Initiative legislation and the National Greenhouse and Energy Reporting Scheme (NGERS) legislation and its Safeguard Mechanism.
- Engaged by the Asian Development Bank to support Legal Readiness and Climate Finance and Investments in Fiji and Nauru.
- Supporting the World Business Council for Sustainable Development evaluating Board sustainability governance through comparative review of governance requirements in 12 countries and interviews of Board members of 50 companies.
- Reviewed a Fortune 50 retailer's sustainability and responsible sourcing program and legal risks through comprehensive assessment for the legal department.
- Advising a US-listed company on drafting and updating board committee charters, corporate governance guidelines, codes of business conduct, and providing advice on new developments and evolving best practices.
- Acted for BGEO Group on the governance aspects of the demerger of its investment business via a scheme of arrangement, including board composition issues, the creation of a proportional voting mechanism over listed shares, and remuneration matters.
- Provided legal, policy, governance and trend perspectives to the final report of the Expert Panel on Sustainable Finance commissioned by the Government of Canada.

Clean Energy Development and Financing

Our global reach provides us with unparalleled comparative energy market insights across all jurisdictions uncovering the latest energy transition innovations and trends. With our deep, collective industry knowledge, we are the perfect partners to take your business into new markets and adopt new clean energy technologies. Baker McKenzie's legal advisers have unmatched experience across all renewable energy and clean technology types, including wind, solar, geothermal, landfill gas, biofuels, biomass, waste to energy, nuclear and ocean energy. We act for developers, lenders, investors, technology providers and other industry players on significant and high-profile clean energy transactions across the globe.

How we can help you

- Helping equity to identify, fund and invest in clean energy projects in mature and emerging markets.
- Advising on renewable energy and clean technology project development, construction, operation and as acquisitions and divestitures.
- Advising financiers with project financing of clean energy projects at the project and portfolio level.
- Assisting multinational and local corporates with entry into Power Purchase Agreements in order to sure up affordable clean energy supplies and meet sustainability and climate targets.
- Advising on energy regulatory requirements for the adoption of new technologies across the value chain, including batteries and other storage technologies, new fuels like hydrogen, and software and other digital applications across the energy transaction.

Selected experience

- Advised on the procurement and development of Morocco's 850 MW wind farm PPP programme and the 200 MW repowering and extension of the Koudia al Baida Wind Farm and the Taza Wind Farm with a cost of over USD 2 billion.
- Advising Ellomay Capital, on the development of the Talasol solar project, a photovoltaic plant with a peak capacity of 300 MW in Talaván, Cáceres, Spain, one of Europe's largest subsidy-free solar projects.
- Advised Philips Electronics North America Corporation with respect to a "virtual" off-site renewable energy PPA for a wind energy generating project in Starr and Hidalgo Counties, Texas, with a capacity of approximately 100 MW to be developed by a subsidiary of Energias de Portugal.
- Advised Jackson Generation, LLC., a subsidiary of JPOWER USA Investment Co., Ltd., on the development and project financing of the 1,200 MW natural-gas-fired combined cycle facility located in Will County, Illinois.
- Advised EDF Renewable Energy, the US-based renewable energy developer, with the development of the 161 MW Spinning Spur Wind II Project, located in Oldham County,Texas.
- Advised Energía Renovable de la Península S.A.P.I. de C.V., a project company owned by BOW Power, Envision and Vive Energía, as borrower on the financing of a USD 110 million wind project in Yucatan, Mexico.
- Advised on the USD 494 million sale of 392 MW of wind parks in Brazil to Cubico Sustainable Investments.
- Advised lenders to the Neoen Bulgana Green Power Hub on the development and financing of a combined 194 MW wind and 20 MW lithium-ion battery storage project in Australia, with offtake under a corporate PPA.
- Advised LG International, Titan Group, and PT Binsar Natorang Energi in the development and financing of a 3x 13 MW Hasang run of river hydro-power project in North Sumatra, Indonesia.
- Advised Copenhagen Infrastructure Partners (CIP) as sponsors, on the USD 3 billion project financing of the 589 MW Changfang Xidao Offshore Wind Farm Project in Changhua County, Taiwan.

Green Debt Products

By combining our market-leading climate and clean energy expertise with our global debt capital markets and banking & finance expertise, we can help borrowers from a variety of industries fund their transition into a sustainable economy by advising corporates and financiers on structuring and issuance of green bonds, green loans and other emerging debt products.

How we can help you

- Advising issuers and underwriters on sustainable lending opportunities.
- Helping navigate standards and disclosures for green, climate and other emerging bonds.
- Advising on structuring of green and sustainability-linked lending products and cross over into fintech opportunities.
- Advising borrowers from a variety of industries on sustainable lending opportunities to further their ESG and sustainability goals.

Selected experience

- Advised BRI, one of the biggest banks in Indonesia, in connection with its issuance of USD 500 million senior unsecured sustainability notes due 2024.
- Advised the issuer, the Republic of Fiji, on its offering of THB 3 billion debentures, the first "green bonds" offered in Thailand valued at USD 92 million.
- Advised on the listing of FJD 100 million green bonds on the International Securities Market (ISM) of the London Stock Exchange, in which the Republic of Fiji is the first sovereign to list on the ISM and the first sovereign to list green bonds on the ISM.
- Advised BNP Paribas Fortis, ING, KBC and Belfius in connection with a EUR 300 million sustainable credit facility to boost SA/NV, the Belgian postal services company majority-owned by the Belgian State.
- Assisted the Republic and Canton of Geneva in connection with the issuance of green bonds listed on the SIX Swiss Exchange valued at USD 638 million, which was the first issuance by a Swiss public institution of bonds that follow the ICMA Green Bonds Principles, 2016.
- Advised the issuer, Consorcio Transmantaro S.A., on the first ever corporate green bond issuance in Peru valued at USD 400 million.
- Advised Fibria, a pulp and paper manufacturer, on its USD 700 million green bonds issuance, the largest such offering to date in the Brazilian market.
- Advised BNP Paribas and ADM Capital on the structuring, formation and successful closing of the USD 95 million sustainability bond, which will help finance a sustainable natural rubber plantation in Indonesia. This transaction is the first corporate sustainability bond in Asia and the first sustainability bond in ASEAN.
- Advised UBS and the other syndicate banks on the refinancing of SIX Swiss Exchange listed Implenia. The financing consists of CHF800 million credit facilities and placed with a bank syndicate comprising 18 banks, in which the applicable credit spread was partially linked to its sustainability performance measured by Sustainalytics.
- Advised REC Solar Holdings AS in connection with a USD 170 million syndicated green term loan facility granted by Crédit Agricole Corporate and Investment Bank and guaranteed by China National Bluestar Group Co Ltd.
- Advised Akbank, one of Turkey's largest financial institutions, as issuer's counsel on its USD 50 million green bond intended to adhere to ICMA's Green Bond Principles to fund the bank's renewable energy projects alongside supporting Turkey's transition to a low carbon economy and the first in the country during the Covid-19 pandemic.
- Advised Georgia Global Utilities JSC, a portfolio company of Georgia Capital, on the issuance of USD 250 million 7.75% covenanted guaranteed green bonds, due in 2025, which is the first green bond issuance out of Georgia.

Responsible Investment

We are able to draw upon our global multi-disciplinary experience and market intelligence to deliver comprehensive advice to asset managers and institutional investors as they navigate the regulations, opportunities and challenges in the sustainable finance space. With our wealth of experience on ESG risk management, we are able to quickly identify issues and craft solutions for our clients to meet the responsible investment demand while remaining compliant.

How we can help you

- Assisting our asset manager clients across the life cycle of their funds by helping them to identify ESG opportunities, navigate regulations and corporate engagement strategies, mitigate sustainability risks and working with them to achieve their objectives across their portfolio.
- Advising institutional investor clients with their investment programmes, sensitive to the nuances of their ESG policies and strategies and ensuring their investments are executed appropriately.
- Advising clients on the development and implementation of their own custom ESG policies and helping them to navigate the evolving landscape of regulatory frameworks, industry guidelines and investor initiatives.
- Creating meaningful ESG programs into the day-to-day operations of our clients' portfolio investments.

Selected experience

- Advised Renewable Energy Asia Fund II L.P., a fund managed by Berkeley Partners LLP, through their Singapore entity, Berkeley Energy Renewables Singapore Private Limited on their joint venture with Symbior Solar Siam Limited, a Hong Kong entity.
- Assisted DEKA in the legal assessment and advice regarding all zoning and regulatory matters related to the management of this German fund's real estate portfolio in Spain, which includes advice on energy efficiency and sustainability issues.
- Acted for Aboriginal Carbon Fund in relation to the establishment of Australia's first private carbon trading fund, the Reducing Carbon Building Communities Fund (RCBC Fund).
- Acted as a deal counsel for the Buriram Sugar Group Power Plant Infrastructure Fund (BRRGIF) to sale and transfer the rights in net income valued at approximately THB 3.6 billion (USD 100 million) from cogenerated biomass power plants from Buriram Energy Co.,Ltd for a period of 11 years, and Buriram Power Co.,Ltd for a period of 18 years.
- Advised the China-Africa Development Fund (CAD Fund) on its acquisition of a minority stake in a 400 MW solar photovoltaic power plant in Tamale, Ghana, a substantial investment by CAD Fund in a greenfield solar-based power project in Ghana.
- Advised Ellomay Capital on the acquisition of a 49 per cent stake in their unsubsidized 300 MW photovoltaic Talasol plant in Spain by Capital Dynamics and FOND-ICO Infrastructures.
- Acted for DIF Capital Partners in connection with the acquisition of BluEarth Renewables and, its portfolio of projects both in operation and in development, from Ontario Teachers' Pension Plan.

- Acted for a consortium of infrastructure funds in connection with their acquisition through a common holding company of equity interests in 11 solar and wind power projects located across the United States, in addition to acting for the same consortium to revise the transaction documents in connection with the acquisition of equity interests in six additional solar power projects in the early stages of operation or in development.
- Advised Fiera Infrastructure Inc. with respect to the acquisition from Macquarie of a portfolio of residential roof top and commercial ground mount solar facilities across the United Kingdom.
- Acted for EDF Renewables Inc. in the sale of its 50% class B interest in a portfolio of wind and solar projects in the United States to an institutional investor.
- Advised Japan Energy Capital G.K. on the establishment of Japan Energy Fund, a decarbonized energy fund focused on overseas investment which aims to build sustainable societies using the five Sustainable Development Goals (SDGs) adopted at the UN Summit in 2015 and expects to generate approximately JPY 100 billion in investment.

Disruptive Innovation

Through our market-leading fintech expertise, we can provide clients active in sustainable finance a leading transactional and advisory practice in acquiring and deploying disruptive innovation, technologies and processes, which are driving expansion in sustainable finance markets.

How we can help you

- Providing regulatory advice on a range of digital asset platforms, particularly when clients are in the establishment/setup phase, including blockchain energy trading platforms.
- Advising financial institutions on structures and regulatory requirements to finance digital assets that are helping to promote and facilitate sustainable investment.
- Helping navigate the regulatory requirements for data management for digital technologies and other software applications.

Selected experience

- Advised the owner and operator of a climate initiatives platform on the first worldwide carbon credit transaction using blockchain technology.
- Advised a venture capital company in connection with its investments via a world-famous venture capital firm, and investments into a global blockchain-based payment protocol and exchange network.
- Advised a French tech company, a security expert in cryptocurrencies and blockchain applications, as part of the Series B investment realized by several French and international funds led by Draper's funds, specialized in investment in disruptive technologies and crypto-currencies companies, for a total amount of EUR 60 million.
- Advised a cryptocurrency exchange on the application of money service business regulation in the US.
- Advised ING regarding two fintech matters of a high level of complexity and pioneers to the Spanish market, including the incorporation of the first cash back system in Spain through the creation of an online platform to be associated with Retailers to ease the obtainment of cash in the point of sale, and creation of a market place by which ING is able to sell different devices and to offer several services.
- Advised an Asian internet company's new fintech fund on all aspects of its investments in multiple fintech start-ups, including a fund that invests in disruptive financial services start-ups across the globe, with a focus on North America and Europe.

Our credentials

- **Band 1** – Climate Change, Chambers Global 2008-2020
- **Band 1** – FinTech, Chambers Global 2020
- **Band 1** – TMT, Chambers Global 2008-2020
- **Tier 1** – Risk Advisory: Corporate Governance, Legal 500 UK 2019
- **Climate Change Firm of the Year**, Who's Who Legal Awards 2019
- African Legal Awards Environmental, Energy and Natural Resources **Team of the Year** (2017) for advising BHP Billiton on a first-of-its-kind Forests Bond to support the Kasigau Corridor REDD Project in Kenya
- Baker McKenzie Climate Change and Renewable Energy Teams **won a clean sweep of 8 awards** in the Environmental Finance 2018 Annual Market Rankings:
  - Carbon markets – China
  - EU emissions trading system
  - North American markets (all)
  - Renewable energy certificates – Australia
  - Renewable energy certificates – Europe
  - Renewable energy certificates – North America
  - Kyoto Projects Credits (JI and CDM)

- Voted **Corporate Team of the Year and Infrastructure and Energy Projects Team of the Year**, The Middle East Legal Awards 2019
- Advised on Asia Legal Awards 2019 Finance Deal of the Year: Projects
- Advised on Asia Pacific Power Deal of the Year at the PFI Awards 2019
- **Latin America Transmission (Finance) Deal of the Year**, IJ Global Americas Awards 2018
- **Latin America Hydro (Finance) Deal of the Year**, IJ Global Americas Awards 2017
- **A top Projects, Financing & Energy practice globally** by Chambers 2020 and Legal 500 2019
- **Sole law firm member of the World Business Council for Sustainable Development**, a CEO-led organization of more than 200 multinational companies, with a combined revenue of more than USD 8.5 trillion
- Baker McKenzie is a member of the Association for Financial Markets in Europe (AFME) Sustainable Finance Steering Committee
- **Overall winner** for the Financial Times Asia-Pacific Innovative Lawyers Awards 2018

Baker McKenzie.

Our commitment to Sustainability

Climate change is one of the most pressing issues facing humanity and requires everyone – including Baker McKenzie — to take action to reduce their greenhouse gas emissions, without delay. We set these targets to drive better environmental performance across our global operations, and to clearly demonstrate our commitment. These targets are part of Baker McKenzie's continuing effort to integrate sustainability meaningfully into our strategy and operations.

Baker McKenzie plans to significantly reduce its global carbon emissions over the next decade. The reductions are part of the Firm's wider sustainability strategy and support of the UN Sustainable Development Goals. The Firm has committed:

- to reduce its emissions from energy consumption by 92% by 2030 (from a 2019 baseline).
- to develop a strategy and target by 2021 to lower emissions from its business air travel.
- to report its emissions with the Carbon Disclosure Project starting in 2020.

Find out more about our sustainability strategy and our support of the UN Sustainable Development Goals here:

https://www.bakermckenzie.com/en/newsroom/2019/10/carbon-emissions-reduction-targets

https://www.bakermckenzie.com/en/aboutus/corporate-social-responsibility

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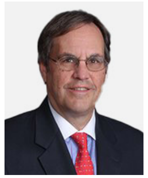

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Leading and closing three deals a day

Transactional Powerhouse

We provide commercially-focused, end to end legal advice to maximize deal certainty and secure the intended value of transactions. Our 2,500 lawyers combine money market sophistication with local market excellence. We lead on major transactions with expertise spanning banking and finance, capital markets, corporate finance, funds, M&A, private equity and projects. The combination of deep sector expertise, and our ability to work seamlessly across each of the countries where we operate, means we add unique value in shaping, negotiating and closing the deal.

www.bakermckenzie.com/en/sustainable-finance