



Issuer	Envolt Limited
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GREEN BOND FRAMEWORK

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INTRODUCTION

Background to ENL Limited & EnVolt Limited

ENL Limited (“ENL”) is a diversified investment holding company based in Mauritius. With over 100+ subsidiaries and total assets totalling in excess of USD 2bn, the company has been a major player in the Mauritian economy since 1821.

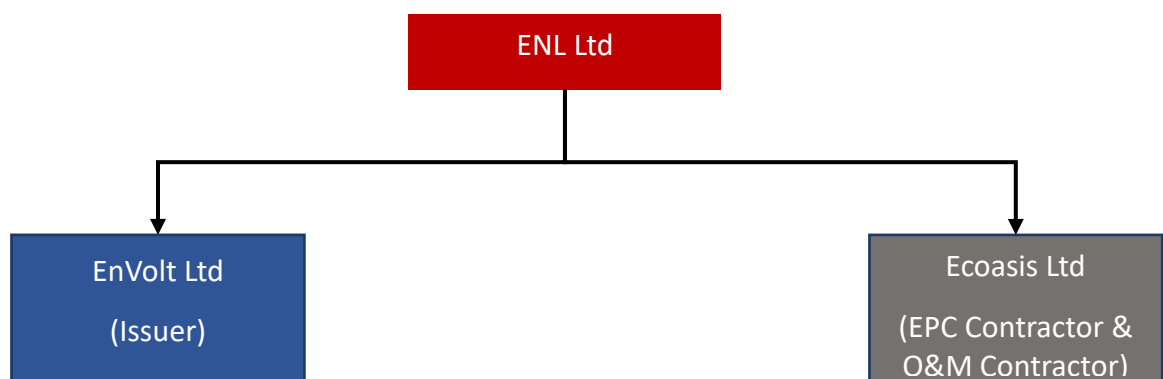
As a key pillar of the economy, ENL and its group companies (together, the “Group”) are committed to doing business while having a positive impact on the broader social, natural and economic environment. The Group companies foster a systematic and structured approach to the use of sustainable development criteria to guide its business decisions. In addition to policies and frameworks introduced to this effect, the Group has implemented a #myInPACT programme to foster an impact-driven culture.

ENL takes ownership and responsibility for the impacts that its operations have on the environment. These possible impacts range from contribution to climate change to usage of natural resources, management of waste and preservation of the natural capital.

In this respect, the Group generates more than 10% of its electricity consumption through renewable energy sources. This has been effected through EnVolt Limited (“EnVolt” or the “Company” or the “Issuer”), whose broader objective remains to develop and implement ENL’s renewable energy initiatives. The Company, which has been operating since 2018, owns and operates 10 solar farms with a capacity of 4.1 MW under the Central Electricity Board (CEB) of Mauritius Medium-Scale Distributed Generation (MSDG) 1 scheme.

EnVolt’s existing solar farms are built, developed, operated and implemented through Ecoasis Ltd, a company incorporated in 2010 and acquired by ENL in 2022. The Ecoasis team has more than 20 years’ experience as engineering, procurement, and construction (EPC) and operation & management (O&M) contractor for renewable energy projects.

Organisational Structure



The Green Bond Framework

ENL and EnVolt intend to pursue eligible renewable energy projects that contribute to environmental sustainability (the “Projects”):

- in the short term, by developing additional solar farms such that the Group’s renewable energy generation accounts for a larger proportion of its electricity consumption; and
- in the medium to long term, by expanding into other renewable energy sectors.

To achieve these objectives, the Company:

- intends to enter into financing transactions to fund the Projects through the issue of green bonds (the “Green Bonds”); and
- has implemented this Green Bond Framework (the “Framework”).

The Framework sets the basis for the funding of the Projects that the Company may from time to time embark upon, through the issuance of green bonds in Mauritius (the “Green Bonds”), in line with the core principles of and recommendations of:

- the International Capital Market Association (ICMA) Green Bond Principles (“GBP”) 2021 with June 2022 Appendix; ;
- the Green Bond Guidelines; and
- the requirements of the rules and regulations applicable to bond issues in Mauritius, in force and effect as at the date of the Framework.

The Framework also sets out the basis for the identification, selection, verification and reporting of the Projects in line with the corresponding four main components of the GBP and the Green Bond Guidelines which are as follows:

- use of the Green Bond proceeds,
- process for project evaluation and selection of the eligible green projects being financed by the Green Bonds,
- management of the Green Bond proceeds, and
- reporting.

The purpose of this Framework is to serve as a companion document to the offering documents of the Issuer in relation to the Green Bonds. These offering documents (collectively, the “Programme Documentation”) will include a programme memorandum (the “Programme Memorandum”), and, for each issue, a pricing supplement (a “Pricing Supplement”). The Framework, shall, in relation to the Company’s Green Bond issuances, form part of the Programme Documentation and constitute the Company’s “Green Bond Memorandum”, within the meaning of the Green Bond Guidelines. Together, these documents shall guide the Company’s financing of the Projects through the issuance of Green Bonds.

Revisions to this Framework

The Company may review this Framework from time to time to ensure that it remains consistent with its overall strategy and objectives. Such revisions shall be based on the following factors:

- The implementation schedule of the Central Electricity Board Renewable Energy 2023 Roadmap¹. In particular, this implementation schedule may impact future issues under the Programme Documentation; and
- The implementation of projects under the Eligibility Criteria (as defined below) which are not part Central Electricity Board's framework.

EnVolt shall not implement any revision to this Framework without the prior approval of its board of directors (the "Board"). The Company's board may, depending on the materiality of the changes, or shall, if required by a competent legal, governmental, judicial or regulatory authority, seek a second party opinion to confirm the suitability of the proposed revisions to the Framework with the GBP and the Green Bond Guidelines.

Expected Timeline of Green Bond Issuances

EnVolt expects to:

- implement the Programme Memorandum of MUR 2.0 billion (approximately, USD 45 million) around but no later than the offer date of the first issue of the Green Bonds;
- make the first issue of the Green Bonds of MUR 510 million (approximately, USD 11 million) by 31 December 2023; and
- complete the remaining Green Bond issues under the Programme Memorandum by 31 December 2028.



USE OF PROCEEDS

The proceeds of the Green Bond issuances will be directed towards the financing, refinancing of capital expenditure and operational expenses associated with projects that meet at least one of the eligibility criteria (the "Eligibility Criteria") set out below.

Green Bond Principle	Eligibility Criteria	Environmental Objective	KPIs
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<https://ceb.mu/files/files/publications/RENEWABLE%20ENERGY%20ROADMAP%202030%20FOR%20THE%20ELECTRICITY%20SECTOR.pdf>

Eligible Category			
<p data-bbox="193 271 376 340">Renewable Energy</p>  	<p data-bbox="376 271 834 528">Investment in or expenditures related to the development, construction, management, and/or operation and maintenance from the following renewable energy sources:</p> <p data-bbox="376 528 834 1930">(i) Onshore and offshore Wind energy; (ii) Geothermal energy, provided that emissions from such investment is consistent with the "low" thresholds set by the Climate Bond Initiative taxonomy; (iii) Solar photovoltaic panels; (iv) Biomass provided that the feedstock utilized is from forestry or agriculture residues such as cane trash and non-food crops (v) Hydropower, provided that either (i) the carbon intensity life cycle is below 50gCO₂ e/kW or (ii) the power density is greater than 10 W/m², or (iii) the project will be implemented based on run of river flows without artificial reservoir or low storage capacity. ; and (vi) Infrastructure to support the integration of renewable energy into the grid (e.g. battery energy storage systems).</p>	<p data-bbox="834 271 1123 454">Climate change mitigation (reduction of greenhouse gas emissions)</p>	<ul data-bbox="1123 271 1410 607" style="list-style-type: none"> • Installed renewable energy capacity • Renewable energy production • Avoided CO₂ emissions

In the event that EnVolt wishes to finance or refinance certain operational expenditure, the latter should be incurred no later than 3 years prior to the refinancing.

The Eligibility Criteria are in line with the GBP and the Green Bond Guidelines. In determining what specific detailed green technologies and standards are optimal for environmentally sustainable benefits, EnVolt will further refer to current international and national initiatives and best-practice such as the Climate Bonds Initiative, the European Union taxonomies, and other relevant best-practice nomenclatures (e.g. the guidelines imposed by development finance institutions).

Exclusion criteria

EnVolt will not finance any activities that could harm its reputation. The following are the industries/sectors/companies/organizations that the Issuer will not finance:

1. Production or activities involving forced labour or child labour²;
2. Production or trade in any product or activity deemed illegal under the laws of Mauritius or international conventions and agreements;
3. Production or trade in weapons and ammunitions;
4. Production or trade in alcoholic beverages (excluding beer and wine);
5. Production or trade in tobacco;
6. Drift net fishing in the marine environment using nets in excess of 2.5 km. in length;
7. Commercial logging operations for use in primary tropical moist forest;
8. Production or trade in wood or other forestry products other than from sustainably managed forests;
9. Production, trade, storage, or transport of significant volumes of hazardous chemicals, or commercial scale usage of hazardous chemicals³;
10. Gambling, casinos and equivalent enterprises;
11. Trade in wildlife or wildlife products regulated under CITES (Convention on International Trade in Endangered Species or Wild Fauna and Flora);
12. facilities with significant controversies related to Environmental & Social risk or impact (e.g. loss of habitat, biodiversity and displacement of people, etc.)
13. Any business relating to pornography or prostitution;
14. Production or use of or trade in hazardous materials such as radioactive materials;
15. Production or trade in Unbounded asbestos fibres and products containing PCBs (Polychlorinated biphenyls, a group of highly toxic chemicals);
16. Mining of Uranium for weaponry and any other use;

² Forced labour means all work or service, not voluntarily performed that is extracted from an individual under threat of force or penalty as defined by ILO conventions.

³ Hazardous chemicals include gasoline, kerosene, and other petroleum products (when investing in microfinance activities)

17. Coal mining and coal-fuelled power plants⁴;
18. Cross-border trade in waste and waste products unless compliant to the Basel Convention and the underlying regulations;
19. Production, use of or trade in pharmaceuticals, pesticides/herbicides, chemicals, ozone depleting substances⁵ and other hazardous substances subject to international phase-outs or bans;
20. Significant conversion or degradation of Critical Habitat⁶;
21. Production and distribution of racist and anti-democratic media;
22. Significant alteration, damage, or removal of any Critical Cultural Heritage⁷;
23. Relocation of Indigenous People from traditional or customary lands⁸;
24. Organization supporting/sympathizing with terrorist activities;
25. Companies/people involved in prohibited drugs;
26. Political parties

PROCESS FOR PROJECT EVALUATION AND SELECTION

The Board will be responsible for the implementation of this Framework and the issuance of Green Bonds under the Programme Documentation. As appropriate, the Board may be advised by senior executives within ENL (including but not restricted to ENL's head of sustainability) or external advisors on financial, environmental, social and governance matters.

In this respect, the Board will meet as and when required (but no less than once per year) and its responsibilities will include the:

- Review and approval of the Framework and any revisions or updates to the Framework;
- Review of EnVolt's existing Projects to ensure that these remain within the Eligibility Criteria outlined in this Framework. In this respect, Projects which have matured or no longer comply with the eligibility criteria, will be removed from the Issuer's Project portfolio;
- Monitoring the use and management of proceeds of Green Bonds issued;
- Review, selection and approval of proposed investments and Projects within the Eligibility Criteria;
- Review and approval of the annual reporting conducted under the Framework;

⁴ Existing exposure in this sector is going to be phased out and no new transactions accepted.

⁵ Ozone Depleting Substances: Chemical compounds, which react with and delete stratospheric ozone, resulting in "holes in the ozone layer"

⁶ Significant conversion or degradation means the; (a) elimination or severe diminution of the integrity of a habitat caused by a major, long-term change in land or water use; or (b) modification of a habitat that substantially reduces the habitat's ability to maintain viable population of its native species.

⁷ Critical Cultural Heritage consists of (a) the internationally recognized heritage of communities who use or have used within living memory the cultural heritage for long-standing cultural purposes; and (b) legally protected cultural heritage areas

⁸ The term "Indigenous People" is used in a generic sense to refer to a distinct social and cultural group possessing the following characteristics in varying degrees: self-identification as members of a distinct indigenous cultural group and recognition of this identity by others, collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories, customary cultural, economic, social, or political institutions that are separate from those of the dominant society or culture, an indigenous language, often different from the official language of the country or region.

- Appointment of the independent external reviewer as per the Green Bond Guidelines (the “Independent External Reviewer”);
- Review of the Independent External Reviewer’s report and resolution of any issues therein; and
- Monitoring of ongoing green bond market practices, including the consideration of whether any updates or amendments should be made to the Framework to reflect new or developing practices.

A biography of the EnVolt’s directors is included in the table below.

Director	Profile
Gilbert Espitalier Noel	<p>Gilbert Espitalier Noel is the group CEO of ENL Limited. He has extensive experience in the agro-industrial, property and hospitality sectors.</p> <p>Prior to serving as CEO of ENL Limited, Gilbert was the CEO of New Mauritius Hotel, the largest integrated hotel company in Mauritius. Gilbert has also served as an executive director of ENL Property Limited, one of the largest domestic property development and holding companies.</p>
Johan Pilot	<p>Johan Pilot is the CEO of ENL Property Limited and an executive director of ENL Limited. In this capacity, Johan has led the team which has delivered some of the most ambitious real estate developments in Mauritius and is a strong proponent of sustainable urban development.</p> <p>Prior to joining ENL in August 2007, Johan worked at PwC Mauritius. He is a Chartered Accountant from the Institute of Chartered Accountants in England & Wales</p>
Amaury Koenig	<p>Amaury Koenig is the group head of finance of ENL Limited. He has extensive experience in project finance, financial modelling and in real estate investments. He currently leads the team of finance managers across the ENL group of companies.</p> <p>Prior to being appointed group head of finance of ENL Limited, Amaury was the head of finance of ENL Property Limited and a business analyst at Eclasia Group.</p>
Thierry Rey	<p>Thierry Rey serves as the business development director for ENL Property Limited. He has extensive experience in the real estate sector and has contributed significantly to the sustainable real estate developments of the Bel Ombre and Moka regions. Amongst others, Thierry has been a strong advocate of ENL’s entering into the renewable energy sector.</p> <p>Thierry holds a diploma in Land Surveying</p>

Environmental & social risks

As a fundamental part of its investment assessment process, EnVolt evaluates the environmental and social risks associated with each Project. In addition, EnVolt adheres to the environmental and social risk policies of the ENL group of companies.

More generally, EnVolt's environmental risk policies and associated risk assessment procedures are developed and reviewed regularly based on input from various industry sources, including ESG and corporate governance research firms that consult a wide range of stakeholders and consider generally accepted international agreements and standards in providing industry-standard risk guidance.

MANAGEMENT OF PROCEEDS

The Board shall be tasked with allocating and managing the net proceeds raised from the issuance of the Green Bonds to finance the Projects. In addition, the Programme Documentation will contain third party independent control mechanisms to streamline the application of net Green Bond proceeds. Such independent control shall involve:

- The approval of the Green Bond noteholders' representative (the "Noteholders' Representative") or security agent (the "Security Agent"); and
- The review by of EnVolt's annual accounts by its external auditors.

Managing Unallocated Proceeds

The balance of unallocated proceeds will remain in cash or be invested in cash equivalents. These funds shall not be used to finance any other project. Any funds that remain unutilised (for example, due to lower project costs) shall be utilised within a period of 3 years and subject the parameters set in this Framework and the Programme Memorandum.

REPORTING

As a general principle and throughout the life of the Green Bonds, EnVolt shall report annually on its website the following information (i) the allocation reporting, (ii) the impact reporting, (iii) its audited financial statements.

For the purposes of the Green Bond Guidelines, the allocation reporting, the impact reporting and the audited financial statements shall form part of or collectively constitute the "Green Bond Progress Report".

Allocation Reporting

EnVolt intends to report annually on the allocation of net proceeds from Green Bonds issued under this Framework at reporting year-end and will include the following information:

1. Net proceeds raised from Green Bond issuances;
2. A list and a description of Projects financed or refinanced by the Green Bond Issuances;
3. A confirmation that the portfolio of Projects (re)financed by the Green Bonds continue to meet the Eligibility Criteria;
4. Aggregate amounts of proceeds allocated to each of the Eligible Categories; and
5. The balance and temporary placement of any unallocated proceeds, if any.

Impact Reporting

EnVolt intends to provide, where possible and subject to data availability, the environmental impacts of the Projects that is shall have financed. In particular, it intends to report on (i) the renewable power generation capacity, (ii) the renewal power generated, and (iii) the environmental impact (e.g. reduction in CO₂ emissions).

In so far as it is possible to do so, the Company shall disclose the underlying methodology and assumptions or provide reasonable independent evidence supporting the impact reporting.

EXTERNAL REVIEW

Independent External Review and Pre-Issuance Report

EnVolt has appointed Sustainalytics UK Limited (“Sustainalytics”) as Independent External Reviewer mainly to assess and confirm:

- the alignment of the Projects with the Eligibility Criteria;
- the suitability with the Green Bond Guidelines of the Company’s internal policies, processes, control and governance mechanisms; and
- the overall compliance of the Company with the principles of the ICMA Bond Principles and the Green Bond Guidelines prior to the issuance of any Green Bond issue that the Company may from time to time make under the Programme Documentation.

Sustainalytics has provided the Company with an independent verification assessment to confirm the suitability of the Framework with the GBP and the Green Bond Guidelines. Sustainalytics’ report shall serve as EnVolt’s pre-issuance report, within the meaning of the Green Bond Guidelines, in respect of the first issue of the Green Bonds under the Programme Documentation. Both the Framework and Sustainalytics report are available available on EnVolt’s website www.envolt.mu.

Sustainalytics is a leading independent firm, incorporated in the United Kingdom. Sustainalytics is the largest ESG research provider with over 1,500 staff in 17 locations. It has provided more than 1,000 second party opinions related to green, social and sustainable bonds globally. Additional information on Sustainalytics can be found at www.sustainalytics.com.

Annual Report

In accordance with the ICMA Green Bond Principles, EnVolt shall require an annual report from the Independent External Reviewer to:

- state the allocated and unallocated net proceeds;
- confirm the compliance of the Projects with the Eligibility Criteria defined in this Framework; and
- if feasible, review the impact reporting.