



Energy for
generations

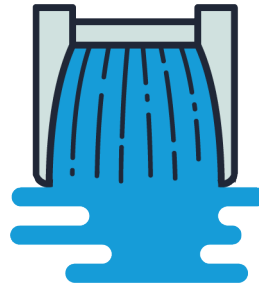


ESB Green Bond Framework

May 2019

Leading the Way to a Brighter Future

ESB is making a stand for Ireland's future, a future powered by clean, sustainable electricity. ESB is committed to leading the transition to a reliable, affordable, low-carbon energy future, a future that protects its customers and the economy by maintaining the security and affordability of energy. ESB is investing in low-carbon generation; it is expanding and enhancing the grid to accommodate more distributed energy resources and empowering its customers to take more control of their energy use.



1925

Shannon Scheme - Ardnacrusha - commenced



1927

ESB Established under the Electricity (Supply) Act



1946

Rural Electrification



1998

First Onshore Windfarm



2011

Electric Vehicle Charging Infrastructure Roll Out



2018

First Offshore Windfarm Investment



2019

First Smart Meter Installation Due

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1.0

Introduction

Electricity Supply Board (ESB) was established in 1927 as a statutory corporation in the Republic of Ireland under the Electricity (Supply) Act 1927. With a holding of 95.4%, ESB is majority owned by the Irish Government with the remaining 4.6% held by the trustees of an Employee Share Ownership Plan. As a strong, diversified, vertically integrated utility, ESB operates across the electricity value chain - from generation, through transmission and distribution to supply of customers, with an expanding presence in Great Britain's generation and supply markets. In addition, ESB has created additional businesses at certain points along this chain: supplying gas and other energy services to customers, using its networks to carry fibre for telecommunications, developing electric vehicle public charging infrastructure and more.

ESB is a leading Irish energy utility with a regulated asset base (RAB) of approximately €9.6 billion (comprising ESB Networks €7.9 billion and NIE Networks €1.7 billion), 38% of generation in the All-Island (Ireland and Northern Ireland) market and a significant supply business, supplying electricity and gas to approximately 1.3 million customers throughout the island of Ireland.

As part of its strategy to lead the transition to a low-carbon energy future ESB will continue to grow the scale of its generation business, primarily through renewable investments. It will continue to invest significantly in the transmission and distribution network to facilitate the increased penetration of renewable generation and the changing needs of today's energy consumer as well as supporting the increased electrification of heat and transport to help Ireland meet its renewable targets. ESB is focused on providing excellent customer service and maintaining its financial strength. As at 31 December 2018, ESB Group employed over 7,800 people.



2.0 Strategy

ESB's Key Strategic Objectives



Put customers' current and future needs at the centre of all our activities



Produce, connect and deliver clean, secure and affordable energy



Develop energy services to meet evolving market needs



Grow the business while maintaining ESB's financial strength



Deliver a high performance culture that supports innovation and collaboration

ESB's Strategy to 2030 (Brighter Future Strategy) is anchored in ESB's purpose which is to create a brighter future for the customers and communities it serves by leading the transition to reliable, affordable, low-carbon energy. It sets out a path to achieve this ambition in a way that will also ensure that ESB continues to grow as a successful business while maintaining the financial strength to invest in a low-carbon future at the necessary pace and scale. It also recognises the commercial potential for new business growth arising from this societal transition.

In implementing its strategy ESB will be guided by its Strategy Statement which summarises its geographic focus, business focus and commitment to customer centricity, collaboration and innovation - "Through our diverse businesses across Ireland, Northern Ireland and Great Britain we aim to meet customer energy needs by bringing the best of our capabilities together to deliver innovative and value-driven solutions for a low-carbon world."

ESB's strategy highlights the importance of being adaptable and responsive in an era of unprecedented uncertainty in the energy industry. To that end, it aims to have a presence of scale across the utility value chain from generation to transmission and distribution networks, supply and customer energy services, with a mix of regulated and unregulated businesses, while maintaining a strong investment grade credit rating.

Since its establishment in 1927, ESB has been characterised by a commitment to creating opportunities for the communities it serves. The challenge for ESB today is to be a leader in the transition to reliable, affordable, low-carbon energy and to serve its customers better and achieve sustainable growth.



3.0

Approach to Sustainability



3.1

Sustainability Across the Business

ESB's Brighter Future Strategy puts sustainability at the heart of its strategic objectives and its purpose as an organisation as it aims to deliver innovative and value-driven solutions for a low-carbon world. The issue of Green Bonds fully complements this Strategy.

One of the key goals of ESB's strategy is to increase its level of renewable generation capacity such that at least 40% of the total generation by 2030 will be from zero-carbon sources, thereby halving the carbon intensity of its generation business. This aligns with the contribution the EU electricity industry must make towards the UN climate objectives in the Paris Agreement.

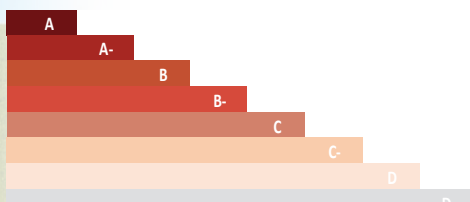
While generation forms 99% of ESB's greenhouse gas emissions, ESB is supporting the full range of Government climate policies including reducing the emissions of its buildings and vehicles and taking wider initiatives to support the decarbonisation of Ireland's homes and car fleets as a whole.

Since 2009, ESB has reported its carbon emissions through CDP, a global disclosure not-for-profit charity that runs the carbon disclosure system for investors, companies, cities, states and regions to manage their environmental impacts, representing the most comprehensive collection of self-reported environmental data globally. ESB's 2018 disclosure scored B- on the CDP scoring methodology (compared to a sector average of C).

During 2018 ESB joined the Leaders Group on Sustainability, a Business In The Community Ireland (BITCI) led group of leading businesses who hold the Business Working Responsibility Mark. One of the first actions announced by the Group is the Low Carbon Pledge – the first dedicated public commitment generated by Irish business to lead on the transition to a low-carbon economy and reduce carbon intensity by 50% by 2030.



CDP SCORING FRAMEWORK



YOUR CDP SCORE

MANAGEMENT B-

Sector average: C

Regional average: C

Detailed reporting on ESB's Sustainability Agenda is available at <https://www.esb.ie/acting-responsibly/sustainability-in-esb>.

ESB recognises that its activities comprising of electricity generation, transmission, distribution and supply have environmental impacts and that it has a responsibility to manage these impacts in a manner that provides a high level of protection for the natural environment and contributes to the sustainable development of the economy. All ESB's businesses operate environmental management systems (EMSs) externally certified to the ISO 14001:2015 standard. The key impacts and mitigations identified from the EMSs are linked to ESB's Enterprise Risk Management process. Sustainability is represented both corporately and across ESB's key business units:

GENERATION & TRADING

ESB's Generation & Trading business operates with a focus on reducing its environmental impact, aiming to significantly increase renewable generation and reduce the overall carbon intensity of the generation portfolio over the next number of years.

At the end of 2018, renewables made up 14% of ESB's generation portfolio by capacity. By 2030 renewables will account for almost 50% of ESB's capacity and they will generate over 40% of its electricity. ESB's progress in developing its renewable generation portfolio is highlighted below (includes renewable generation where the assets have reached their commercial operation date).

Having reduced the carbon intensity of the generation fleet significantly in recent years, Generation & Trading's strategy is to continue to invest in new assets that will continue to reduce the fleet's carbon intensity. This means significantly increasing the rate of development of options for low- and zero-carbon

generation assets such as on- and off-shore wind, solar PV, energy from waste, biomass, combined heat and power, district heating, storage, and high efficiency and flexible gas generation.

To reduce the carbon intensity of ESB's business, it will actively manage the transition out of coal and peat, replacing assets that are carbon intensive or not commercially viable. ESB will reduce the size of its thermal fleet, increasing its zero-carbon capacity from less than 1 GW to 3.5 GW in 2030.

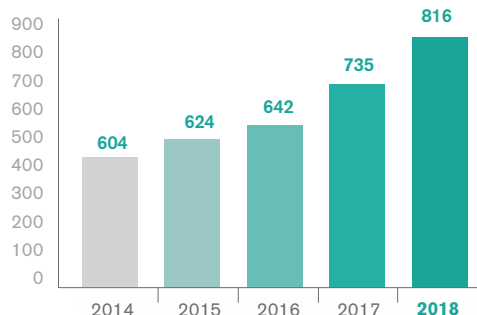
ESB's Generation & Trading business is also working to develop a pipeline of projects across a range of technologies – battery storage, solar, onshore wind, offshore wind, energy from waste, biomass and gas-fired plants for delivery over the next decade.

The carbon intensity of ESB's generation fleet has reduced significantly in recent years.

C02 e/kWh*	Year
454g	2018
536g	2017
560g	2016
590g	2015

*Carbon dioxide equivalent per kilowatt hour.

MW Renewable Operational*



*wind, solar and hydro

Source: ESB Annual Report, 2018. Includes wind, solar and hydro. Total MWs of renewable generation where the assets have reached their commercial operation date.

ESB NETWORKS

ESB Networks builds, manages and maintains a transmission and distribution network of over 180,000 kilometres in the Republic of Ireland and is committed to develop a safe, smart, reliable network that enables the transition to low carbon. It plans to lead this transition through its plans to:

- Connect greater volumes of renewable generation;
- Develop the network to support the widespread electrification of transport and heat;
- Connect and respond to the changing needs of customers;
- Make the network smarter;
- Reinforce and improve the resilience, performance and safety of the network; and
- Maximise networks utilisation and value for money.

It is supporting the Irish Government's current target of 40% of electricity coming from renewable sources by 2020 and will contribute to the achievement of future targets. Some 336MW of renewable generation was connected in 2018, bringing total renewable generation connected to the network to over 4GW. Plans are in place to connect a further 550 MW of renewable generation in 2019.

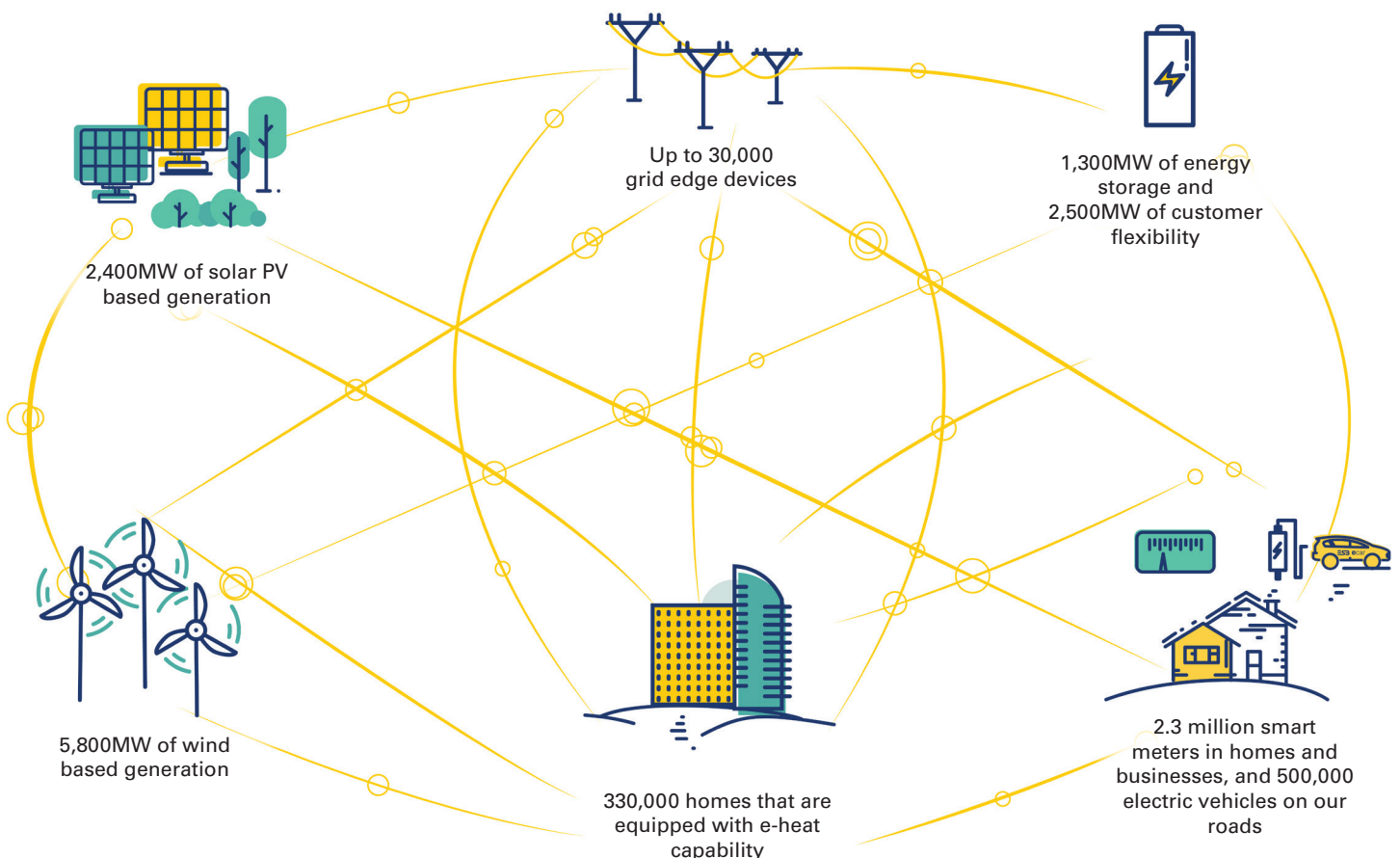
Tackling climate change is a major challenge. ESB Networks understands that its role is pivotal to a future where renewable generation displaces the carbon in electricity and where electrification displaces the carbon in transport and heat.

Through its focus on Innovation, ESB Networks is engaging through key partnerships with communities, industry, academic and government agencies to develop a common vision, to deliver the innovation this demands, and to publicise and leverage the learnings.

The Dingle Project is a primary example of this partnership, aiming to enable and stimulate active energy citizens and communities through digitalisation and deployment of smart technologies. The project has deployed electrified heat, battery storage, solar PV and peer-to-peer trials and smart network devices in over 100 locations on the Dingle Peninsula in Southwest Ireland. These efforts will allow the facilitation of electrification and empower all customers to play their role in the sustainable energy future.

In addition, and as part of Ireland's National Smart Metering Programme commissioned by the Commission for the Regulation of Utilities (CRU), ESB Networks is preparing for the roll-out of smart electricity meters to all domestic and business premises across the Republic of Ireland. With the first installations due to take place in Autumn 2019, smart meters will support the migration to a carbon free network and will support smart grids, e-transport, local renewable generation and microgeneration. Smart Metering is part of ESB Networks' commitment to create a Brighter Future for Ireland. Smart Metering is a nationally significant infrastructure transformation project and the largest IT project in ESB's history.

BY 2030, ESB NETWORKS WILL SUPPORT



NORTHERN IRELAND ELECTRICITY

NIE Networks is the owner of the electricity transmission and distribution networks in Northern Ireland (NI) and is the distribution network operator (DNO). NIE Networks' principal activities include constructing and maintaining the networks, connecting demand and generation customers to the networks and providing electricity meters and metering data.

Aligned with transitioning to a low-carbon future, NIE Networks has played a key part in facilitating the connection of renewable generation to the network. At 31 December 2018, a total of 1.65GW of renewable generation was connected to the NI network via largescale wind farms, small-scale renewable generation such as single wind turbines and anaerobic digesters and several hundred micro-generation projects largely comprising photo-voltaic panels on domestic rooftops.

During 2018, NIE Networks secured over £6m in funding from its regulator to pilot innovation projects. These projects have commenced across five main areas: smart asset monitoring, demand side response, low-voltage active network management, voltage management and facilitation of energy storage services. The projects will help to facilitate the connection of low-carbon technologies to the network and to release network headroom at a lower cost than conventional reinforcement. Plans for innovation will focus on integrating suitably advanced smart solutions into business as usual. In addition, some forward investment in the communications network is planned to enable a wider roll-out of smart solutions in future periods.

NIE Networks is engaging with key stakeholders and its regulator in a bid to understand, from a NI perspective, what changes may be required to its current functions as a DNO to transition to a Distribution System Operator (DSO) in the future. Understanding this evolution will be a key focus for plans to decarbonise the energy system of the future.

CUSTOMER SOLUTIONS

Engaged, connected customers are a key strand in transitioning to a low-carbon energy future. Recognising this, ESB Customer Solutions has been established to bring together all of its non-regulated customer facing businesses under one business unit. ESB Customer Solutions comprises of key brands such as Electric Ireland, ESB Energy (ESB's GB supply company), ESB eCars, ESB Telecoms and ESB Smart Energy Services all playing a critical role in putting customers at the heart of ESB's activities. With new product and services offerings, ESB Customer Solutions are embracing technological advances to respond to customers' changing needs, and in doing so, make it easier for customers to control their energy costs and to make low-carbon choices. Customer Solutions are constantly evolving and shaping its businesses to continue to deliver a strong benefit to society.

Electric Ireland, the retail arm of ESB supplying electricity gas and energy services to customers in Ireland and Northern Ireland, is conscious of operating its business in a sustainable and environmentally responsible way and is certified to ISO 14001 standard.





Through its Home Energy Services team, Electric Ireland actively works with customers to assist them in improving the sustainability of their homes and businesses through the efficient use of the energy provided to them.

Electric Ireland is in the process of developing systems to leverage the introduction of smart metering over the coming years and facilitating customers' ability to transition to the use of sustainable solutions like Solar pV, EV home charging points, residential battery storage further supplemented by its home energy control and monitoring products.

ESB Energy is Customer Solutions' new entrant into the retail energy market in GB. Currently in the establishment phase, ESB Energy is seeking to develop a business of a scale similar to Electric Ireland, offering similar energy efficiency programs to its customer base.

Customer Solutions' Smart Energy Services business delivers energy sustainability solutions for business customers in Ireland & GB providing the design, build and commissioning of measures such as lighting improvements, on site renewable energy production and energy storage.

ESB eCars – build, operate and maintain EV charging infrastructure in Ireland and GB. ESB eCars own and operate the national charging infrastructure across the island of Ireland with over 1,100 public charge points installed and are embarking on an extensive program of upgrade and expansion. In GB, ESB eCars are seeking to expand its urban charging infrastructure from its current project locations in London and Coventry where ESB has built 60 rapid charge points.

LEADING THE TRANSITION TO A LOW-CARBON ENERGY FUTURE

Removing carbon from electricity generation will address about 20% of Ireland's carbon emissions. If transport and heating migrate to progressively decarbonised electricity, then there is potential to reduce Ireland's emissions by over 50%. In 2018 32% of all electricity generated in Ireland was derived from sustainable sources – primarily wind.

ESB is also working to support the electrification of heating and transport, through the development of the e-cars charging infrastructure in Ireland and by advocating for the progressive electrification of heat and transport.

In this context, ESB undertook a comprehensive 18 month review of the technologies available to Ireland to assist with the Government policy objective of decarbonising the energy sector by 80-95% by 2050. ESB crystallised its research into a recently launched report, in conjunction with Póyry, entitled *Ireland's Low Carbon Future - Dimensions of a solution*. This is ESB's suggested roadmap for a decarbonised future for Ireland providing policy recommendations and a suggested "low regrets" pathway for the country to transition to a Low Carbon Future.

A large wind turbine stands in the foreground, its three blades reaching towards a clear blue sky. In the background, other turbines are visible on a rolling landscape under a warm, golden sunset. The foreground is filled with tall, green grass.

3.2

Meeting the United Nations Sustainable Development Goals

Adopted in September 2015, the Sustainable Development Goals (SDGs) comprise 17 goals and 169 associated indicators that address the world's most pressing socio-economic and environmental challenges and offer an opportunity to put the world on a sustainable path. Business has an important role to play in achieving the SDGs and ESB's Brighter Future Strategy puts sustainability at the heart of ESB's strategic objectives and purpose as an organization contributing to the achievement of those goals. With the ambition to 'Create a Brighter Future for the customers and communities we serve, by leading the transition to reliable, affordable, low-carbon energy', ESB's progress during 2018 in putting this into action has begun to deliver on that ambition aligning its activities and progress to the broader global efforts to deliver the Sustainable Development Goals (SDGs).



RENEWABLE CONNECTIONS: 336MW IN ROI, 200MW IN NI IN 2018, BRINGING TOTAL RENEWABLES (ALL ISLAND) CONNECTED TO THE GRID TO 5.6GW



ESB SIGNS LOW CARBON PLEDGE COMMITTING TO 50% REDUCTION IN CARBON INTENSITY BY 2030



ESB NETWORKS GREW ITS REGULATED ASSET BASE BY €0.2BN THROUGH DELIVERY OF TRANSMISSION AND DISTRIBUTION PROGRAMMES



OVER 20,000 HOUSES CONNECTED DURING 2018



34 MW CASTLEPOOK WIND FARM COMMISSIONED. 158MW IN CONSTRUCTION



12.5% SHAREHOLDING IN THE 353 MW GALLOPER OFFSHORE WIND FARM IN UK



BIOMASS: COMPLETION OF 40MW RENEWABLE WASTE WOOD TO ENERGY PLANT AT TILBURY

PRODUCE, CONNECT AND DELIVER CLEAN, SECURE AND AFFORDABLE ENERGY



OUR PURPOSE

ESB's purpose is to create a brighter future for the customers and communities we serve and we will do this by leading the transition to reliable, affordable, low-carbon energy



ELECTRIC IRELAND CONTINUES TO FOCUS ON REDUCING DISCONNECTION RATES, NOW BELOW 20 PER 10,000



ELECTRIC IRELAND LAUNCHED ITS ALL ELECTRIC DISCOUNTED TARIFF FOR CUSTOMERS WITH ALL ELECTRIC HOMES



PUT CUSTOMERS' CURRENT AND FUTURE NEEDS AT THE CENTRE OF ALL OUR ACTIVITIES



SMART METERING IS A NATIONALLY SIGNIFICANT INFRASTRUCTURE TRANSFORMATION PROJECT SUPPORTING IRELAND'S EFFORTS TO MEET ITS 2030 DECARBONISATION TARGETS

DEVELOP ENERGY SERVICES TO MEET EVOLVING MARKET NEEDS



DELIVER A HIGH-PERFORMANCE CULTURE THAT SUPPORTS INNOVATION AND COLLABORATION



ESB BECAMES NATIONAL SPONSOR OF BITC TIME TO COUNT NUMERACY PROGRAMME, BUILDING STEAM CAPABILITIES FOR THE FUTURE



12 OF 72 APPRENTICESHIP STARTERS IN 2018 WERE WOMEN, A SIGNIFICANT INCREASE ON PREVIOUS YEARS



GROW THE BUSINESS WHILE MAINTAINING ESB'S FINANCIAL STRENGTH



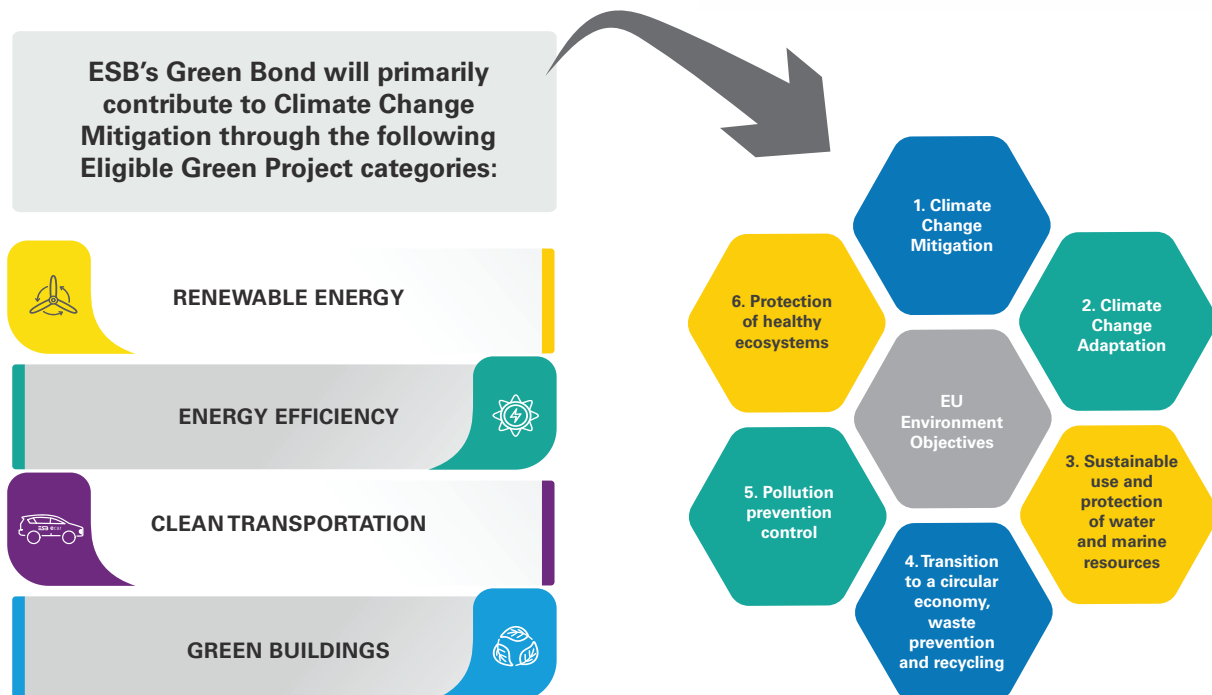
ESB DELIVERED EBITDA OF €1.2BN IN 2018. CAPEX OF €1.2BN WAS INVESTED IN LINE WITH ESB'S STRATEGY.

3.3

Brighter Future Strategy and Rationale for the Green Bond

ESB considers that Green Bonds are an effective tool to channel liquidity into assets which facilitate the transition to low-carbon electricity generation and reduce greenhouse gas emissions therefore supporting its 'Brighter Future Strategy'. ESB believes that Green Bonds offer transparency to investors who wish to allocate funds to green assets, and in doing so support ESB's transition to reliable, affordable, low-carbon energy as well as adding a further diversity to ESB's investor base.

ESB's Green Bond Framework has been designed to reflect ESB's strategy described above. As such, ESB's Green Bond will primarily contribute to the EU's Climate Change Mitigation Objective.*



*Proposal for a regulation – COM(2018) 353/978670: https://ec.europa.eu/info/law/better-regulation/initiatives/ares-2017-5524115_en#pe-2018-3333

4.0






Application of the Green Bond Principles




4.1

Use of Proceeds

The net proceeds from the issuance of Green Bonds will be used to finance or refinance in whole or in part Eligible Green Projects where spend on those projects falls in the next 24 months or has been incurred in the previous 24 months and that fall into the following accepted categories according to the Green Bond Principles:

Eligible Green Project categories	Examples of Potential Projects	Example Impact Reporting Metric	Relevant Sustainable Development Goals
Renewable energy (including production, transmission, appliances and products)	Renewable power projects including Wind and Solar	<p>MW of installed Renewables</p> <p>Expected annual renewable energy generation (MWh)</p> <p>Estimated annual GHG emissions reduced/avoided (in tonnes of CO₂ equivalent)</p>	  
	Power transmission and other technical infrastructure required to connect new sources of renewable power generation to the grid	<p>MW of Renewables Connected</p> <p>Estimated annual GHG emissions reduced/avoided (in tonnes of CO₂ equivalent)</p>	
Energy efficiency (such as in new and refurbished buildings, energy storage, district heating, smart grids, appliances and products)	Energy efficiency solutions, including smart metering and other technologies designed to manage/reduce demand	<p>Number of smart meters installed</p> <p>Number of customers using smart meters (supply)</p> <p>Annual energy savings (MWh)</p> <p>Capacity of energy storage facilities installed</p> <p>Estimated annual GHG emissions reduced/avoided (in tons of CO₂ equivalent) when available</p>	 

Eligible Green Project categories	Examples of Potential Projects	Example Impact Reporting Metric	Relevant Sustainable Development Goals
Renewable energy (including production, transmission, appliances and products)	Upgrade of existing Power transmission infrastructure aiming to improve energy efficiency/reducing transmission losses	Annual reduction in energy consumption (in kWh) Estimated annual GHG emissions reduced/avoided (in tonnes of CO ₂ equivalent)	
	Projects designed to improve the energy efficiency of ESB's commercial buildings, displace fossil fuel building technology with zero and low carbon alternatives and improve overall building energy performance. Eligible projects will target a 50% reduction in building energy consumption when compared to pre-project base line performance.	Annual reduction of energy consumption (in kWh) Estimated annual GHG emissions reduced/avoided (in tons of CO ₂ equivalent)	
Clean transportation (such as electric, hybrid, public, rail, non-motorised, multi-modal transportation, infrastructure for clean energy vehicles and reduction of harmful emissions)	Infrastructure which facilitates increased penetration of electric vehicles	Number of Electric Vehicle charging points installed or upgraded	 
	Electric Vehicles	Number of Electric Vehicles in ESB Fleet	
Green buildings	Buildings which are certified under recognised sustainable building certification schemes and that have obtained the following Green certifications (or equivalent): ▪ LEED: [≥ "Gold"] ▪ BREEAM: [≥ "Very Good"]	Certification e.g. BREAM rating Annual energy savings (MWh) Estimated annual GHG emissions reduced/avoided (in tonnes of CO ₂ equivalent)	

Note – this Framework has been developed in alignment with the ICMA Green Bond Principles (<https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/>) and the draft Proposal for an EU Green Bond Standard (https://ec.europa.eu/info/sites/info/files/business_economy_euro/banking_and_finance/documents/190306-sustainable-finance-teg-interim-report-green-bond-standard_en_0.pdf). In the event that such a Standard were to enter into force on a future date, the Issuer may propose to requalify Green Bonds issued in accordance with this Framework as 'EU Green Bonds' in accordance with the provisions of the Standard entering into force.



Exclusions

Uses of Proceeds for the following will be specifically excluded:

Financing of any power generation project wholly or partly powered by fossil fuels or nuclear power

4.2

Process for Project Evaluation and Selection

A dedicated Green Finance Committee (the "Committee") has been created to ensure compliance with the Green Bond Framework and oversee the entire issuance process. The Committee is composed of the Head of ESB's Treasury, Sustainability and Strategy Areas as well as representatives from the ESB's Business Units on a case by case basis.

The Committee will review proposed projects with respect to the Eligibility Criteria set out previously. The project should show a clear positive environmental impact and be aligned to ESB's strategic intent of meeting 'customer energy needs by bringing the best of its capabilities together to deliver innovative and value-driven solutions for a low-carbon world'. Proposed projects will be subject to ESB's environmental risk management procedures implemented within ESB operational units.

The Committee will also be responsible for managing any future updates to the Green Bond Framework, including any expansion of the use of proceeds requirements. Any changes to the Green Bond Framework will be published on ESB's website.

4.3

Management of Proceeds

In accordance with the evaluation and selection process presented previously, an amount equal to the Green Bond net proceeds will be allocated to Eligible Green projects.

ESB commits on a best effort basis to reach full allocation to Eligible Projects within two years of the Green Bond issuance. The Group will set up a register and will put internal controls in place to monitor and track the net proceeds on Eligible Projects. ESB will maintain a minimum level of cash or cash equivalents to the unallocated funds of the Green Bond.

During the life of the issued Green Bond, if the Eligible Projects are sold, cease to fulfil the Eligibility Criteria, or are otherwise determined to be incompatible with the environmental objectives of the Green Bond Framework, the proceeds will be re-allocated to replacement Eligible Projects that comply with the Eligibility Criteria, as soon as reasonably practicable.



4.4

Reporting









ESB intends to produce an Allocation and Impact report at least annually. This report will be produced until full allocation of the Green bond proceeds and thereafter if there are any material changes in this allocation. The report will include the following information:

ALLOCATION REPORTING

ESB is committed to providing investors with detailed information on the allocation of Green Bond proceeds including the following:

- Total funds distributed per Eligible Category and/ or per project where relevant
- Total funds used for refinancing or allocated to newly financed projects
- Amount of unallocated proceeds

IMPACT REPORTING

Eligible Categories		Examples of Impact Metrics
RENEWABLE ENERGY <div>    </div>		<ul style="list-style-type: none"> ▪ Breakdown of Renewable Energy projects by energy type e.g. wind, solar ▪ Installed renewable energy capacity (MW) ▪ Renewable energy capacity connected (MW) ▪ Expected annual renewable energy generation (MWh) ▪ Estimated annual GHG emissions reduced/avoided (in tonnes of CO₂ equivalent)
ENERGY EFFICIENCY <div>   </div>		<ul style="list-style-type: none"> ▪ Number of smart meters installed ▪ Number of customers using smart meters (supply) ▪ Capacity of energy storage facilities installed ▪ Annual reduction in energy consumption (in kWh) ▪ Estimated annual GHG emissions reduced/avoided (in tonnes of CO₂ equivalent)
CLEAN TRANSPORTATION <div>   </div>		<ul style="list-style-type: none"> ▪ Number of EV charging points installed or upgraded ▪ Number of Electric Vehicles in ESB Fleet
GREEN BUILDINGS <div>  </div>		<ul style="list-style-type: none"> ▪ Certification ▪ Annual energy savings (MWh) ▪ Estimated annual GHG emissions reduced/avoided (in tonnes of CO₂ equivalent)

The allocation and impact reporting will either be reported in its own dedicated report or integrated in ESB's existing annual sustainability report and will be made available via ESB's website: www.esb.ie

4.5

External Review

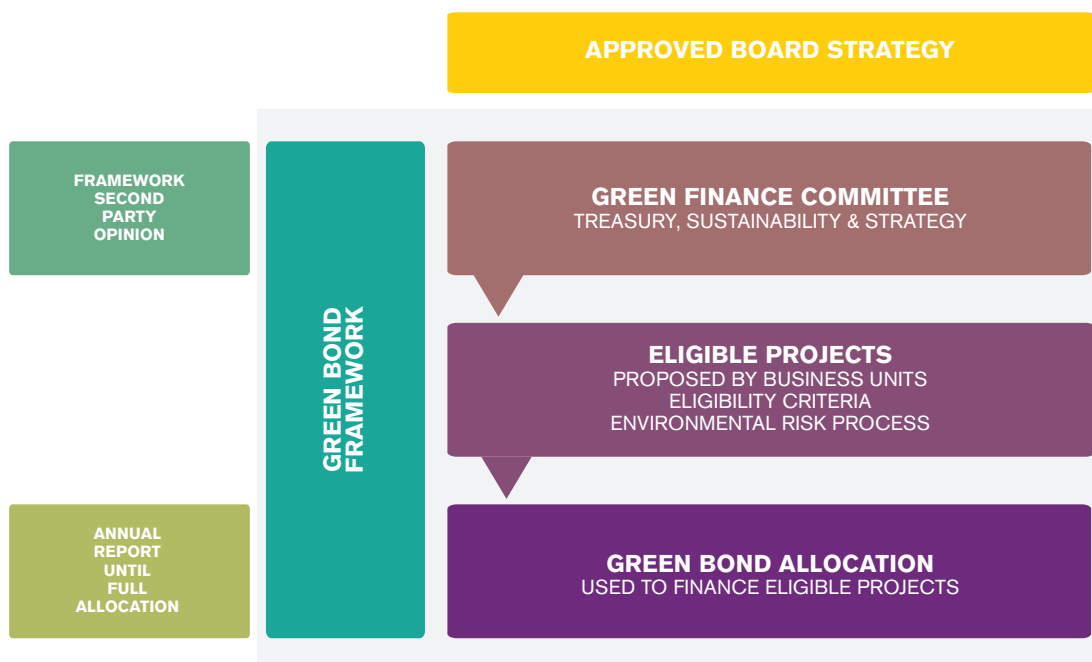
SECOND-PARTY OPINION

Prior to issuance, ESB commissioned Sustainalytics to conduct an external review of its Green Bond Framework and issue a Second Party Opinion on the Framework's environmental credentials and its alignment with the Green Bond Principles.

The Second Party Opinion will be made available on ESB's website www.esb.ie

EXTERNAL REVIEW

An external reviewer will provide an annual compliance review, until such time as the proceeds of the Green Bond have been allocated in full, confirming that an amount equal to the net proceeds of the Green Bond has been allocated in compliance (in all material respects) with the Eligibility Criteria defined in this Framework.



5.0

Disclaimer

The information and opinions contained in this Framework are provided as at the date of this document and are subject to change without notice. ESB does not assume any responsibility or obligation to update or revise such statements, regardless of whether those statements are affected by the results of new information, future events or otherwise.

This Framework represents current ESB policy and intent, is subject to change and is not intended nor can be relied on, to create legal relations, rights or obligations.

This Framework is provided for information purposes only and does not constitute or form part of, and should not be construed as, an offer or invitation to sell ESB Bonds, or the solicitation of an offer to underwrite, subscribe for or otherwise acquire any debt or bonds of ESB, and nothing contained herein shall form the basis of or be relied on in connection with any contract or commitment whatsoever.

Any decision to purchase any ESB Bonds should be made solely on the basis of the information to be contained in any offering document produced in connection with the offering of such bonds.

Prospective investors are required to make their own independent investment decisions.

No representation is made as to the suitability of any ESB Bonds to fulfil environmental and sustainability criteria required by prospective investors. Each potential purchaser of ESB Bonds should determine for itself the relevance of the information contained or referred to in this Framework or the relevant bond documentation for such ESB Bonds regarding the use of proceeds and its purchase of ESB Bonds should be based upon such investigation as it deems necessary.

ESB has set out its intended policy and actions in this Framework in respect of use of proceeds, project evaluation and selection, management of proceeds and investor reporting, in connection with ESB Bonds. However, it will not be an event of default or breach of contractual obligations under the terms and conditions of any ESB Bonds if the ESB fails to adhere to this Framework, whether by failing to fund or complete Eligible Green Projects or to ensure that proceeds do not contribute directly or indirectly to the financing of the excluded activities as specified in this Framework, or by failing (due to a lack of reliable information and/or data or otherwise) to provide investors with reports on uses of proceeds and environmental impacts as anticipated by this Framework, or otherwise.

In addition, it should be noted that all of the expected benefits of the Projects as described in this Framework may not be achieved. Factors including (but not limited to) market, political and economic conditions, changes in Government policy (whether with a continuity of the Government or on a change in the composition of the Government), changes in laws, rules or regulations, the lack of available suitable projects being initiated, failure to complete or implement projects and other challenges, could limit the ability to achieve some or all of the expected benefits of these initiatives, including the funding and completion of Eligible Green Projects. In addition, each environmentally focused potential purchaser of ESB Bonds should be aware that Eligible Green Projects may not deliver the environmental or sustainability benefits anticipated, and may result in adverse impacts. On this basis, all and any liability, whether arising in tort, contract or otherwise which any purchaser of ESB Bonds or any other person might otherwise have in respect of this Framework or any ESB Bonds as a result of any failure to adhere to or comply with this Framework is hereby disclaimed.

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