

OGLETHORPE POWER CORPORATION - GREEN BOND FRAMEWORK



Green Bonds issued by Oglethorpe Power Corporation (An Electric Membership Corporation) (“OPC”) will be made in alignment with the 2021 Green Bond Principles¹ (“GBP”) administered by the International Capital Markets Association (“ICMA”). The GBP are voluntary process guidelines for best practices when issuing Green Bonds and address four core components:

- I. Use of Proceeds
- II. Process for Project Evaluation and Selection
- III. Management of Proceeds
- IV. Reporting

I. USE OF PROCEEDS

As the energy industry navigates the transition to cleaner resources, OPC is committed to a thoughtful approach to reducing carbon emissions, encouraging electrification, and advancing toward a more sustainable future. OPC intends to allocate an amount equivalent to the net proceeds of the Green Bonds to finance or refinance, in whole or in part, eligible green projects (the “Eligible Projects”), outlined below.

ELIGIBLE PROJECTS

Green Categories	Eligible Criteria	UN SDGs
Nuclear Energy²	<ul style="list-style-type: none"> ▪ Long-term financing and refinancing of development, construction, testing and other pre-operational expenditures, including interest during construction, related to OPC’s interest in Vogtle Units No. 3 and No. 4, two new advanced-design nuclear units that will provide OPC members with approximately 660 megawatts of emission-free baseload generating capacity (“Vogtle Units No. 3 and No. 4”) ▪ Refinancing outstanding commercial paper issued to finance expenditures related to OPC’s interest in Vogtle Units No. 3 and No. 4, including Department of Energy-guaranteed loan repayments made prior to commercial operation of Vogtle Unit No. 4 	 

For the avoidance of doubt, OPC will not allocate proceeds from Green Bonds to finance power generation projects for which fossil fuels are the primary source of fuel.

II. PROCESS FOR PROJECT EVALUATION AND SELECTION

In accordance with the Eligible Project criteria set forth in Section I hereof, OPC has determined that Vogtle Units No. 3 and No. 4 aligns with its sustainability objectives, internal policies, and guidelines and is an Eligible Project.

Vogtle Unit 3 entered commercial operation on July 31, 2023. With the addition of Unit No. 4 entering commercial operation on April 29, 2024, OPC will provide electric cooperative consumers across Georgia with reliable, emission-free nuclear energy for decades to come. OPC owns 30% of Vogtle Units No. 3 and No. 4.

¹ International Capital Markets Association, “Green Bond Principles” updated as of June 2021 (with June 2022 Appendix I) <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/green-bond-principles-gbp/>

² All investments in this category will be in relation to facilities licensed by the U.S. Nuclear Regulatory Commission (NRC), including complying with regulations in relation to safety and waste management and that meet OPC’s commitments to risk management and nuclear plant safety.

III. MANAGEMENT OF PROCEEDS

OPC will allocate the net proceeds from any Green Bond issuance to finance or refinance Eligible Projects. The allocated and unallocated Green Bond proceeds will be tracked using an internal tracking system by OPC's Treasury team.

Net proceeds can be attributed to Eligible Project expenditures that are financed or refinanced before the issuance of a Green Bond. OPC will strive to fully allocate the net proceeds from the sale of any Green Bonds as soon as practicable within 12 months of the issuance.

Pending full allocation of an amount equal to the net proceeds of any Green Bond, proceeds may be (i) temporarily invested in cash or cash equivalents that do not include GHG-intensive investment or (ii) used to repay existing borrowings in accordance with OPC's normal liquidity management policies.

Payment of principal and interest on any Green Bonds will be made from OPC's general account and will not be linked to the performance of any Eligible Project.

IV. REPORTING

Allocation Reporting

On an annual basis until full allocation of the net proceeds of any Green Bonds, OPC will update investors on the allocation of net proceeds for any Green Bond(s) issued ("Green Bond Report"). The report will include the following information, and will be readily available on the corporate website:

- A summary of outstanding Green Bonds
- Amount of the net proceeds allocated to Eligible Projects
- The remaining balance of unallocated proceeds, if any
- The proportion of the proceeds used for the financing of new projects and refinancing of existing projects

Impact Reporting

On an annual basis, until full allocation of net proceeds from any Green Bonds, we will also report on relevant environmental impact metrics from any Green Bonds. The Green Bond Report may include, for example, one or more of the indicators listed below or other indicators that show the direct and/or indirect benefits generated:

- Greenhouse gas emissions reduced or avoided
- Annual nuclear energy generation (MWh)

EXTERNAL REVIEW

SECOND-PARTY OPINION

OPC has retained S&P Global Ratings to provide a Second Party Opinion ("SPO") on the environmental benefits of OPC's Green Bond(s) as well as the alignment to the GBP. The SPO will be available on OPC's website and the SPO provider's website.

ASSURANCE

We have engaged a third party to complete a verification of our allocation of net proceeds to Eligible Projects.