



Clearway Energy Operating, LLC. Green Bond Framework December 2019

Overview

Clearway Energy Operating, LLC (Clearway Energy) is jointly owned by Clearway Energy, Inc. (Company) and Clearway Energy Group (CEG). The Company is a leading publicly-traded renewable energy infrastructure investor focused on modern, sustainable and long-term contracted assets across North America. Clearway Energy's environmentally-sound asset portfolio includes over 3,000 megawatts of zero emission power generation facilities. The Company is sponsored by its controlling investor, Global Infrastructure Partners III (GIP), through GIP's portfolio company, Clearway Energy Group LLC (CEG). CEG's total development pipeline of owned or controlled renewable energy projects was 8.8 GW as of September, 30, 2019. Through a Right of First Offer Agreement with CEG, the Company has the right to acquire utility-scale solar, wind, and distributed solar projects from CEG's development pipeline. Additionally, through a partnership with CEG, the Company is repowering 283 MW of wind assets. Clearway is committed to reducing the carbon intensity of its owned fleet as it acquires renewable energy projects from CEG and repowers existing utility scale wind assets. The Company's green bonds are used to finance and/or refinance renewable energy projects. Further details regarding the company's commitment to sustainable development, including information regarding the Company's environmental and safety protocols can be found on the Company's website at <http://www.clearwayenergy.com>

1. Eligible Projects

Proceeds obtained from the Company's green bond issuance shall be used to finance and/or refinance "Eligible Projects", a group of selected projects that offer tangible environmental benefits. Without limitation, Eligible Projects generally fall into the categories specified in the table below.

Area	Description	Categories
Renewable Energy Generation	Investments that help supply energy from renewable sources	<p>Solar Energy</p> <ul style="list-style-type: none">• Construction of new solar energy facilities• Maintenance and/or refurbishment of existing solar energy facilities• Acquisition of solar energy facilities or businesses <p>Wind Energy</p> <ul style="list-style-type: none">• Construction of new wind energy facilities• Maintenance and/or refurbishment of existing wind energy facilities• Acquisition of wind energy facilities or businesses

The Company's green bonds can also be used to finance the acquisition, including partial equity interests, of Eligible Projects.

Exclusionary Criteria

The Company has developed a list of exclusionary criteria for the Use of the Proceeds. The Company commits to not knowingly use the proceeds for financing of assets/projects that involve the following:

- Nuclear energy technology, equipment, or infrastructure
- Generation from fossil fuels

2. Process of Project Evaluation and Selection

The Company's Treasury team will be responsible for determining which projects qualify as an Eligible Project. The Treasury team will verify the suitability and eligibility of such investments in collaboration with internal experts and stakeholders. Eligible Projects will be evaluated using financial and risk-based analyses as well as strategic considerations to determine which ones should be allocated proceeds over the next 18 month period. The Company has formal risk management policies, procedures and systems in place to identify, assess and mitigate risks to the Company. The Company's Code of Business Conduct and Ethics establish the Company's parameters for ethical behavior.

3. Management of Proceeds

The green bond proceeds will be deposited to the Company's general account and an amount equal to the net proceeds will be earmarked for allocation to Eligible Projects. The Company's Treasury department will establish and maintain a Green Bond Register to record on an ongoing basis the allocation of the net proceeds to Eligible Projects.

Pending the allocation or reallocation, as the case may be, of the net proceeds, the Company will invest the balance of the net proceeds, at its own discretion, in cash or cash equivalents, or in other short-term liquid marketable instruments, or to repay existing external debt obligations of the company, as per the Company's liquidity management policy.

4. Transparency & Reporting

Allocation Reporting

For the benefit of investors, the Company will annually update a section of its public website with respect to the use of proceeds and the Company's green bond program developments. The reports will include a complete list of Eligible Projects to which green bond proceeds have been allocated, a brief description of the Eligible Projects, amounts allocated, and the remaining balance of funds that have not yet been allocated.

Impact Reporting

Both the allocation and impact reporting will be consolidated into one report and will be publicly available and published annually on the Company's website. Where feasible, the report will include qualitative and quantitative environmental performance indicators, including but not limited to, capacity of Eligible Projects and GHG emissions avoided (measured in tons or metric tons)