ASSESSMENT
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Riyad Bank

Second Party Opinion – Transition Finance Framework Assigned SQS3 Sustainability Quality Score

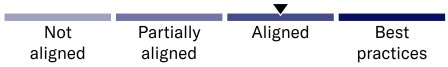
Summary

We have assigned an SQS3 Sustainability Quality Score (good) to Riyad Bank's transition finance framework, dated January 2026. The issuer has established its use-of proceeds framework with the aim of financing projects across fourteen eligible transition categories. The framework is aligned with the International Capital Market Association's (ICMA) Climate Transition Bond Guidelines (CTBG) 2025, and the Loan Market Association, the Asia Pacific Loan Market Association and the Loan Syndications & Trading Association's (LMA/APLMA/LSTA) exposure draft of the Transition Loan Principles (TLP) in the Guide to Transition Loans (2025). The framework demonstrates a moderate contribution to sustainability.

Sustainability quality score

Alignment with principles
USE OF PROCEEDS

Overall alignment



FACTORS	ALIGNMENT
Use of proceeds	
Evaluation and selection	
Management of proceeds	
Reporting	

Contribution to sustainability

Final contribution to sustainability

Preliminary contribution to sustainability
Relevance and magnitude

Additional considerations **No adjustment**

POINT-IN-TIME ASSESSMENT

Scope

We have provided a Second Party Opinion (SPO) on the sustainability credentials of Riyad Bank's transition finance framework, including the framework's alignment with the ICMA's CTBG 2025, and the LMA/APLMA/LSTA's exposure draft of the TLP in the Guide to Transition Loans 2025. Under its framework, Riyad Bank plans to issue use-of-proceeds instruments to finance projects in fourteen eligible transition categories, as outlined in Appendix 3 of this report.

Our assessment is based on the last updated version of the framework received on 3 February 2026, and our opinion reflects our point-in-time assessment[1] of the details contained in this version of the framework, as well as other public and non-public information provided by the company.

We produced this SPO based on our Assessment Framework: Second Party Opinions on Sustainable Debt, published in October 2025.

Issuer profile

Riyad Bank is a joint-stock commercial bank based in Saudi Arabia. As of June 2025, the bank was the third-largest Saudi commercial bank, with a market share of around 11% in terms of deposits. It operated a network of 333 branches in Saudi Arabia, one branch in London (UK), an agency in Houston (US) and a representative office in Singapore. The Saudi government and quasi government entities own 32% of the bank, also reflected in the composition of its board of directors. However, this does not result in incremental governance risks because of the country's developed institutional framework.

Riyad Bank faces high exposure to environmental risks, mainly because of carbon transition risk. Although the bank has limited direct lending to carbon-intensive sectors, the sizeable contribution of the hydrocarbon industry to the Saudi economy and government finances increases vulnerability to environmental risks, potentially affecting the creditworthiness of the bank's counterparties.

Strengths

» Most categories within the framework address sectors that are central to global decarbonization efforts, particularly those considered hard-to-abate.

Challenges

» Inclusion of general corporate purpose loans through pure-play companies constitutes a non-standard use of proceeds susceptible to specific challenges.

» Several project categories are generally defined, creating limited visibility on the expected positive impact.

» The bank will monitor and disclose the potential carbon lock-in for all projects, although have not given further details on each specific sector.

» Some categories lack relevant impact indicators.

Alignment with principles

Riyad Bank's transition finance framework is aligned with the four core components of the ICMA's CTBG 2025, and the LMA/APLMA/LSTA's exposure draft of the TLP in the Guide to Transition Loans 2025. Riyad Bank has indicated that the issuances under its transition finance framework are guided by the same principles and processes outlined in the 2026 Sustainable Finance Framework. For a summary alignment with principles scorecard, please see Appendix 1.

○ Green Bond Principles (GBP)	○ Green Loan Principles (GLP)
○ Social Bond Principles (SBP)	○ Social Loan Principles (SLP)
○ Sustainability-Linked Bond Principles (SLBP)	○ Sustainability Linked Loan Principles (SLLP)
☑ Climate Transition Bond Guidelines (CTBG)	☑ Transition Loan Principles (TLP)

Use of proceeds

Clarity of the eligible categories – ALIGNED

Riyad Bank has clearly communicated the nature of expenditures, eligibility and exclusion criteria for nearly all categories. The mining, CCUS for oil refineries, aviation, and chemicals categories lack clear eligibility criteria. In addition, the issuer has clearly defined nearly all recommended safeguards or criteria to identify climate transition projects according to ICMA and LMA/APLMA/LSTA transition guidelines. The processes to demonstrate how the absence of low-carbon alternatives and potential carbon lock-in risks associated with these projects will be managed is generally defined (see exhibit 1). Beyond the eligibility criteria listed in the framework, the issuer has shared with us complementary information on some of the eligibility criteria, which is clearly outlined in the "Contribution to Sustainability" section, as well as in Appendix 3. All eligible transition projects will be located in Saudi Arabia.

The framework includes a limited (i.e. max 10%) allocation of proceeds towards general corporate purpose loans to pure-play companies that derive at least 90% of their revenue from activities that adhere to the eligibility criteria in the framework. The issuer has provided information that demonstrates suitable measures to identify, select and allocate net proceeds to pure play companies that adhere to the sustainability objectives and benefits targeted in the framework, and also to track and report on the associated sustainability benefits. With these mitigants in place, coupled with the limited allocation, the 90% threshold, we consider the structure to be in line with current market practices.

Clarity of the environmental or social objectives – ALIGNED

The targeted objective of climate change mitigation (CCM) is relevant for nearly all eligible categories. It is not the most relevant one to the Mining category, as its environmental negative impact comes from other sources such as water pollution and biodiversity risks. The selected objective is coherent with international standards and all categories are mapped to relevant UN Sustainable Development goals (see Appendix 2 for more details).

Clarity of expected benefits – ALIGNED

The bank has identified clear expected benefits and financing of transition projects be directed towards enabling reduction in GHG emissions that are aligned with science-based targets. Not all categories benefits are measurable or will be quantified, although the bank has committed to report indicative climate metrics, where feasible. Riyad Bank has committed to disclosing the estimated share of refinancing to investors or bondholders before an issuance, and it will be publicly available after the issuance. A three-year look-back period would apply for refinanced projects.

Exhibit 1

CTBG safeguards / TLP criteria	Related issuer information
Riyad Bank's processes are clear and comprehensive for most CTBG safeguards and TLP criteria, encompassing specific international guidelines, taxonomies, and sector-specific decarbonization pathways referenced across nearly all categories.	
Entity-level transition strategy	Riyad Bank, as both issuer and lender, requires that transition-strategy criteria be met by the bank itself and by its clients. The bank has reported on ESG matters since 2021 and published its first Sustainable Framework in 2022, followed by Allocation & Impact Reports in 2024 and 2025. In 2025, the bank issued a white paper outlining its three-year transition strategy for the gas and oil, steel and iron, and power-generation sectors, which together account for around 40% of its financed-emissions portfolio, with plans to expand this coverage further. The bank has set a target of SAR20 billion in sustainable finance volume by 2030, committing to finance sustainable projects and initiatives. The bank aims to increase engagement with sustainability initiatives such as the Partnership for Carbon Accounting Financials, the UN Global Compact, CDP and the Principles for Responsible Banking. Riyad Bank assesses clients' transition strategies by evaluating the credibility, ambition, and feasibility of their science-based plans. These should align with recognized pathways, including the goals of the Paris Agreement, the Saudi Green Initiative, and relevant 1.5–2°C sectoral trajectories (such as those published by the IEA or in national sectoral roadmaps). The assessment considers interim targets, clarity of implementation plans, governance structures, and the alignment of capital expenditure with transition objectives. The bank has also outlined procedures to follow when a transition plan is not yet available, to help determine and evidence an entity's commitment to transitioning.
Absence of low-carbon alternatives	Riyad Bank confirms that transition projects under this framework will only be financed when no commercially viable lower-carbon alternative exists or when financing clearly accelerates the adoption of such alternatives. However, the specifics of this assessment process have not been disclosed. Each analysis will be conducted on a case-by-case basis, adhering to the framework's eligibility criteria.
Alignment with taxonomies or decarbonization pathways	To be considered eligible projects need to be benchmarked to science-based thresholds or performance indicators where these are available, as well as borrower's transition plans should reference science-based targets and transition pathways that align with recognized trajectories such as the goals of the Paris Agreement. The framework references many of the international best practices and guidelines on section 2.3, which are deemed credible, although not exhaustive.
Project-level GHG emission mitigation beyond BaU	Among the four key elements of a client transition plan assessed by Riyad Bank is the environmental materiality of the borrower's business model, which includes the assessment of the reduction of GHG emissions from the borrower's core activities over time or supporting diversification into low-carbon business segments. To ensure that financed projects deliver substantial and quantifiable GHG emissions reductions beyond business-as-usual (BAU), Riyad Bank expects clients to establish a credible baseline informed by science-based scenarios, adopt harmonized standards, and rely on best available technologies.
Carbon lock-in risk assessment	The bank commits to monitoring and disclosing carbon lock-in risks across all financed projects. To mitigate such risks, Riyad Bank aims to ensure that all eligible transition projects are rigorously assessed, selected, and structured to maintain long-term alignment with credible transition plans. Moreover, Riyad Bank excludes unabated coal mining, coal-fired power generation, and long-lived unabated oil and gas production assets. However, some relevant projects lack specific sunset dates to address potential carbon lock-in risks.
Environmental and social risk management	The issuer effectively manages the environmental, social and governance (ESG) risks associated with eligible transition project through well-defined policies and measures. Those include transition and physical risks, and evaluates factors related to nature, air, water, and biodiversity. The bank assigns scores that reflect the project's overall risk profile, categorizing projects into industry-based risk levels—Low, Medium, or High—which dictate the necessary due diligence and oversight requirements. High-risk projects necessitate additional Environmental and Social Impact Assessments (ESIA). For more details, see the "Additional contribution to sustainability considerations" section.

Process for project evaluation and selection

Transparency and clarity of the process for defining and monitoring eligible projects – BEST PRACTICES

Riyad Bank has established a clear and structured decision-making process for determining the eligibility of projects. This process is detailed in the framework, which will be publicly available. The relevant Credit Committees and the Sustainable Finance Working Group (SFWG) will evaluate and select the eligible projects, and will also monitor the allocation of proceeds to such projects. The SFWG will comprise members from departments in the bank including treasury, risk, investor relations, corporate, credit, finance and operations. Projects will be reviewed at least quarterly during the life of the instrument, and in case a project fails to meet the eligibility criteria, the committee will reallocate funds to new eligible projects. All projects within the framework will follow Riyad Bank's ESG Risk Management policies, which are publicly available on the bank's website and framework.

Management of proceeds

Allocation and tracking of proceeds – BEST PRACTICES

The bank has established that the management and allocation of proceeds under this framework will follow the process disclosed in the bank's 2026 Sustainable Finance Framework, which is publicly available. Net proceeds from issuances under the framework will be held in Riyad Bank's general funding accounts and will be allocated within 24 months from the date of issuance. The bank's SFWG will keep track of the proceeds and ensure their allocation to eligible projects. The allocation of net proceeds to eligible projects will be matched on a quarterly basis. Temporarily unallocated proceeds will be invested in cash or cash equivalents, in accordance with Riyad Bank's standard liquidity policy.

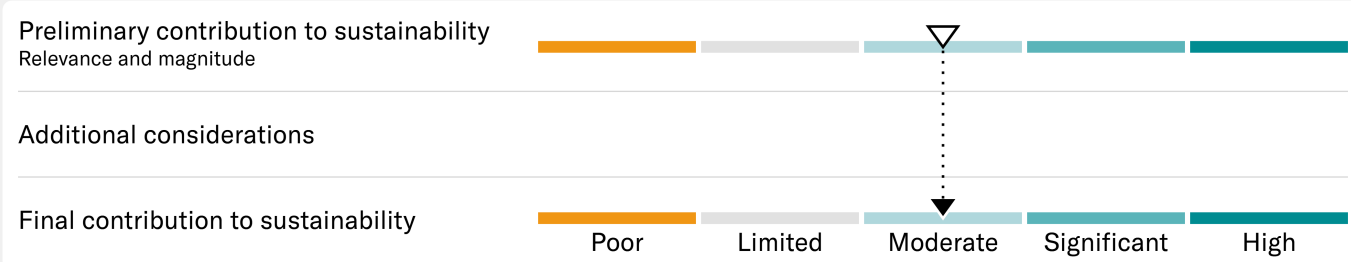
Reporting

Reporting transparency – ALIGNED

The bank has committed to annually publish on its website allocation and impact reports. The allocation report will be published until the full allocation of funds, and impact reporting will continue until the maturity of the bond or full repayment of the loan. The reports are considered exhaustive, including the amount of the proceeds allocated to each eligible category, the expected sustainable benefits, project type, size and location, and balance of unallocated proceeds. However, the issuer has not clearly indicated relevant impact metrics for all the categories. Key methodology or data sources, and assumptions for calculation, will be also publicly available. Both the allocation and impact reporting indicators will be externally verified.

Contribution to sustainability

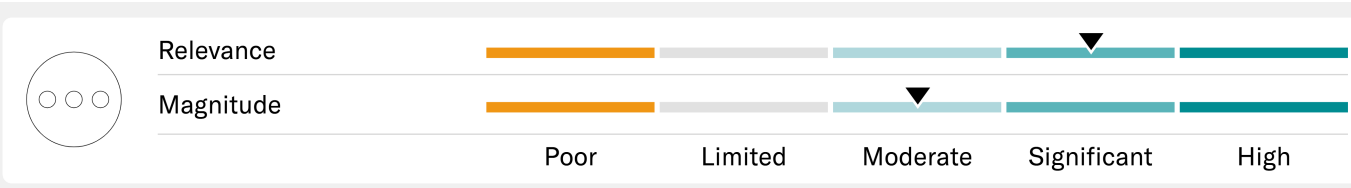
The framework demonstrates a moderate overall contribution to sustainability. This reflects a preliminary contribution to sustainability score of moderate, based on the relevance and magnitude of the eligible project categories, and we have not made an adjustment to the preliminary score based on additional contribution to sustainability considerations.



Preliminary contribution to sustainability

The preliminary contribution to sustainability is moderate, based on the relevance and magnitude of the eligible project categories. The issuer has no visibility on the expected allocation of proceeds among the categories; therefore, we have evenly weighted the categories to assess the consolidated contribution to sustainability score. A detailed assessment by eligible category has been provided below.

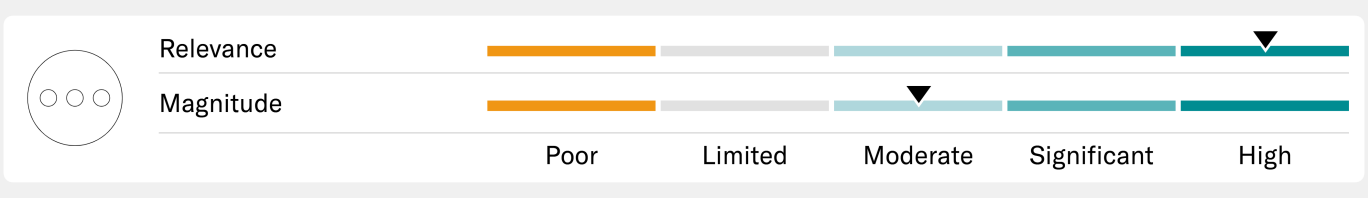
Agriculture



The agriculture sector in Saudi Arabia holds significant relevance for addressing climate change mitigation, despite its relatively small contribution to the country's overall greenhouse gas emissions. With only 1.6% of its land classified as arable[2], Saudi Arabia faces challenges similar to its global counterparts, necessitating improvements in crop production, animal feed, and agricultural technologies. The agriculture sector contributed to 1.5% of the country's total GHG emissions in 2024, with enteric fermentation, livestock manure, and synthetic fertilizers being the largest sources.[3]

The eligible projects in the agriculture category are anticipated to have a moderate overall long-term impact on decarbonization efforts. Switching to short rotation advanced bioenergy crop production on marginal lands can offer environmental benefits, supported by criteria such as carbon debt limitations and biodiversity related exclusions. Projects aiming to reduce nitrous oxide and methane emissions through animal feed modifications are also viewed positively, with eligibility tied to specific interventions like methane inhibitors and dietary adjustments that demonstrate a minimum 10% reduction in emissions. Energy-efficient cold chain and processing facilities offer positive potential benefits, leveraging high-efficiency grid systems and solar PV (photovoltaic) to align with national renewable energy goals. However, agricultural machinery's impact remains moderate, as the minimum 15% improvement in energy efficiency set by Riyad Bank is not the most stringent. Technologies for improved manure management show lower impact due to the absence of specific thresholds for GHG emissions reduction. Nutrient management plans focus on optimizing fertilizer use and reducing environmental harm, although the lack of specific thresholds limits the visibility into the potential positive impact. Similarly, phytosanitary management plans aim to minimize pesticide use and environmental impact, but the absence of detailed criteria for externalities management creates uncertainty regarding their benefits.

Aluminum



The projects address the decarbonization of the aluminum sector, which is highly relevant for the sector and local contexts. Because aluminum is highly chemically reactive, its production can demand up to ten times more energy per tonne than that of crude steel, highlighting the importance of related projects for the industry. In 2024, the industrial processes sector, which includes emissions from the production of cement, iron and steel, aluminum, chemicals, and solvents, ranked as the second largest source of GHG emissions in the country at about 18.3%[4].

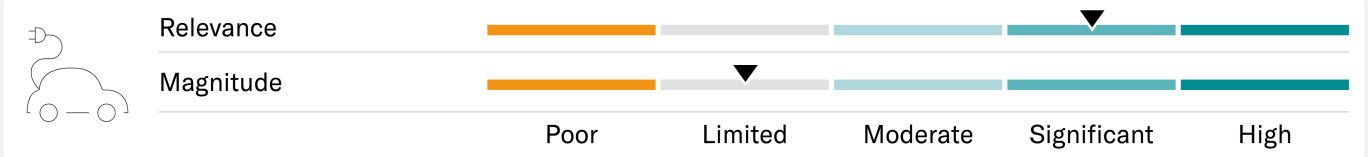
Eligible projects will moderately contribute to the decarbonization of the aluminum industry. Overall, projects under this category are required to have a maximum emissions intensity of 6.8, tCO_2e per tonne of aluminum, with a reduction goal to below 6.1 tCO_2e by 2030. This target is higher than the 4.9 tCO_2e per tonne of aluminum set by the IEA's APS decarbonization pathway for 2030, limiting the expected positive impact to moderate.

For the first sub-category, projects must demonstrate at least a 20% improvement in thermal or electrical efficiency and meet a maximum threshold of 1,604 tCO_2e per tonne of aluminum. This is considered a relevant, though not the most stringent criterion in the market. The second sub-category finances novel anode technologies with a minimum reduction in energy consumption of 25%, which is expected to generate a significant positive impact. These projects could involve primary and recycled aluminum processes, which are evaluated independently, and inert anodes are specifically designed for the smelting phase of primary production, which is seen positively.

The third sub-category is the retrofitting of smelters with a minimum 15% improvement in energy efficiency and a yearly reduction in emissions intensity of at least 2%, which is considered relevant although not the most ambitious. Additionally, retrofits must show significant reductions in freshwater use, with a preference for using treated sewage effluent (TSE), which is seen positively. The fourth sub-category is the use of renewable energy for smelting with a minimum threshold of 50%. Both onsite and offsite generation are eligible, with primarily solar (PV and CSP) and wind. While physical delivery of renewable power is preferred, Renewable Energy Certificates (RECs) may be used, which do not necessarily directly contribute to the addition of new renewable energy capacity, lowering the overall positive impact.

The fifth sub-category refers to the recycling and production of secondary aluminum with a minimum metal recovery efficiency rate of 80%, which is considered significantly positive. The last sub-category considers eligible the production of end consumer aluminum products as long as they are aligned with a 1.5 degree pathway. Although this is considered a stringent criterion, the highly energy intensive nature of aluminum production and the country's heavily carbonized grid reduce the overall expected positive impact.

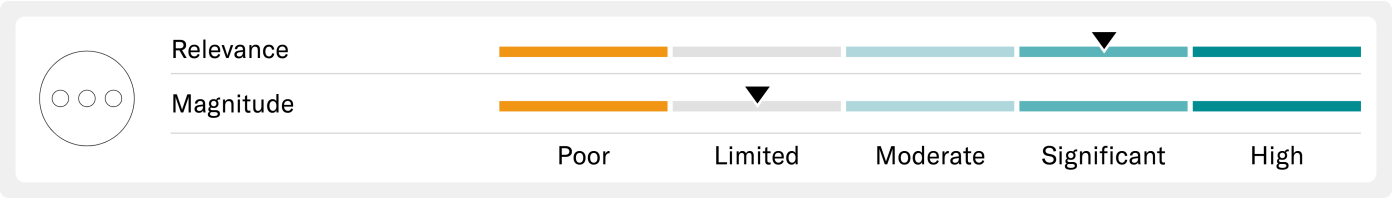
Automotive



Financing the transition of the road transport sector to a more decarbonized passenger car and heavy-duty vehicles fleet addresses climate change mitigation and is a relevant objective for the issuer, sector and local context. Transport sectors represent 26.7% of GHG emissions in Saudi Arabia in 2023 according to IEA[5]. Nonetheless, the category focus on hybrid vehicles and energy efficiency, both of which are viewed as having secondary relevance when compared with fully zero tailpipe emission vehicle technologies.

The category is expected to have a limited contribution to the decarbonization of the transport sector. The eligible criterion of 75 gCO_2/km is aligned with the International Energy Agency (IEA) net-zero scenario (NZE) only up to 2028, beyond which it is only in line with the Announced Pledges Scenario (APS), and only until 2030, which means that eligible vehicles would exceed the forecasted sector average carbon intensity beyond 2030, meaning the positive contribution to the decarbonization of the transport sector is only in the short-term. On a positive side, a sunset date of 2035 might prevent the financing of hybrids shortly after. The sub-categories of energy efficient engines and improved aerodynamics for heavy duty vehicles require additional reduction criteria of 30% and 5%, respectively, which are considered ambitious thresholds. However, the expected carbon lock-in associated with fossil-fuel based combustion vehicles reduces the long-term impact of such projects.

Aviation

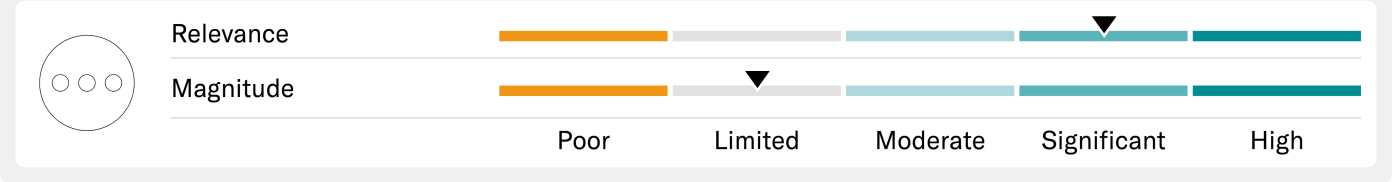


Financing the decarbonization of the aviation sector addresses climate change mitigation, which is a significantly relevant objective for the issuer and the local context. The aviation sector accounted for around 2.5% of global CO2 emissions in 2023, and demand for air travel capacity is forecasted to more than double by 2050 in the IEA Net Zero Emissions (NZE) scenario. Saudi Arabia is expanding its domestic aviation sector, aiming to double annual passenger capacity to 330 million passengers and 4.5 million tons of cargo by 2030[6]. However, while we view the financing of aviation sector decarbonization as significantly relevant for a bank, we have reservations about the eligible projects, as they do not target the sector's most material sustainability challenge—reducing demand and avoiding financing that could contribute to rebound effects.

The category is considered to have limited overall positive impact, mainly due to the financing of acquisition of new aircrafts. The subcategory of low-carbon fuel use has stringent criteria of only considering eligible green hydrogen and a minimum 75% reduction in GHG emissions, which is seen positively. However, while fuel cells and SAF provide measurable benefits and significant emissions reductions, limited SAF availability still restricts overall expected impact. The energy efficiency of infrastructure sub-category requires a minimum improvement of 15%, also considered relevant, although persistent emissions intensity through continued fossil fuel dependence prevent a higher score.

The sub-category on aircraft energy efficiencies requires minimum improvements of 15% compared to previous technologies and includes a commitment that financing should not lead to an increase in fleet size of the operator. However, the bank lacks visibility into whether replaced aircraft will be dismantled or sold to another operator that could ultimately increase sector wide aviation fleet and GHG emissions. Although we do not have visibility of the expected allocation of proceeds, the purchasing of new aircrafts is driving the score, as it is expected to be associated with higher capital expenditures than SAF production, which is still very rare, and the financing of infrastructure related efficiency improvements (air traffic management systems, electrified ground support infrastructure), which is less costly.

Carbon capture utilization & storage

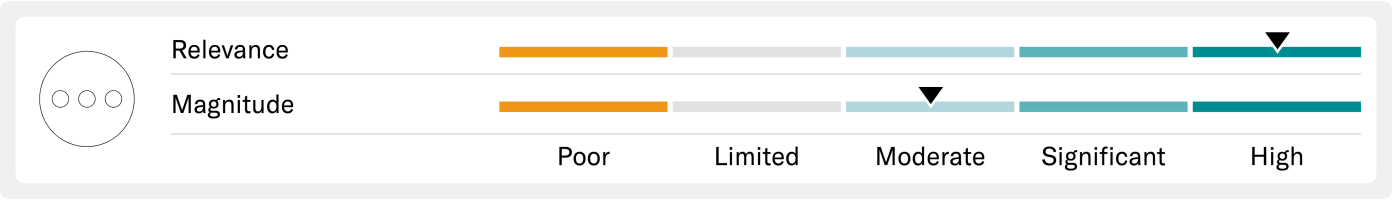


Air pollution prevention is a significantly relevant objective due to the country's dependence on the hydrocarbons sector. According to the guidelines set by the World Health Organization, air quality in Saudi Arabia is deemed unsafe. Recent data shows that the annual average concentration of PM2.5 in the country is 88 µg/m³, significantly surpassing the recommended limit of 10 µg/m³.[7] Saudi Arabia has a carbon capture capacity of 1.4 million tonnes per year as of 2024, and the Kingdom aims to capture and store 44 million tonnes of CO2 annually by 2035.[8] In addition, while CCUS projects may play an important role in supporting the decarbonization of hard to

abate sectors, CCUS may not be the most relevant solution for some sectors where the net zero pathway is more feasible through electrification and/or through the adoption of renewables.

The category is expected to have a limited contribution to long-term decarbonization, as some eligible projects present a high risk of carbon lock-in. The minimum carbon capture rate of 95% for all projects is considered a stringent threshold, although yet to be proven feasible in practice. Transport assets for CO_2 movement to and from CCUS facilities are eligible, provided that fugitive emissions remain below 0.5% of the total CO_2 transported, in line with the latest IEA guidelines. The application of CCUS to cement plants is supported by an ambitious threshold of 0.463 tCO_2e/t by 2030. The CCUS shipping tanker sub-category does not include additional criteria to mitigate potential externalities, limiting overall positive impact. There is no expected allocation toward coal plants, as these are not currently present in the Kingdom. Oil refineries are also considered eligible—excluding enhanced oil recovery—which might lead to high carbon lock-in risk and therefore driving the overall magnitude score of this category.

Cement

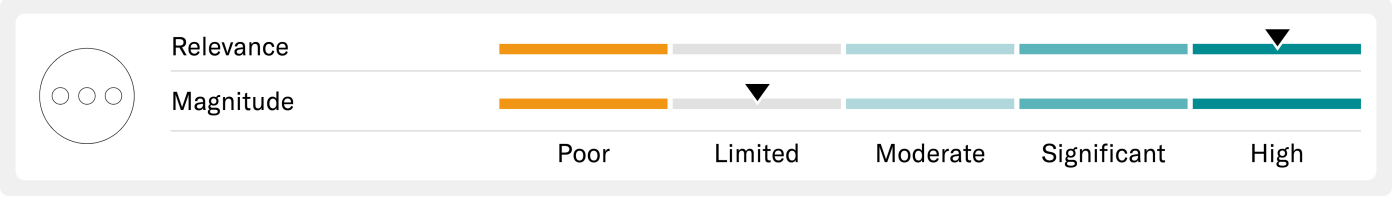


Eligible projects address the decarbonization of the cement production process, which is highly relevant for the issuer, its sector and the regional context. Cement production is inherently carbon-intensive, contributing approximately 2.4 gigatons of CO2 emissions annually, or about 6% of global CO2 emissions in 2023.[9] The industrial sector in Saudi Arabia was in 2024 the second largest contributor to GHG emissions. According to the IEA, to align with the NZE Scenario, emissions need to decrease by an average of 3% per year until 2030.

Projects financed under this category are expected to have a moderate contribution to the decarbonization of the cement sector. The clinker blending sub-category includes several eligibility criteria: a minimum 3.55% improvement in energy efficiency; alignment with the Transition Pathway Initiative's Below 2°C pathway; a clinker-to-cement ratio below 75% with at least 30% alternative materials; and a maximum carbon intensity of 0.8 tCO_2 per ton of cement produced. However, this last criterion exceeds the global average of 0.58 tCO_2/t, reducing the expected positive impact.

The material efficiency sub-category includes waste heat recovery and digital optimization as eligible projects, which are positively viewed due to the implicitly avoided emissions, even though no specific efficiency thresholds are set. The electric cement kilns sub-category has as eligibility criteria to be powered by direct renewable energy sources, which is seen positively. The last sub-category targets for waste reduction, collection, and sorting, having to be align with national objectives: diverting 82% of all waste from landfills by 2035, excluding 85% of industrial waste from landfills by the same year, and achieving a 42% national recycling rate by 2030, which are expected to have a positive impact.

Chemicals



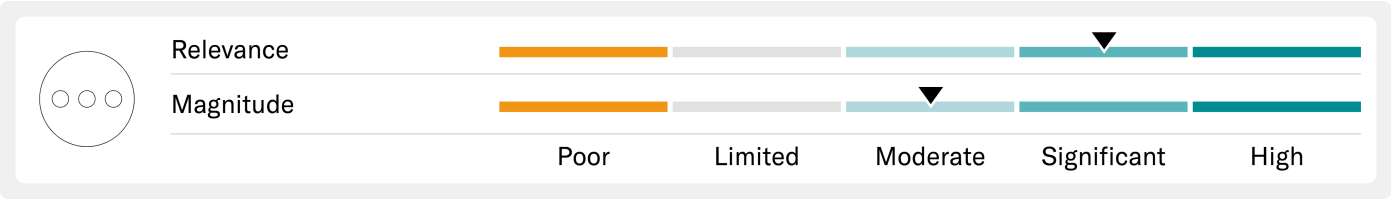
The decarbonization of the chemicals sector is highly relevant for the issuer, sector and local context. The chemicals sector is undergoing a transformation to reduce its own environmental impact while simultaneously enabling the transition of other industries to the green economy. Chemicals are needed for more than 95% of the world's manufactured goods, highlighting the importance for the sector of these type of projects[10]. In 2024, the industrial processes sector, which includes chemicals, was the second largest contributor to GHG emissions in the country, accounting for about 18.3%. Petrochemical, cement, steel, and refining are the four

largest contributors (together accounting for 52%) to the 2020 CO2 emissions in the KSA industrial sector.[11] In Saudi Arabia, the plastics and chemical sectors contribute 6–9% of GDP, underscoring the region's economic exposure to the sector.[12]

The potential positive impact of this category is limited mainly driven by the potential substantial negative externalities associated with the eligible projects. Projects under this category refers to plastic circular processes and chemical recycling, as well as biofuels. Recycling plastics can be energy-intensive due to the need for sorting, cleaning, and processing. Chemical recycling, in particular, requires high energy input which can lead to air pollution and substantial GHG emissions if energy is derived from fossil fuels. The issuer confirmed that chemical recycling technologies will include pyrolysis, gasification and depolymerization, which are considered relevant technologies. The facilities must demonstrate that its energy return on investment (EROI) is positive, ensuring that the energy consumed per kilogram of plastic produced is less than that required for producing virgin plastic from crude oil. However, no minimum energy efficiency thresholds have been set. Additionally, it must show that its CO2 emissions per tonne are at least 20% lower compared to the conventional fossil-fuel production pathway, which is viewed positively.

This category also includes the use of alternative feedstocks for organic chemical production, such as lignocellulosic biomass, wood waste, and agricultural residues, though it does not explicitly require the use of certified biomass. Sourcing from areas of high biodiversity value is prohibited. However, while projects are encouraged to use land unsuitable for food production, this is not mandatory, potentially leading to substantial negative externalities. With respect to water use, feedstock cultivation must avoid non renewable fossil groundwater and treated water diverted from human consumption, which we also view positively.

Emissions reduction on existing fossil fuels

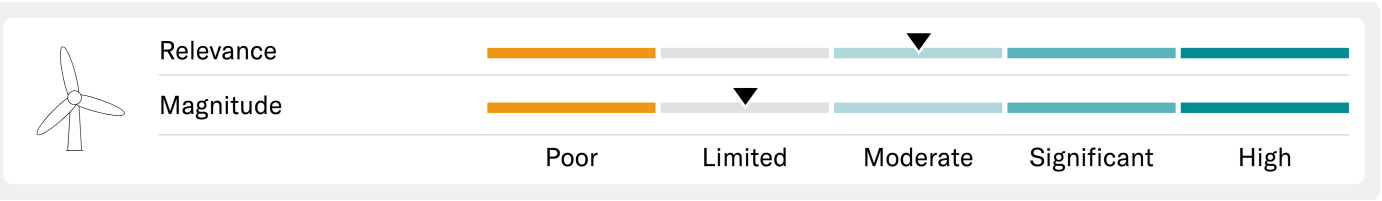


Financing emissions reductions on existing fossil fuels and thus the decarbonization of the energy sector addresses climate change mitigation, which is a significantly relevant objective for the issuer and the local context. Saudia Arabia's energy mix is highly carbon intensive with the main source of GHG emissions being oil with 64% and natural gas with 36%.[13] Renewable sources contribute less than 0.5% of total energy in the country so that Saudi Arabia's energy mix ranks among the ten lowest consumers for renewable energy worldwide.[14] The overall relevance is hindered by the existence of viable alternatives to carbon intensive energy production in the form of renewable energy sources which we deem more relevant for climate change mitigation and the potential financing by financial institutions. Activities associated with the reduction of emissions or energy efficiency of fossil fuels and their handling are less relevant and potentially slow down the deployment of renewable energy sources.

The overall positive impact of the category on climate change mitigation is considered moderate. Projects in this category pertain to mid- and downstream operations and the enhancement of the electrical grid, incorporating partially renewable-sourced electricity. Midstream and downstream projects aim to improve the energy efficiency and emission abatement of facilities. Technologies financed include waste heat recovery, the electrification of process equipment and methane leak detection and repair (LDAR). All technologies will adhere to a threshold of at least a 20% reduction in GHG emissions, which we assess as a good practice although not most ambitious. The included technologies offer measurable benefits, particularly within the Saudi Arabian power mix. However, their association with fossil fuel facilities constrains the overall positive impact due to a high carbon lock-in potential. To manage this, all projects under this category will have a sunset date of 2035 after which they may not be labeled as eligible transition activities.

The improvement of the existing transmissions grid and the development grid for primarily renewably sourced electricity with a renewable share of at least 50% is viewed as an enabling activity that will support the integration of renewable energy into the grid. By facilitating connections to renewable generation and enhancing the system's ability to absorb clean power, it contributes meaningfully to the expansion of renewable energy and the decarbonization of the power mix in Saudi Arabia.

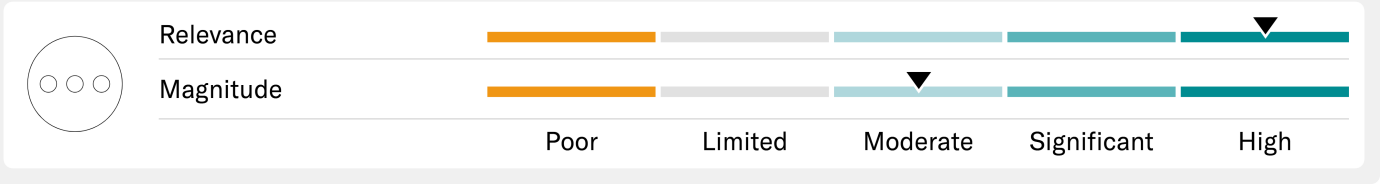
Hydrogen



Financing the decarbonization of the energy sector addresses climate change mitigation, which is a relevant objective for the issuer and the local context. Saudi Arabia is positioning itself as a global leader in hydrogen, driven by ambitious projects like NEOM Green Hydrogen. These efforts are supported by investments and strategic positioning, with targets to produce 2.9 million tons of clean hydrogen annually by 2030 and 4 million tons by 2035.[15] However, some proposed applications in this category, such as hydrogen use in refineries and kilns, are not optimal, as hydrogen could be directed towards more energy-intensive processes, reducing their overall relevance of this category to moderate.

In terms of magnitude, eligible projects developing hydrogen infrastructure and technologies are considered to have limited contribution to the decarbonization of hard-to-abate industrial sectors. The issuer has defined a maximum carbon intensity threshold of 3.0 tCO_2e per tonne of hydrogen for all projects under this category. While this represents a strong benchmark, it is not among the most stringent thresholds currently observed in the market, and the framework allows for the eligibility of both green and blue hydrogen. Blue hydrogen is expected to have a limited impact, as it entails fossil fuel lock-in effects, thereby constraining the overall contribution of this category. The sub-category of electrolyzer capacity at industrial sites requires a 70% reduction compared to fossil-fuel benchmarks, which is seen positively. Repurposing of existing gas pipelines, despite supporting 100% hydrogen capacity, might entail carbon lock-in due to the presence of other gases in the short-term. New infrastructure is restricted to green and blue hydrogen, and the bank commits to monitoring the hydrogen transmitted through the infrastructure to ensure that it is not used for the distribution of unabated (grey) hydrogen. New hydrogen-based industrial plants, including green steel and ammonia facilities, must achieve a 50% reduction in carbon intensity compared to fossil alternatives. Hydrogen use in refineries, power plants, and cement factories, despite requiring a 70% lifecycle GHG reduction and a transition roadmap to 100% low-carbon hydrogen, lack of defined sunset dates, which poses a risk for carbon lock-in in the short to mid-term. Development of ports for green hydrogen and ammonia production requires a carbon content for ammonia production of 0.25 tCO2/ tNH3, considered a stringent criteria.

Iron & steel

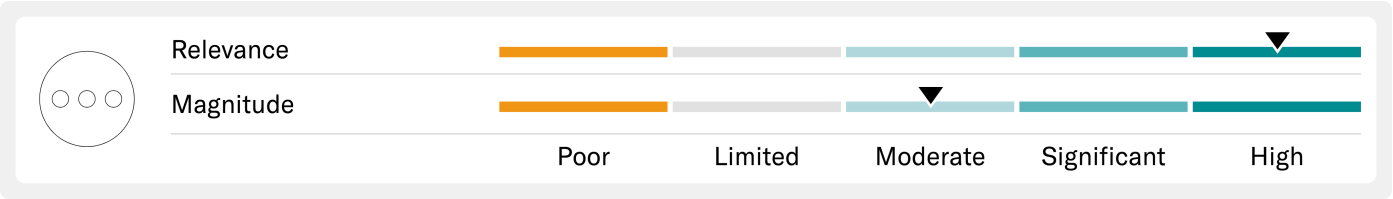


The decarbonization of the iron and steel sector addresses climate change mitigation objective which is a highly relevant priority for Saudi Arabia and aligns with Riyad Bank's strategic focus. In 2024, industrial processes, particularly cement and steel production, were major contributors to Saudi Arabia's GHG emissions, accounting for 18.3% of the country's total.[16] Saudi Arabia's steel production, already greatly reliant on direct reduced iron (DRI) and EAF, benefits from natural gas and electricity inputs. [17] The country aims to increase the share of renewable energy to 50% by 2030 and aims to increase the production of blue and green hydrogen, further reducing emissions.

Eligible projects are expected to moderately contribute to the decarbonization of the iron and steel sectors. All steel projects under this category must be aligned with an intensity target of 1.3 tCO_2e per ton of crude steel produced, including Scope 1 and 2, which is seen positively. However, the absence of additional criteria for low-carbon steel or scrap metal usage limits the potential positive impact. Electrification of the production process and the use of Electric Arc Furnaces (EAFs) have a positive long-term impact, despite the lack of minimum scrap metal usage. The integration of technologies such as direct reduced iron (DRI) using low-carbon fuels, iron ore electrolysis with 100% renewable electricity via direct connection or additionality-based PPAs to eliminate Scope 2 emissions, and improvements in thermal efficiency respecting EU Taxonomy thresholds, offers significant potential for emissions reduction. Other

projects financed, such as partial hydrogen injection into commercial blast furnaces, smelting reduction and natural-gas-based Direct Reduced Iron (DRI) with CCUS remains inherently carbon-intensive, with substantial GHG emissions over the asset's lifetime, therefore having a limited impact on a stand-alone basis.

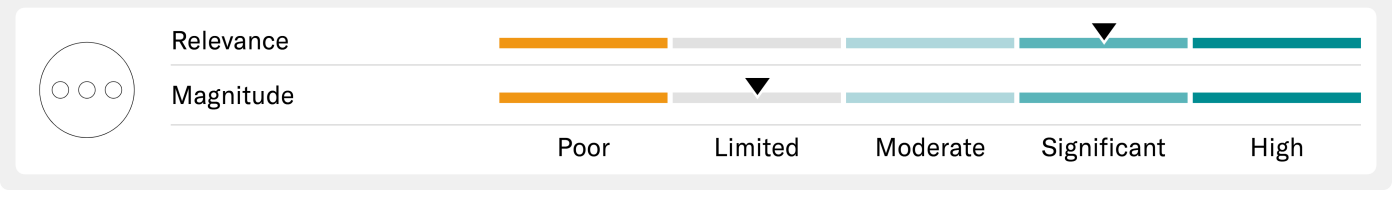
Logistics



Financing the decarbonization of the logistics sector and therefore the broader transportations sector addresses climate change mitigation, which is a highly relevant objective for the issuer and the local context. The transport sector is responsible for around 26.7% of Saudi Arabia's GHG emissions.[18] Saudi Arabia's national strategy Vision 2030's logistics ambitions strengthen national connectivity and operational efficiency, aiming to increase the kingdom's worldwide relevance in international logistics supported by the country's strategic location.

The category is assessed as having a moderate positive impact on the decarbonization of the logistics and transport sectors. The overall contribution to sustainability is tempered by the continued reliance on fossil fuel assets that create carbon lock-in risk, and the limited maturity of alternative fuels for heavy duty road transport. Investments in ICT solutions and multimodal logistics systems with at least a 15% reduction in GHG emissions per ton-km can improve asset utilization, reduce idle time, and support a shift from road to lower carbon transport modes, leading to significant positive impact. The financing of rail, coastal, and shipping infrastructure, together with a minimum 70% reduction in emissions relative to conventional road freight transport, provides significant decarbonization potential and supports a shift toward lower-carbon transport modes. Nonetheless, the ongoing reliance on fossil fuels poses material carbon lock-in risks. While the use of alternative fuels including hydrogen, biomass and synthetic fuels including methanol and ammonia for heavy duty road transport may provide benefits in the future, existing technology is not yet mature enough to provide significant benefits at scale. These benefits are also heavily reliant on criteria applied to the alternative fuels in question. We assume that these will adhere to the framework's criteria, which have received a moderate overall magnitude score.

Mining

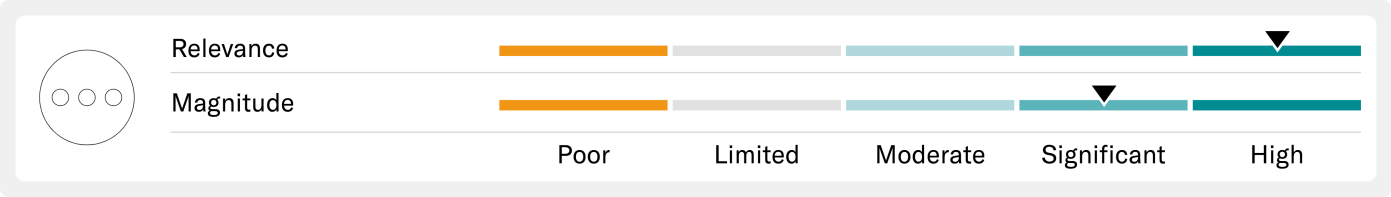


Financing the mining sector is significantly relevant from the issuer perspective and local context. As the world strives to meet net-zero targets by 2050, the demand for these minerals is projected to soar, with the World Bank estimating a need for around 3.5 billion tons by mid-century, necessitating a dramatic increase in supply.[19] Saudi Arabia is positioning itself to capitalize on this demand, with plans to exploit $2.5 trillion in untapped mineral resources, including gold, phosphate ore, and rare earths. Eligible projects must be used exclusively for decarbonization technologies such as EV batteries, renewable energy infrastructure, and energy storage systems, ensuring alignment with energy transition objectives. These efforts highlight the role of mining as a key enabler of the energy transition; however, the projects do not address core sustainability priorities for the mining sector, such as pollution control or biodiversity protection.

This category is expected to have a limited contribution to the mining sector's long-term climate mitigation goals. It covers extraction activities only and excludes mineral processing, which is typically the more carbon-intensive stage of the value chain. The sole criteria set by the bank are compliance with national mining legislations and the exclusive use of financing for decarbonization related technologies. The absence of additional sustainability requirements—such as emissions thresholds or biodiversity protection criteria — limits the overall positive impact. Furthermore, this category is primarily focused on reducing downstream emissions in end-use

applications rather than addressing direct emissions or other substantial environmental negative externalities from mining operations, such as habitat destruction, biodiversity loss, and water pollution, none of which are directly targeted by the eligibility criteria.

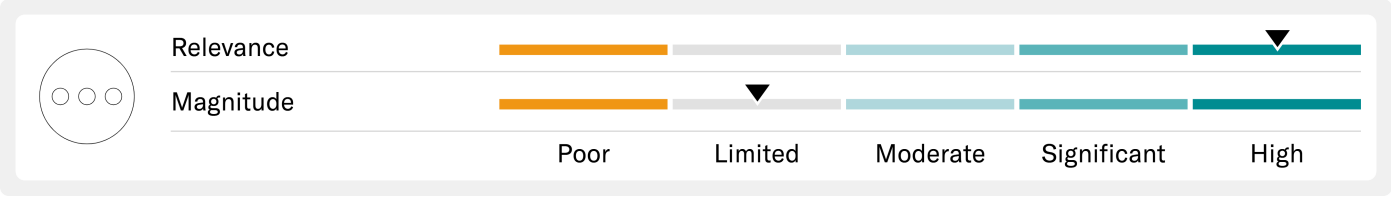
Nuclear



Saudi Arabia is a major oil producer, and investing in nuclear energy helps reduce its dependency on fossil fuels, thereby addressing climate change mitigation, which is a highly relevant objective for the issuer and the local context. Saudi Arabia's total energy supply and electricity generation mix is dominated by oil and natural gas, and currently, there is no nuclear generation or consumption in Saudi Arabia.[20]Nuclear energy projects are highly relevant under the net-zero emissions 2050 scenario (NZE), which forecasts that global nuclear power capacity will more than double to approximately 1.0 terawatts (TW) by 2050, compared to 2020 levels.

The nuclear energy projects under this category are expected to deliver a significant positive impact on climate change mitigation, driven by the stringent eligibility criteria. Eligible projects must align with the Saudi National Atomic Energy Project, utilizing Pressurized Water Reactors and smaller reactors like HTGR and SMART for diverse applications, with no large-scale nuclear assets to extend. Environmental and social externalities will have to be managed rigorously, with coastal plants employing seawater cooling systems designed for thermal efficiency and environmental protection, including redundancy for safety. Climate change considerations in coastal site designs must address sea-level rise and extreme weather, adhering to Nuclear and Radiation Control Authority standards. Radioactive waste management follows national and international guidelines. However, this currently only include interim storage. The issuer has committed to implementing permanent solutions such as deep geological repository managed by K.A.CARE, however these technologies are still not available. Radiological exposure for workers is capped at 20 mSv/year, following IAEA and ICRP standards, with the ALARA principle applied for lower typical exposure, ensuring adherence to stringent safety protocols.

Shipping



Financing the decarbonation of the shipping sector is considered highly relevant from the issuer perspective and local context. Shipping is a hard-to-abate sector, where GHG emissions accounted for about 2% of global emissions in 2023 and these are likely to account for up to 10% of global emissions in 2050.[21] Historically, oil products have constituted over 99% of the total energy demand for international shipping. The Kingdom's maritime transport constituted about 2.3% of the total air emissions within OECD countries in 2024. By 2030, Saudi Arabia aims to become a global logistics hub by increasing its port capacity to over 40 million standard containers annually.[22]

Eligible projects are expected to have a limited contribution to the decarbonization of the shipping industry. Operational and energy efficiency eligible projects target at least a 40% reduction in carbon intensity, which is aligned with the stringent 2030 target set under the 2023 IMO GHG Strategy. However, there is no assurance that these measures will be applied exclusively to vessels running on low-carbon fuels, creating a long-term risk of GHG lock-in. Retrofitting vessels to use low-carbon fuels requires a minimum 15% reduction in fuel consumption, plus an additional 20% reduction, which is expected to moderately lower emissions.

Financing of ships powered by low-carbon fuels must align with the IMO's 2025–2030 trajectory and maintain at least a "C" rating under the CII regulations. Eligible low-carbon fuels include green ammonia, green and blue hydrogen with a maximum carbon intensity threshold of 3.0 tCO_2e per ton of hydrogen, and liquefied natural gas (LNG). LNG powered ships must use high-pressure engines to limit methane slip and demonstrate a 'Path to Net-Zero', though lack of additional criteria still leads to considerable carbon lock-in

risk. Moreover, there is no visibility on whether vessels operating on low-carbon fuels are aligned with IEA decarbonization scenarios. We also note that financing new energy-efficient ships could inadvertently increase net GHG emissions if older vessels are sold rather than scrapped, or if the new ships expand rather than replace existing fleets. Furthermore, the framework does not explicitly exclude the transport of fossil fuels.

Additional contribution to sustainability considerations

We have not made an adjustment to the preliminary contribution to sustainability score based on additional considerations.

The bank conducts a comprehensive environmental and social risk assessments for all projects financed or refinanced to identify potential risks. Environmental risk management involves assessing various risks and factors, such as transition and physical risks, as well as factors related to nature, air, water and biodiversity. Social risks are evaluated based on human rights, equal treatment and opportunities, health and safety, and supply-chain ethics. We note social issues related to working conditions of migrant workers on energy projects in the country have been raised, involving several domestic and international companies and financial institutions including Riyad Bank. There is currently no available information indicating that legal proceedings or penalties have been initiated. Governance risks consider corporate culture, violations of the UNGC and OECD principles, corruption and bribery, and the protection of whistle-blowers. The banks assessments' results inform an ESG scorecard, which assigns scores to reflect the overall risk profile, from low to high—which determine the requirements for due diligence and oversight by the bank. High-risk projects require additional environmental and social impact assessments (ESIA). All projects are screened against the exclusion list, automatically disqualifying any ineligible activities. Projects that pass these assessments and meet green or social eligibility criteria proceed through internal governance processes for sustainable finance allocation. Throughout their life cycle, projects are monitored for environmental and social performance and compliance. Reassessment is triggered by significant changes, ensuring continued alignment with the eligibility criteria.

The issuer's framework is coherent with Riyad Bank's transition strategy, which is accompanied by a comprehensive three-year road map targeting three sectors that account for 40% of the bank's loan portfolio emissions. The bank aims to support the kingdom's Vision 2030 and commits to achieving net-zero emissions by 2060. The bank has set a target of SAR20 billion in sustainable finance volume by 2030, committing to finance sustainable projects and initiatives. The bank aims to increase engagement with sustainability initiatives such as the Partnership for Carbon Accounting Financials, the UN Global Compact, CDP and the Principles for Responsible Banking.

Appendix 1 - Alignment with principles scorecard for Riyad Bank's transition finance framework

Factor	Sub-factor	Component	Component score	Sub-factor score	Factor score
Use of proceeds	Clarity of the eligible categories	Nature of expenditure	A	Aligned	**Aligned**
		Definition of content, eligibility and exclusion criteria for nearly all categories	A		
		Location	A		
		BP: Definition of content, eligibility and exclusion criteria for all categories	No		
	Clarity of the objectives	Relevance of objectives to project categories for nearly all categories	A	Aligned	
		Coherence of project category objectives with standards for nearly all categories	A		
		BP: Objectives are defined, relevant and coherent for all categories	No		
	Clarity of expected benefits	Identification and relevance of expected benefits for nearly all categories	A	Aligned	
		Measurability of expected benefits for nearly all categories	A		
		BP: Relevant benefits are identified for all categories	No		
		BP: Benefits are measurable for all categories	No		
		BP: Disclosure of refinancing prior to issuance and in post-allocation reporting	Yes		
		BP: Commitment to communicate refinancing look-back period prior to issuance	Yes		
Process for project evaluation and selection	Transparency and clarity of the process for defining and monitoring eligible projects	Clarity of the process	A	Best practices	**Best practices**
		Disclosure of the process	A		
		Transparency of the environmental and social risk mitigation process	A		
		BP: Monitoring of continued project compliance	Yes		
Management of proceeds	Allocation and tracking of proceeds	Tracking of proceeds	A	Best practices	**Best practices**
		Periodic adjustment of proceeds to match allocations	A		
		Disclosure of the intended types of temporary placements of unallocated proceeds	A		
		BP: Disclosure of the proceeds management process	Yes		
		BP: Allocation period is 24 months or less	Yes		
Reporting	Reporting transparency	Reporting frequency	A	Aligned	**Aligned**
		Reporting duration	A		
		Report disclosure	A		
		Reporting exhaustivity	A		
		BP: Allocation reporting at least until full allocation of proceeds, and impact reporting until full bond maturity or loan payback	Yes		
		BP: Clarity and relevance of the indicators on the sustainability benefits	No		
		BP: Disclosure of reporting methodology and calculation assumptions	Yes		
		BP: Independent external auditor, or other third party, to verify the tracking and allocation of funds	Yes		
		BP: Independent impact assessment on environmental and social benefits	Yes		
Overall alignment with principles score:					**Aligned**

Legend: BP - Best practice, A - Aligned, PA - Partially aligned, NA - Not aligned

Appendix 2 - Mapping eligible categories to the United Nations' Sustainable Development Goals

The 14 eligible categories included in Riyad Bank's transition framework are likely to contribute to four of the United Nations' Sustainable Development Goals (SDGs), namely:

UN SDG 17 Goals	Eligible Category	SDG Targets
GOAL 7: Affordable and Clean Energy	*Aviation* *Hydrogen* *Shipping* *Automotive* *Nuclear*	7.2: Increase substantially the share of renewable energy in the global energy mix 7.3: Double the global rate of improvement in energy efficiency 7.A: Enhance international cooperation and promote investment for clean energy infrastructure, research and technology
GOAL 9: Industry, Innovation and Infrastructure	*Aluminum* *Automotive* *Aviation* *Cement* *Hydrogen* *Logistics* *Shipping*	9.4: Upgrade infrastructure and retrofit industries to make them sustainable, with all countries taking action
GOAL 11: Sustainable Cities and Communities	*Logistics*	11.2: Provide access to safe, affordable, accessible and sustainable transport systems for all
GOAL 12: Responsible Consumption and Production	*Agriculture* *Cement* *Mining* *Chemicals* *Aluminum*	12.2: Achieve the sustainable management and efficient use of natural resources 12.4: Achieve environmental management of chemicals and all wastes, and reduce their release to air, water and soil 12.5: Substantially reduce waste generation through prevention, reduction, recycling and reuse

UN SDG 17 Goals	Eligible Category	SDG Targets
GOAL 13: Climate Action	*Agriculture* *Aluminum* *Automotive* *Aviation* *Carbon Capture Utilization & Storage* *Cement* *Chemicals* *Emissions Reduction on Existing Fossil Fuels* *Hydrogen* *Iron & Steel* *Logistics* *Nuclear* *Shipping*	Measures to reduce GHG emissions contribute to climate action under SDG 13

The United Nations' Sustainable Development Goals (SDGs) mapping in this SPO considers the eligible project categories and associated sustainability objectives/benefits documented in the issuer's financing framework, as well as resources and guidelines from public institutions, such as the ICMA SDG Mapping Guidance and the UN SDG targets and indicators.

Appendix 3 - Summary of eligible categories in Riyad Bank's transition framework and information provided to Moody's Ratings

Eligible Categories	Description	Sustainability Objectives	Impact Reporting Metrics
Agriculture	- Switch to short rotation advanced-bioenergy crop production on marginal lands and pasture land. - Changes to animal feed to reduce nitrous oxide and methane emissions with a 10% emissions reduction - Agricultural machinery that reduces emissions but is not at or fully zero emissions today with an energy efficiency improvement of at least 15% - Technology that leads to better manure management via improved storage and handling. - Installation/retrofit of energy efficient cold chain and processing facilities with a minimum 20% energy efficiency improvement compared to existing baseline - Nutrient management plan. - Phytosanitary management plan.	Climate change mitigation	GHG emissions reduced or intensity improvement
Aluminum	- Thermal efficiency improvement of at least 20% - Novel anode technologies with a reduction of energy consumption of at least 25% - Retrofitting of smelters demonstrating a minimum 15% improvement in energy efficiency compared to pre-retrofit baseline with a year-on-year reduction in emissions intensity of at least 2% over the life of the loan - Use of renewable energy for smelting with a minimum of 50% renewable energy - Aluminum recycling/production of secondary Aluminum with a metal recovery efficiency rate of at least 80% - Production of end consumer aluminum products aligned with a 1.5 degree pathway (input consists of 90% scrap / recycled aluminum)	Climate change mitigation	GHG emissions reduced or intensity improvement
Automotive	- Development, production and sale of full hybrid and plug-in hybrid vehicles where there is a sunset date, and where it doesn't lead to displacement of battery-electric or fuel-cell-electric vehicles with a threshold of 75gCO2/p-km until 2030, and a threshold of 50gCO2/p-km until 2035 - Energy-efficient engine (focused on heavy duty vehicles) with a minumum 30% increase in energy efficiency - Improved aerodynamics and tire design (focused on heavy duty vehicles) with a minimum 5% decrease in emissions intensity A sunset date of 2035 applies to all hybrid assets financed in this category	Climate change mitigation	GHG emissions reduced or intensity improvement
Aviation	- Airplane energy efficiencies (providing at least 15% improvements vs previous technologies) - Low-carbon fuel use (e.g. SAF, Synthetic Fuels) or fuel cells. SAF with at least 75% less GHG emissions to fossil fuel comparator. Fuel cells utilizing hydrogen with a maximum carbon content of 3.0kgCo2e/kgH2 - Energy efficiency improvements relating to infrastructure with a minimum 15% improvement in energy efficiency	Climate change mitigation	GHG emissions reduced or intensity improvement
Carbon Capture Utilization & Storage	All projects under this category will have a minimum carbon capture rate of 95% - On industrial plants, gas-fired plants, bio-energy plants. - On cement factories. - On oil refineries - Infrastructure to transport captured CO2 with fugitive emissions below 0.5% - R&D and demonstration for eligible CCUS projects. - For waste composting / GHG capture solution for anaerobic digestion. - CCUS shipping tankers. - Direct Air Capture and Storage (DACCS). - Bioenergy Carbon Capture and Storage (BECCS).	Climate change mitigation	GHG emissions reduced or intensity improvement

Eligible Categories	Description	Sustainability Objectives	Impact Reporting Metrics
Cement	- Blending of at least 30% alternative materials into cement to replace clinker (inc. limestone and calcined clay) with a maximum carbon intensity per ton cement produced of 0.8tCO2/t cement - Material efficiency by using less input. - Electric cement kilns. - Waste reduction, collection and sorting.	Climate change mitigation	GHG emissions reduced or intensity improvement
Chemicals	- Shift towards circular plastics processes. - Alternative feedstocks for organic chemicals production (e.g., biofuels). - Chemical recycling of plastics.	Climate change mitigation	GHG emissions reduced or intensity improvement
Emissions Reduction on Existing Fossil Fuels	- Midstream and downstream operations aiming for at least a 20% reduction in GHG emissions, including Waste Heat Recovery, Electrification of Process Equipment and Methane Leak Detection and Repair (LDAR) with a 2035 sunset date - Improvement of existing transmission grid or development of new transmission grid for primarily (>50%) renewably-sourced electricity.	Climate change mitigation	GHG emissions reduced or intensity improvement
Hydrogen	All projects in this category will be limited to a maximum carbon content of 3tCo2e/tH2 - Enabling new infrastructure (e.g. hydrogen fueling stations, import and export terminals, dedicated hydrogen pipelines). - Enabling infrastructure repurposing (e.g. of existing gas pipelines). - New hydrogen-based industrial plants. - Electrolyser capacity at industrial sites, with minimum efficiency threshold of ≤ 55 kWh/kg of H2 at the system level. - Hydrogen use in refineries, power plants, cement factories, with 70% lifecycle GHG reduction compared to fossil fuel baselines. - Production and use of blue (CCUS-enabled) hydrogen. - Development of ports to produce hydrogen and ammonia for use in chemical and refining industries and to refuel ships, only ammonia with a maximum carbon intensity of 0.25 tCO2/tNH3 will be eligible	Climate change mitigation	GHG emissions reduced or intensity improvement
Iron & Steel	- Scrap-based production of steel excluding oil and gas with carbon content of steel of a maximum 1.3tCO2 per ton of crude steel - Scrap-based Electric Arc Furnace (EAF). - Direct Reduced Iron (DRI) using low-carbon fuels (hydrogen/biogas/biochar) with feedstock meeting a minimum 70% GHG reduction compared to fossil fuels - Iron ore electrolysis with 100% renewable energy - Electrification of ancillary equipment. - Partial hydrogen injection into commercial blast furnaces with carbon content of steel of a maximum 1.3tCO2 per ton of crude steel and a maximum carbon content for hydrogen of 3.0 kgCO2e/kgH2 - Smelting reduction. - Natural-gas-based Direct Reduced Iron (DRI) with CCUS with at least a 90% capture rate - Increasing thermal efficiency	Climate change mitigation	GHG emissions reduced or intensity improvement

Eligible Categories	Description	Sustainability Objectives	Impact Reporting Metrics
Logistics	- Information and Communication Technology (ICT) that improves asset utilization, flow, and modal shift, regardless of transport mode with a minimum 15% GHG emissions reduction per t-km compared to pre-investment baseline - Transition long-haul road freight to more carbon-efficient alternatives (rail, coast al shipping) with a minimum 70% GHG emissions reduction compared to road freight transport - Use of alternative fuels for heavy-duty road transport including hydrogen, biomass and synthetic fuels	Climate change mitigation	GHG emissions reduced or intensity improvement
Mining	- Mining of critical minerals for use in energy transition technologies (e.g. copper, cobalt, manganese, lithium, nickel, rare earth metals).	Climate change mitigation	GHG emissions reduced or intensity improvement
Nuclear	- Research into nuclear processes with minimal waste from the fuel cycle. - Greenfield nuclear power generation, with extreme resilience measures, such as 1/10,000 flood risk and planning to 2100 - Extension of existing nuclear power generation assets - Nuclear small modular reactors (SMR) when used for industrial heat or co-generation	Climate change mitigation	GHG emissions reduced or intensity improvement
Shipping	- Operational and energy efficiency measures (e.g. fleet management, optimized routing, slow steaming, wind-assistance technologies) with a minimum 40% reduction in carbon intensity and a minimum Carbon Intensity Indicator of C on the IMO's Carbon Intensity Indicator scale - Retrofitting of vessels to run on low carbon fuels (e.g. batteries, ammonia, hydrogen) with reduction of fuel consumption of the vessel by at least 15%, and qualifying vessels must achieve a rating of C or better - Financing of ships powered by alternative / low-carbon fuel including LNG, internal combustion engines for ammonia, electric engines driven by batteries or green hydrogen fuel cells).	Climate change mitigation	GHG emissions reduced or intensity improvement

Endnotes

1 Point-in-time assessment is applicable only on date of assignment or update.
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