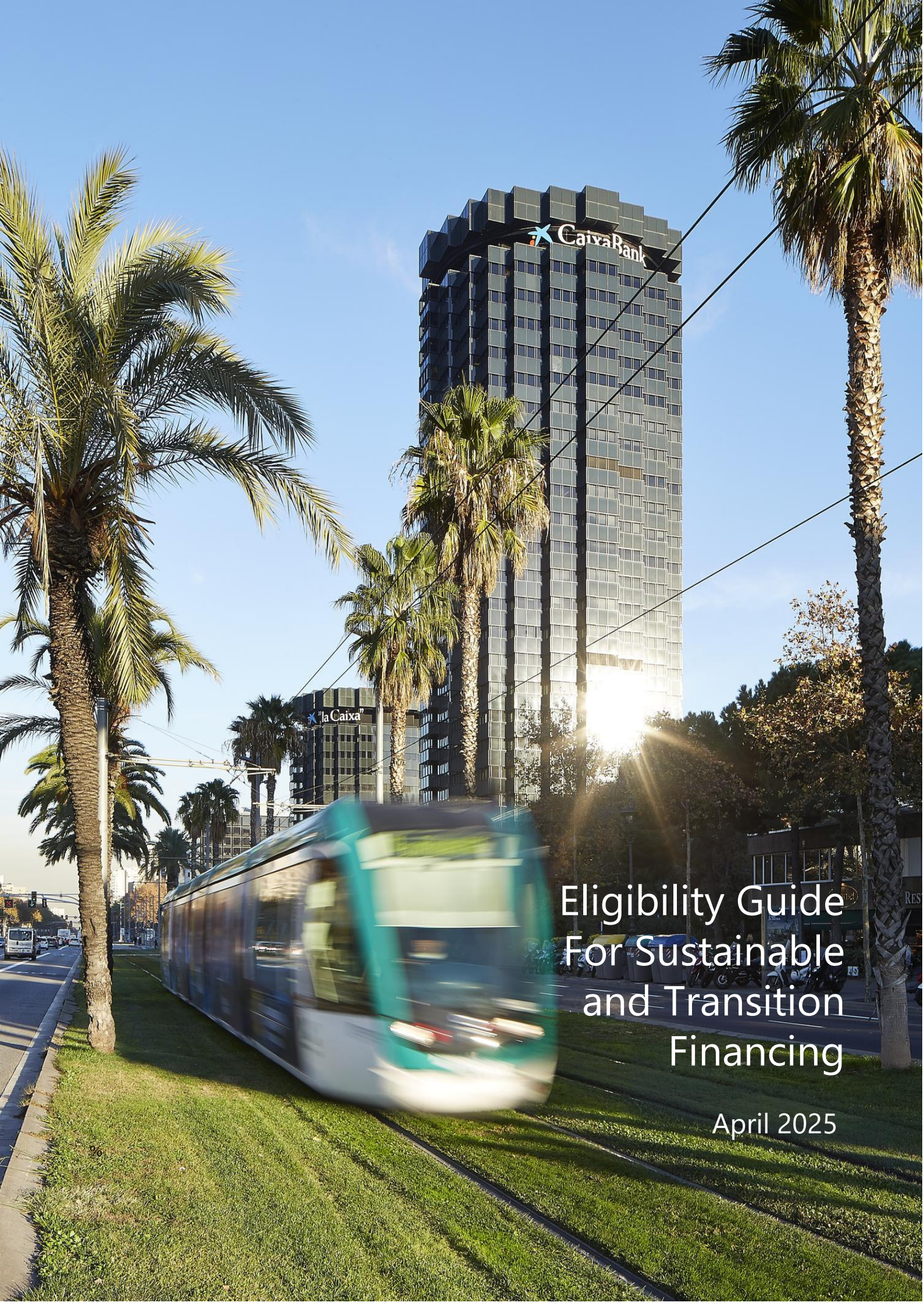


Eligibility Guide For Sustainable and Transition Financing

April 2025

Contents

1 Purpose of this Guide 3

2 Categories of Sustainable Financing 3

3 Process for identifying sustainable financing operations 7

4 List of sustainable financing activities/purposes 9

5 Governance of this Guide 12

6 APPENDIX: Criteria by Activity/ Purpose 13

6.1 Technical criteria in relation to sustainable environmental activities/purposes 13

6.2 Technical criteria in relation to sustainable transition activities/purposes 39

6.3 Criteria in relation to sustainable social activities/purposes 44

6.4 Categories included in vulnerable groups/disadvantaged persons 54

6.5 Impact metrics for the environmental activities/purposes 55

6.6 Impact metrics for the transition activities/purposes 60

6.7 Impact metrics for the social activities/purposes 61

7 APPENDIX: Glossary of terms 65

8 APPENDIX: Regulatory references 73

1 Purpose of this Guide

The CaixaBank´s Sustainability Plan 2025-2027 sets the following two ambitions:

- Moving towards a more sustainable economy
- Supporting the economic and social development of all people

and sets among others a sustainable finance mobilization target for the period 2025-2027 that will propel the banks' efforts to cope with such ambitions.

CaixaBank believes that contributing to the objectives set out in the Paris Agreement and the Sustainable Development Goals (SDG's) requires financing and mobilization of financial resources in many different ways, either aiming i) at activities that directly or indirectly positively contribute to the environment (environmental financing), or ii) at activities which are transitioning towards environmentally respectful productive models but for which as of today there is a lack of clean technologies that would allow them to do so (transition financing), or iii) at activities of a social nature that generate positive impacts in the population (social financing), or iv) at businesses and corporations that pursue to improve their sustainability profiles thus becoming more prepared to generate positive impacts through their day to day operations (sustainability linked financing).

This Eligibility Guide was developed by CaixaBank with support from Morningstar Sustainalytics in developing the green, transition and social eligibility criteria.[1] Morningstar Sustainalytics is a leading independent ESG and corporate governance research, ratings and analytics firm that supports investors around the world with the development and implementation of responsible investment strategies.

This "Eligibility Guide for Sustainable and Transition Financing" (hereinafter "Eligibility Guide" or "the Guide") aims at defining the criteria to be observed by CaixaBank in the identification and classification of environmental, transition and social financing operations to individuals and companies that will contribute to achieve the sustainable finance mobilization target and thus make progress in CaixaBank's contribution to the Sustainable Development Goals (SDG's). The Guide also includes the criteria to be observed by CaixaBank for the consideration of sustainability-linked loans as a finance category that will also contribute to achieve the sustainable finance mobilization target.

Financing operations for the purpose of the Guide include all financing products in the broadest sense (loans, credit lines, guarantees, documentary credits, factoring, forfaiting, confirming, leasing, renting, and trade finance products).

2 Categories of Sustainable Financing

The Guide establishes four categories of sustainable financing:

- financing of Environmental activities
- financing of Transition activities
- financing of Social activities
- financing of Sustainability-Linked Loans (SLL's)

[1] Sustainalytics primarily assessed the alignment of the green, social and transition activities (noted in Appendix 6) with the current market practice. Sustainalytics notes that the other aspects of this Eligibility Guide, including the qualifying sustainable financing instruments/mechanisms, and the specific examples noted alongside have not been suggested, and in some cases, reviewed by Sustainalytics. Refer to Sustainalytics' commentaries in the footnotes included in the Eligibility Guide for more details.

Any financing operation under any of these four categories must comply with the Corporate Sustainability/ESG Risk Management Policy when applicable.

- Financing of Environmental activities

When defining the criteria for the consideration of environmental activities, consideration has mainly been given to:

> Activities included in the EU Taxonomy.

The Guide provides details of the most relevant environmental activities for the purposes of mitigation, based on the volume of assets financed in CaixaBank´s lending portfolio. The remaining activities, which are not mentioned in the Guide but are included in the EU taxonomy as contributing to the rest of the Taxonomy objectives [2] can also be considered under this category of sustainable financing if they observe the technical criteria of the EU taxonomy. Below, details are provided for this type of activities:

- Activities that by themselves make a substantial contribution to one or more of the six environmental objectives identified in the EU Taxonomy [3] these are activities that do not generate emissions or do so in very low levels (low-carbon activities).

  For example, an economic activity that contributes substantially to the mitigation objective could be an electricity company that generates electricity using renewable energy sources or a transport company whose fleet emissions come to zero.

- Enabling activities: these are activities that help to reduce greenhouse gases in other sectors/activities and that make it possible for other activities to make a substantial contribution to one or more of the taxonomy objectives and by themselves, they do not damage the environmental objectives. For the sake of clarity, in this Guide, every activity to which an enabling activity refers to is considered eligible although not explicitly mentioned.

  For example, a company that manufactures turbines for a wind farm or a company that manufactures electric batteries for zero-emission electric vehicles: they perform economic activities that make a substantial contribution to the mitigation of other activities.

APPENDIX 6.1 indicates technical criteria for sustainable environmental activities/purposes.

> The categories/eligibility criteria set out in the *CaixaBank Sustainable Development Goals (SDGs) Funding Framework.*

> The categories considered as best market practices and standards defined by the *Loan Market Association for Green Loans (Green Loan Principles)* and for the ICMA for *Green Bonds (Green Bond Principles).*

[2] Taxonomy objectives: climate change mitigation; climate change adaptation; sustainable use and protection of water and marine resources; transition to a circular economy; pollution prevention and control; and the protection and restoration of biodiversity and ecosystems.
[3] See Glossary for detailed explanation.

- Financing of Transition activities

These are activities for which no viable low-carbon technological alternatives and projects or investments that directly and verifiably contribute to reduce CO_2 emissions of a company or a specific production process are available, but that support the transition towards a climate-neutral economy through the gradual elimination of greenhouse gas emissions. The greenhouse gases released must correspond to the best performance in each sector or industry. These activities must comply with the following two conditions: (i) they must not hinder the development and deployment of low-carbon alternatives and (ii) they must not imply the lock-in of carbon-intensive assets, considering the economic life of these assets.

For example, a cement company that invests in the installation of technology that helps to reduce greenhouse gas emissions to the levels considered best practice in its industry, meeting the established technical criteria. Or a waste management company that places priority on recycling when dealing with the elimination of waste in the manufacturing process, this contributes to the transition towards a circular economy.

APPENDIX 6.2 indicates technical criteria for sustainable transition activities/purposes.

- Financing of Social Activities

When defining the criteria for an activity to be considered as sustainable social financing, consideration has been given to the categories/eligibility criteria set out in:

> the CaixaBank's Sustainable Development Goals (SDGs) Funding Framework

> the draft of the Social Taxonomy

APPENDIX 6.3 contains the criteria for social activities/purposes.

> the categories considered as best market practices and standards defined by the Loan Market Association for Social Loans (Social Loan Principles) and for the ICMA for Social Bonds (Social Bond Principles).

The aim is to identify activities and projects with a positive social impact.

For example, the financing of a new hospital that will expand the health coverage to unserved populations or the financing to a non-profit organization that attends vulnerable population under an agreement with a public administration.

- Financing of Sustainability-Linked Loans (SLL's)

Sustainability-Linked Loans or SLL's refer to any type of financing facility that encourages a company to improve its sustainability profile through the achievement of certain objectives (SPTs or Sustainable Performance Targets) measured by relevant indicators (KPIs or Key Performance Indicators) for the company's activity. The incentive to improve its sustainability profile comes from linking the pricing of the financing facility to the achievement of these objectives' (SPTs) measured through the KPIs (for example, % of reduction of the carbon intensity of the company, % of women in managerial positions, % of increase in training hours, attaining or maintaining an ESG rating/score or any other KPIs specific to the environmental/social/governance performance of the company).

For this type of financing to be considered as sustainable under this Guide, it must comply with the LMA/APLMA/LSTA Sustainability-Linked Loan Principles criteria split up into the following five points: i) selection of KPIs; ii) calibration of SPTs; iii) type of loan; iv) reporting; and v) verification.

Furthermore,

- ✓ The KPIs must be quantifiable and relevant for the company's main business and comparable with those KPIs used in its sector and by its major competitors.
- ✓ The SPTs must be ambitious, consistent with the company's global sustainability strategy and comparable with those in its sector.

The fulfilment of the objectives (*SPTs*) established for each relevant indicator (KPI) must be verified in line with the provisions of the financing agreement.

For this type of operation, it is recommended that the company relies on an independent global standard or obtains a Second Party Opinion ("SPO") or on a Sustainable Finance Framework verified by an independent third party, that assesses the consistency/alignment of the *KPIs* proposed with the company´s sustainability strategy and the annual objectives defined. In any case, the SLL's Expert Group [4] will determine the consideration as sustainable or not for the purposes of this Guide, for those operations that do not have an independent external verifier or standard.

A Sustainability-Linked Loan structure could also apply in certain financing structures such as Supply Chain Finance when the buyer/assignor is looking to promote the improvement of the sustainability profile of its suppliers. In these cases, the buyer/assignor in the Supply Chain Finance programme may offer for different payment/financing conditions for its suppliers, depending on their sustainability profile determined by an ESG rating/score. Therefore, those suppliers with a better ESG rating/score or improving their ESG rating/score would benefit from better payment/financing conditions. On the contrary, those suppliers with a poor ESG performance and thus worsening their ESG rating/score would be offered higher priced payment/financing conditions.

2.1 General applicable rules and regulations

When defining the eligible activities, consideration has been given to the criteria identified in the following frameworks/documents:

- CaixaBank Sustainable Development Goals (SDGs) Funding Framework.
- Green Bond Principles issued by the International Capital Markets Association (ICMA)
- Social Bond Principles (ICMA)
- Green Loan Principles (LPG) issued by the Loan Market Association (LMA)
- Social Loan Principles (SLP) issued by the Loan Market Association
- Sustainability-Linked Loan Principles (LMA)
- Sustainability-Linked Bond Principles (ICMA)
- EU Taxonomy and the Social Taxonomy draft

2.2 Scope

This Guide is applicable to financing activities involving individuals and companies who are customers or prospective customers of the CaixaBank Group. Group companies offering financing must have their own Guide or comparable document or adopt the considerations set out in this Guide, adapting them as necessary, in which case their operations would follow the circuits and governance established by the parent company.

[4] *See Glossary for detailed explanation.*

3 Process for identifying sustainable financing operations

Sustainable financing operations are originated at the Business units.

The process starts by verifying if the purpose of the financing requested by the customer meets the criteria set out in this Guide. The Sustainable Financing Working Group [5], monitors on a monthly basis the origination of new sustainable financing operations and checks if the financing operations reported by the Business Units are eligible to contribute to the sustainable finance mobilization target.

1. Operations with an associated ESG commercial product:

   Financing is offered through sustainable products included in the bank´s product catalogue.

   The product specifications include the necessary requirements to justify the purpose or the criteria of the financing as sustainable, and the metrics/details that must be included in the documentary dossier.

   For example, the following types of sustainable financing are offered in associated commercial products:
   - *Mortgages on energy efficient homes ("Hipoteca Eficiente")*
   - *Credit facilities for Homeowners Associations ("Comunidades de Propietarios")*
   - *MicroBank financing*
   - *Lines specific to AgroBank financing*
   - *Certain lines of Retail Banking financing*
   - *Credit facilities under Sustainable Finance Agreements with Multilateral Development Banks (MDBs [6])*
   - *Credit facilities to banks under Multilateral Development Banks (MDBs) Trade Finance Guarantee Programs*

   Any financing under any of these ESG commercial products must be related to any of the eligible activities/purposes of this Guide.

   Looking to the future, consideration must be given to the new sustainable financing products to be included in the commercial catalogue after completing internal approval process.

2. Operations without an associated ESG commercial product:

   Financing operations and categories for which there is no specific internal associated commercial product, as is the case of certain types of specialist financing, among others:
   - *Project Finance*
   - *Asset Finance*
   - *Leveraged Buy-Outs*
   - *Structured Trade Finance [7]*
   - *Export Finance Solutions*
   - *Supply Chain Finance [8]*
   - *Use of proceeds corporate financing*
   - *General corporate financing*
   - *Transactional banking*

   In these cases, the funds may be dedicated to a specific use of proceeds or forgeneral corporate

[5] *See Glossary for detailed explanation.*

[6] *Such as Instituto de Crédito Oficial in Spain, the European Investment Bank, the European Investment Fund, the International Finance Corporation, European Bank for Reconstruction and Development (EBRD), Banco Interamericano de Desarrollo (BID), etc.*

[7] *Including credit Lines under Export Credit Agencies (ECA) such as Compañía Española de Seguros de Crédito a la Exportación (CESCE), Korea Trade Insurance Corporation (KTIC), UK Export Finance, EKF Denmark, etc.*

[8] *The instrument includes sustainability-linked features and has been independently assessed by an external provider.*

purposes.

- Use of proceeds-based financing operations:

  These are cases in which the aim of the operation is to finance an investment or project that is in line with the defined activities/purposes set out in this Guide. In this case, 100% of the funds must be dedicated to the aforementioned specific project/purpose [9] and the technical criteria established in the Guide must be observed for these aims.

  These include operations that comply with the Green Loan Principles, or the Social Loan Principles set out by the Loan Market Association, and those that comply with the criteria set out in the CaixaBank's SDGs Funding Framework.

- Financing operations in which the funds are dedicated to corporate/general purposes:

  When financing is for general corporate purposes and not specific to a particular use of proceeds, there are two options depending on the sector/activity in which the company operates:

  1. If the main activity/business [10] of the financed company corresponds to a sector or activity included in the financing categories included in this Guide, compliance with the following is required:

     a. The financed company must obtain more than 90% of its income from activities as indicated in the Guide. When the financing is granted to companies required to report under the *Corporate Sustainability Reporting Directive (CSRD)*, the degree of alignment with EU taxonomy reported by the company will be taken into account.

     b. For financing extended to power generation companies: more than 90% of the power generation mix must come from renewable sources.

  2. If the main activity/business of the financed company does NOT correspond to a sector or activity included in the categories included in this Guide, or it does correspond but:

     a. The financed company obtains less than 90% of its income from activities as indicated in the Guide.
     b. For financing extended to power generation companies: less than 90% of the power generation mix comes from renewable sources.

     then the financing must be instrumented in a Sustainability-Linked Loan type of facility.

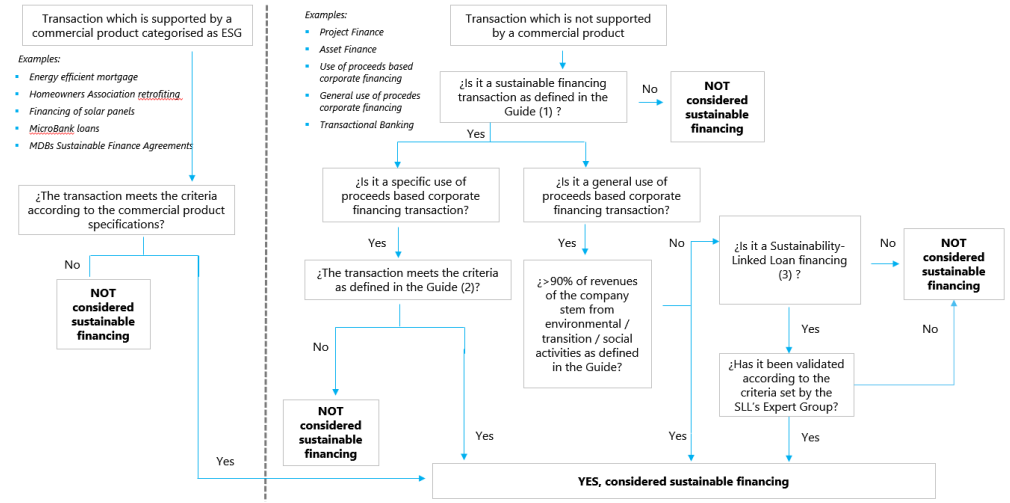
     For this type of financing to be considered as sustainable, it must comply with the LMA/APLMA/LSTA *Sustainability-Linked Loan Principle*s criteria.

     As indicated in Chapter 2 of this Guide, for this type of operation, it is recommended that the customer obtains a Second Party Opinion ("SPO"), that determines the consistency/alignment of the proposed financing with the company´s sustainability strategy and the annual objectives defined. In any case, the Expert Group for SLLs will determine the consideration of each of these operations as sustainable or not for the purposes of this Guide, and in the cases in which

[9] *See section 4. List of sustainable financing activities/purposes*
[10] *Main activity determined based on expert criteria (for example, holding companies)*

they are considered as such, will determine the need for the customer to submit an SPO. Sometimes, customers have a Financing Sustainable Framework, supported by an SPO, within the scope of which the operation is proposed.

The following chart illustrates the identification process for sustainable financing operations:



(1) Environmental, Transition, Social or Sustainability-Linked Loan financing
(2) a) Environmental technical criteria or transition technical criteria or social technical criteria, for activities/purposes considered in the Guide; b) Categories considered elegible for environmental projects under the Green Loan Principles or categories considered elegible for social projects under the Social Loan Principles (GLP y SLP by LMA, APLMA y LSTA); (c) criteria as defined in the CaixaBank's SDGs Funding Framework.
(3) Criteria considered under the Sustainability-Linked Loans Principles by LMA.

4 List of sustainable financing activities/purposes

4.1 Sustainable environmental activities/purposes

Sector	Activity/Purpose	SDG
Real estate business	▪ Construction/Acquisition properties certified as being energy efficient ▪ Renovation of buildings for them to be more sustainable ▪ Property and home renewal for them to be more sustainable ▪ Installation of solar panels, thermal storage units or electricity and other renewableenergy systems	
Energy & Energy Infrastructure	▪ Renewable power generation ▪ Renewable power generation for self-consumption (with and without sale of surplus) ▪ Construction and operation of electricity transmission and distribution systems (HV andinterconnection systems) ▪ Projects for storing electricity generated using renewable sources in batteries ▪ Power generation (electric and thermal) using Cogeneration or Combined Gas Cycle	

Sustainable transportation	▪ Railway passenger and cargo transport (Trains, Underground, Tram) and infrastructures ▪ Sustainable passenger and cargo transport by road ▪ Sustainable motorbikes, passenger cars and commercial vehicles ▪ Installation, maintenance, and repair of electrical vehicle charging stations in buildings(charging points) ▪ Boats powered by solar, electric or hydrogen power ▪ Sustainable transport by sea and auxiliary services ▪ Construction, repair, maintenance, conditioning, conversion of vehicles, trains or vesselspowered by electricity (zero CO_2 emissions)	
Waste management and treatment	▪ Construction and operation of waste collection and recycling plants (excludingincineration or dumping activities). ▪ Waste treatment (processing to prevent and control pollution). ▪ Production of fertilisers obtained from the composting of bio-waste	
Sustainable water management and sanitation	▪ Construction, expansion, maintenance and renewal of capture system operations, water purificationand distribution including the treatment of wastewater maintaining a high degree of energy efficiency in addition to high-quality water use ▪ Change or improvement of the irrigation system in agricultural operations	
Industrial production and processes	▪ Activities dedicated to financing equipment, development, manufacture, construction, expansion, operation, distribution, and maintenance of renewable energy and low-carbon activities	
Agriculture and forestry	▪ Forestation or reforestation programmes ▪ Adaptation of agricultural operations to ecological agriculture ▪ Financing of any investment that may be made in farming operations pursuing improvements in the following areas: Efficiency in water use, energy efficiency, renewable energies, waste management and circular economy ▪ Projects for reducing the use of synthetic fertilizers; projects for reducing the use of pesticides to a minimum, including replacement with pesticides with a lower environmental impact	
Sustainable blue economy	▪ Sustainable aquaculture or fishing ▪ Measures for the conservation of the marine/freshwater ecosystem	

4.2 Sustainable transition activities/purposes

Sector	Activity/Purpose	SDG
Energy	▪ Natural Gas (midstream and downstream) ▪ Transmission and distribution networks for renewable and low-carbon gases ▪ Manufacture of hydrogen and hydrogen based synthetic fuels	
Sustainable transportation	▪ Shipping ▪ Aviation (passengers and cargo)	

Industrial production and processes	▪ Manufacture of steel ▪ Manufacture of cement ▪ Manufacture of aluminium	

4.3 Sustainable social activities/purposes

Sector	Activity/Purpose	SDG
Basic inclusive infrastructure	▪ Construction, equipment and/or maintenance of water supply networks and/or infrastructure; public and subsidised in areas with problems of supply ▪ Construction, equipment and/or maintenance of electricity distribution networks in areas with energy supply problems ▪ Activities that improve access to information technology and communications for vulnerable groups, disadvantaged groups or those with difficulties accessing this type of service ▪ Adaptation of infrastructure services to groups with reduced mobility or with disabilities or different abilities. ▪ Construction, operation, or maintenance of public or subsidised railway transport projects and development of roads in areas with poor availability in relation to the transport infrastructure. ▪ Construction, renewal, or improvement of protected housing	
Socioeconomic inclusion and progress	▪ Microfinancing: Financing of daily needs linked to personal and family development ▪ Financing to social associations, NGOs, cooperations, SMEs and micro enterprises ▪ Projects organised by certified corporations, specifying the social purpose of the financing. ▪ SMEs and freelancer financing in disadvantaged areas ▪ Loan financing or refinancing and/or projects for groups affected by health-related natural disasters and emergencies ▪ Bank financing for vulnerable entrepreneurs (freelancers and micro enterprises) ▪ Financing and/or refinancing for female entrepreneurs or SMEs where the majority partner is a woman	
Education	▪ Construction, maintenance or improvement/refurbishment of public/subsidised infrastructure foreducation (primary schools, secondary schools, and higher education) ▪ Educational loan financing for students ▪ Other services that permit access to education such as transport, projects for educational improvements, technical developments, increase in the number of teachers and professors.	
Health and well-being	▪ Construction, expansion, and rehabilitation: hospitals, clinics and health centres thatoffer public/free/subsidised healthcare services. ▪ Purchase of products and services related to medical care at health centres that offer public/free/subsidised healthcare services including access to medicines and vaccines. ▪ Financing of residential and welfare assistances for vulnerable groups ▪ Financing of public infrastructure and equipment for the provision of medical care in emergency/crisis situations and disease control services. ▪ Financing for public education centres and training centres for professionalsin the provision of public health and emergency response services. ▪ Financing for public or State subsidised medical research centres	
Inclusive agriculture and livestock activities	▪ Loans to small agriculture/livestock farming producers for investments in their production systems	

5 Governance of this Guide

The governance of this Guide in relation to the roles and responsibilities of the different internal stakeholders is established in an internal procedure: "Governance Procedure for Identifying Sustainable Financing".

6 APPENDIX: Criteria by Activity/ Purpose

6.1 Technical criteria in relation to sustainable environmental activities/purposes

Real estate business

Subtopic:

Energy efficiency: financing and refinancing for the construction, renewal, acquisition, individual measurement, and professional retail services to improve the energy efficiency of properties/buildings.

Activity/Purpose	Eligibility Criteria	Exclusionary Criteria

Construction/ Acquisition of Buildings	Financing or refinancing of buildings constructed
	• Before 31/12/2020
	  • Buildings that belong to the highest 15% of the national energy performance baseline in relation to primary energy demand (PED);
	  • Buildings that have achieved an A or B EPC Class in Spain;
	  • Buildings (residential, commercial or industrial) having at least one of the following certifications: BREEAM "excellent" or superior or LEED "gold" or superior
	• After 31/12/2020
	  • Buildings that have a primary energy demand that it is at least 10% lower than the "nearly-Zero Energy Building" (NZEB) requirements of the national standards transposing Directive 2010/31/EU.
		• Development or acquisition of facilities designed for or intended for controversial activities having harmful social or environmental impacts (such as tobacco, weapons, gambling etc.) or activities that are highly carbon-intensive such as the hard to abate industries (cement, steel, aluminium, or natural gas,).[11]
		
		• Buildings designed for the purpose of extraction, storage, transportation, or manufacture of fossil fuels.

Renovation of Buildings	Financing or refinancing retrofit or refurbishment of buildings that satisfy the applicable requirements for 'significant' renewals according to the EU Taxonomy and achieve minimum energy savings (PED) of 30% when compared to their power consumption before the renovation (based on an EPC)[12]. And achieved within three years after the retrofitting has been made.	• Development or acquisition of facilities designed for or intended for controversial activities having harmful social or environmental impacts (such as tobacco, weapons, gambling etc.) or activities that are ineligible such as the hard to abate industries (cement, steel, aluminium, or natural gas,). • Buildings designed for the purpose of extraction, storage, transportation, or manufacture of fossil fuels."
Renovation of homes	Financing or refinancing of individual rehabilitation measures, installation of renewable energy in situ (*See criteria details*[13]). Equipment for improving the energy efficiency of buildings and homes (replacement windows, doors, facades that improves energy efficiency, replacement of	• Energy-efficient technologies designed or intended for processes that are inherently carbon intensive, primarily driven or powered by fossil

[11] *Transition criteria for hard-to-abate industries is listed in Section 6.2 of this Eligibility Guide*

[12] *Reduction calculated post retrofits in kWh/m² per year, aligned with Energy Performance Certificate*

[13] *Criteria determined by TEG/Sustainable Finance Platform for "Individual rehabilitation measures, installation of renewable energy in situ and professional, scientific and technical activities".*

[12] (cont.) *The following individual measures are eligible if they comply with the requirements established for the individual components and systems*

	class C or higher domestic appliances, heating systems powered by renewable energies), that results in the achievement of: • A, B or C energy performance certificate (EPC) for the home, obtained as a result of the renovation or PassiveHaus certification • Improvement in energy efficiency, emission savings or reduction in PED of 30% over baseline performance including a minimum 7% reduction in final energy consumption compared to 2020 levels [14] • Financing the manufacture, procurement, purchase or installation of new label class A, B or C domestic appliances pursuant to Regulation EU 2017/1369, or class A+++ under the former energy label as per European Directive 2010/30.[15,16]	fuels, such as: - Oil or gas-fired boilers, cogeneration, and CHP units - Production processes in heavy industries, such as steel, cement, aluminium, etc. • Absorption heat pumps driven by fossil fuels, such as natural gas or propane.

Energy & Energy Infrastructure

in the national regulations applicable that transpose the Energy performance of buildings directive (EPBD); in addition, they must comply with ecological design requirements pursuant to Directive 2009/125/EC:

a) Addition of insulation to the components of the existing envelope, such as outer walls, ceilings (including green ceilings), attics, basements and ground floors (including measures to guarantee that they are windproof, measures to reduce the effects of thermal bridges and scaffolding) and products for the application of the insulation to the building´s envelope (mechanical fastening, adhesives, etc.).

b) Replacement of existing windows with new energy efficient windows.

c) Replacement of existing outer doors with new energy efficient doors.

e) Replacement of inefficient gas boilers with high-efficiency condensation boilers.

The individual following measures are eligible for subsidies when specific requirements are met:

f) Replacement of old pumps with efficient circulation pumps (as defined in Article 2 of Regulation EU 622/2012)

g) Installation of efficient LED lighting systems and devices

h) Installation of kitchen accessories and low-flow sanitary water accessories in the two main categories of the EU´s water labelling system

The following individual measures are always eligible:

i) Installation of zonal thermostats, smart thermostat systems and detection equipment, for example, movement and day light control

j) Installation of Building Management Systems (BMS) and Energy Management Systems (EMS)

k) Installation of recharge stations for electric vehicles

l) Installation of smart gas and smart electricity meters. While noting that the expenditure on smart gas meters is consistent with the EU Taxonomy Delegated Act for Climate Change Mitigation, such investments may prolong fossil fuel consumption.

m) Installation of façade and roof elements that serve as solar protection or control, including those that support the growth of plant life

The following individual measures are eligible when installed in situ as building services:

n) Installation of photovoltaic solar systems (and the auxiliary technical equipment)

o) Installation of solar hot water panels (and the auxiliary technical equipment)

p) Installation and update of electric heat pumps and absorption heat pumps driven by solar-heated water, or geothermal-heated water, that contribute to renewable energy objectives in relation to heating and cooling in line withDirective 2018/2001/EU (and the auxiliary technical equipment). Heat pumps will meet the following criteria: i) absorption heat pumps driven by fossil fuels heat-pumps with high global warming potential will be excluded; and ii) Heat pumps will be accompanied by a refrigerant management system to ensure measurement of leakage and measures taken to minimize this such as installation of leak detection alarm systems, conducting regular leak detection inspections, and equipment maintenance and cleaning.

q) Installation of wind turbines (and the auxiliary technical equipment)

r) Installation of transpired solar collectors (and the auxiliary technical equipment)

s) Installation of thermal or electrical power storage units (and the auxiliary technical equipment), excluding any carbon intensive activity or a process that may result in fossil fuel lock in.

t) Installation of a high-efficiency Micro CHP plant (combined energy and heat): i) powered by CSP, solar thermal or biomass waste, or ii) powered by geothermal or bioenergy (non-waste or unknown source), subject to thresholds for power and heat combined < 100 $gCO_2/kWh(e)$. If powered by bioenergy (non-waste or unknown source), biomass must be sustainably sourced. Exclusion of Natural gas fired co-generation plants

u) Installation of heat exchangers/recovery systems

[14] *European Environment Agency, at: https://www.eea.europa.eu/en/topics/in-depth/energy?activeTab=e3e6b879-fef4-4a88-9436-5f0064698270*

[15] *Sustainalytics considers the financing of technologies and equipment that are designed to enable energy efficiency as credible green expenditures*

[16] *Sustainalytics considers the financing of household appliances (refrigerators, washing machines, etc.) that belong to the highest two populated classes of the relevant EU Energy Label (aligned with the requirements of EU Taxonomy Delegated Act and the DNSH) as credible green expenditure.*

Subtopic:

Renewable Energies

Activity/Purpose	Eligibility Criteria	Exclusionary Criteria
Renewable power generation: Solar and Wind	• Financing or refinancing generation projects of solar and/or wind power for own use, as per the following eligibility criteria: • Onshore and offshore (both fixed and floating) wind energy projects. • Photovoltaic power generation • Concentrated solar power (CSP) or solar thermal projects where at least 85% of the electricity is generated from solar energy sources. • Financing or refinancing Energy recovery technology.	Technologies that may result in fossil-fuel lock in Offshore wind projects supported by fossil fuel-based auxiliary power other than for power monitoring, operating and maintenance equipment, as well as resilience or protection measures/ restart capabilities)
Renewable hydroelectric power generation	Financing or refinancing activities that fulfil the following criteria: • Hydropower facilities that have become operational before the end of 2019 that: i) have a life cycle carbon intensity below 100 gCO_2e/kWh; ii) have a power density above 5 W/m^2; or iii) are run-of-river plants without an artificial reservoir. • Hydropower facilities that will become operational after the end of 2019 that: i) have a life cycle carbon intensity below 50 gCO_2e/kWh; ii) have a power density above 10 W/m^2; or iii) are run-of-river plants without an artificial reservoir. For all new hydropower projects, an environmental impact assessment will be conducted by a credible body to ensure that no significant environmental and social risks, negative impacts or controversies have been identified.	•Hydropower with significant controversies related to E&S risk or impact, such as loss of habitat, biodiversity and displacement of people.
Renewable geothermal power generation	Financing or refinancing project for electricity generation with life cycle GHG emissions usinggeothermal energy of lower than 100 gCO_2e/kWh	Use of fossil fuel except for fossil fuel backup limited to power monitoring, operating and maintenance equipment, as well as resilience or protection measures and restart capabilities.
Renewable tidal and wave power generation	Financing or refinancing project for electricity generation using tidal power (tidal range or tidal stream/current) and wave facilities.	
Renewable power generation: hydrogen from the electrolysis process	Financing or refinancing project that satisfy the requirement of reducing GHG emissions during the life cycle by 73.4% in the case of the hydrogen [resulting in GHG emissions during the life cycle of less than 3 tCO_2e/tH_2] and by 70% in the case of synthetic fuels obtained from hydrogen, in relation to a reference fossil fuel of 94 gCO_2e/MJ, applying the approach adopted in Article 25(2) and in Appendix V to Directive (EU) 2018/2001, including:. • Production of hydrogen by electrolysis powered by renewables; or • Production using 100% sustainably sourced[17] biomass, biogas, or renewable landfill gas; or • Production of green-hydrogen-based synthetic fuels, where CO_2 is sourced from heavy industries but not fossil fuel operations.	• Production of hydrogen through steam reforming process using natural gas without carbon capture and storage (known as "grey hydrogen") • Production of hydrogen through steam reforming process using natural gas with carbon capture and storage (known as "blue hydrogen") [18] • Production of hydrogen (and other gases) using oil or coal ("brown/black hydrogen") • Production of hydrogen using fossil fuels
Renewable power generation: Other fuels	Financing of generation plants of biogases and biofuels such as Sustainable Aviation Fuel, using sustainable feedstock[19] and achieving life-cycle GHG emissions reduction at least 65% lower than the fossil fuel	Feedstock obtained from: - Peat - 10% or more of feedstock is non-

[17] *Sustainably sourced means certified by a credible biomass scheme or meeting the following criteria: i) production of feedstock does not take place on land with high biodiversity (at least within last 10-15 years); and ii) and where high amount of carbon has not been converted for biofuel feedstock production.*

[18] *This activity is excluded under green finance but may be an eligible activity in transition finance*

[19] *Sustainably sourced means certified by a credible biomass scheme or meeting the following criteria: i) production of feedstock does not take place on land with high biodiversity (at least within last 10-15 years); and ii) and with a high amount of carbon has not been converted for biofuel feedstock production.*

and biogases	baseline.	certified oil, energy crops, including corn, soy, sugarcane, and wood pellets without sustainable sourcing and GHG emissions reduction commitments.
Construction and operation of electricity transmission and distribution systems	Financing or refinancing project for: • Construction and operation of transmission systems that transport electricity in either: i) very high voltage and high voltage interconnected system; and ii) in high, medium and low voltage distribution systems, both based on the following EU Commission Delegated Regulation criteria for the Section 4.9 'Transmission and distribution of electricity';[20,21] or • Electrical grid development, maintenance, etc., in accordance with the following criteria: - Dedicated to connecting renewables to the power grid; or - Supporting or integrating at least 90% renewable electricity. (1) If less than 90% of the electricity transmitted on the grid is renewable: • If grid is less than 90% renewable electricity but the percentage of renewables is expected to increase, a pro-rata approach is used to determine the green allocation to grid development or maintenance: or • The system is the interconnected European system, i.e. the interconnected control areas of Member States, Norway, Switzerland and the United Kingdom, and its subordinated systems;[22] or • More than 67% of newly enabled generation installed capacity in the system is below the emissions threshold of 100 gCO_2e/kWh, measured on a life-cycle basis in accordance with electricity generation criteria, over a rolling five-year period; or • The average system grid emissions factor (calculated as the total annual emissions from power generation connected to the system, divided by the total annual net electricity production in that system) is below the threshold value of 100 gCO_2e/kWh, over a rolling five-year period. (2) Any of the <u>following activities</u>: a) construction and operation of a direct connection, or extension of the existing direct connection, of the generation of low-carbon electricity below the threshold of 100 g CO_2e/kWh, measured according to the life cycle to a substation or network; b) construction and operation of electric vehicle (EV) charging stations and electrical infrastructure supporting the electrification of transport, if the technical selection criteria set out in the sustainable transport section of Appendix 6.1 are met; c) Installation of transmission and distribution transformers that meet the requirements of 2. a stage (1 July 2021) set out in Annex I to Commission Regulation (EU) No 548/2014 (178) and, in the case of medium-power transformers with a higher voltage for the material not exceeding 36 kV, with the	Infrastructure intended to create a direct connection or to extend an existing direct connection between a substation or network and an energy production facility with a greenhouse gas emission level of more than 100 g CO_2 e/kWh, measured in terms of life cycle. The installation of meter infrastructure that does not comply with the requirements of smart metering systems in Article 20 of Directive (EU) 2019/944.

[20] European Commission, "Commission Delegated Regulation (EU) 2021/2139", at: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02021R2139-20240101

[21] Sustainalytics considers the expansion and maintenance of resilient electricity grids broadly to be supportive of positive environmental outcomes and recognizes Caixa Bank's intent to align with the EU Taxonomy. Nevertheless, it has become common practice in the market to finance transmission and distribution of assets employed predominantly to transmit or enable the use of renewable energy. Therefore, financing of assets that do not meet any emissions intensity thresholds or transition trajectories may allow the financing of carbon-intensive energy transmission.

[22] Ibid.

	requirements of level AAA0 on no-load losses set out in EN 50588-1 (179); d) construction/installation and operation of equipment and infrastructure, where the main objective is to increase the generation or use of renewable electricity generation; e) Installation of equipment to increase the control and observation capacity of the electricity system and to enable the development and integration of renewable energy sources, including: (i) sensors and measurement instruments (including meteorological sensors to predict renewable energy production), (ii) communication and control (such as advanced software and control rooms, automation of substations or power lines, and voltage regulation capacities for adaptation to a more decentralized renewable energy supply); f) installation of equipment such as future smart metering systems, or replacing smart metering systems in accordance with Article 19(6) of Directive (EU) 2019/944 of the European Parliament and of the Council (180), which meet the requirements of Article 20 of that Directive, and which are capable of providing information to the user so that they can act remotely on consumption; including customer data centers; g) construction/installation of equipment that allows the exchange of renewable electricity specifically between users; h) construction and operation of interconnectors between transmission systems, provided that one of the systems meets the criteria.	

Bioenergy from biomass	Financing or refinancing project for Conversion of agroforestry and agricultural waste biomass bioenergy in accordance with the following criteria:
	• For electricity generation:
	  • Life cycle GHG emissions intensity below 100 gCO_2e/kWh; or
	  • 80% life cycle emissions reduction compared to FF Baseline (183 gCO_2e/MJ for electricity production) or in relation to the relative fossil fuel comparer established in RED II, increasing to 100% by 2050.
	The eligibility of biomass plants will be subject to theverification of GHG emissions by an independent third party.	

Subtopic: Nuclear

Activity/Purpose	Eligibility Criteria	Exclusionary Criteria
Nuclear generation plants	· Financing and refinancing of development and operation of new and existing nuclear plants, which may be needed for the transition in order to maintain the electric system. · The financing of this activity must be in full compliance with the Taxonomy Regulation and the Commission Delegated Regulation (EU) 2022/1214 of 9 March 2022 [23] amending Delegated Regulation (EU) 2021/2139 · Financing must take place in jurisdictions with the following: • Effective governance of nuclear power generation, including a formal governing body and regulations that address site selection, operational safety, radioactive waste management and decommissioning, as well as effective monitoring and enforcement of such regulations; • Concrete actions are in place for the secure, long-term storage of high-level radioactive wastes; • No evidence of incidents within the last 10 years with respect to the safe operation of nuclear power facilities OR management and handling radioactive waste; Evidence that the causes have been adequately investigated and addressed in case there is evidence of unsafe operations prior to the last ten years.	Activities not meeting the TSC and DNSH criteria of the Commission Delegated Regulation (EU) 2022/1214 dated 9 March 2022 Lack of assurance that enriched uranium (derived from financed activities or assets) will not be utilized in the production of nuclear weapons.

[23] European Commission, "Commission Delegated Regulation (EU) 2022/1214", (2022), at: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022R1214

Sustainable transportation

Subtopic:

- Railway and road transport (passengers and cargo)
- River and maritime transport (passengers and cargo)
- Infrastructure for low-carbon transport (land and aquatic)

Activity/Purpose	Eligibility Criteria	Exclusionary Criteria
Railway passenger transport (Trains, Underground, Tram)	Financing or refinancing project for development, manufacture or purchase of: • Zero direct emissions (such as electric or hydrogen) OR • Passenger rail that meets a universal direct emissions threshold of <50 gCO_2e/pkm	
Railway cargo transport	Financing or refinancing project for Development, manufacture or purchase of: • Trains with zero direct emissions (for example, electric, hydrogen) OR • Freight rail may qualify if the overall portfolio on average meets the threshold <25 gCO_2/tkm Additional Considerations: • In case the issuer is a leaser, the 25% threshold applies to the proportion of rolling stock number or fair market value."	• Rail lines and operations where fossil fuels account for more than 50% of freight (by tkm) • Tank containers which transport fossil fuels or fossil fuels blended with alternative fuels.
Infrastructure for railway transport (Trains, Underground, Tram)	Financing or refinancing project for Development, manufacture or purchase of infrastructure for adapting rail transport to the conditions indicated in the Sustainable Development Goals (SDGs) Funding framework and non- electrified railway infrastructure to an existing electrification plan or use of alternatively powered trains, such as: • Infrastructure, including metro, high-speed or interurban track, stations, and other supporting structures, electric road systems (ERS) (only the overhead electric connection, and not the road itself), electricity grid connection upgrades, and overhead charging • ICT that improves asset utilization, flow and modal shift, regardless of transport mode such as smart cards etc.). • Traffic/public transport control centers, intermodal hubs and terminals (terminal infrastructure, superstructures for loading and unloading goods). • Underground tunnels connecting buildings to existing transit stations.	• New construction and existing road infrastructure retrofits (roads, road bridges, parking facilities etc.) • Parking facilities infrastructure at railway station (even if charging and alternative fuel infrastructure are included) • Assets which prolong the life and/or facilitate the use of fossil-fuel powered transport
Urban and suburban transportation. Passenger transport by road	Financing or refinancing project for Development, manufacture or purchase of public land transport, including buses and minibuses, streetcar, or Bus Rapid Transit (BRT) systems, and Trolly buses as per the following criteria: • Buses with zero direct emissions (primary criteria) and that are certified with the DGT zero emissions environmental stamp in Spain (secondary criteria);[24] or • Buses with or without BRT systems that meet a direct emissions threshold (WLTP) of <50 gCO_2e/pkm or 80.47 gCO_2/pmi (based on regional passenger load, or global passenger load ~15.46 for 2020). Additional considerations	LPG, natural gas (CNG) Conventional ICE engine, including: ▪ Diesel ▪ Gasoline, petrol ▪ Fossil fuel-derived fuels (gas-to-liquid or GTL and coal-to-liquid or CTL) ▪ Hybrid light-duty vehicles with tailpipe emissions higher than 109 gCO_2/km or 175.42 gCO_2/mi (based on NEDC testing)

[24] *Sustainalytics views primary criteria as eligible independently, whereas secondary criteria are deemed eligible only when considered in conjunction with the primary criteria.*

	• If ICE vehicles are purchased with the intention to run on biofuels, the cost of the vehicles themselves is not eligible, but the cost of the modifications to make ICE vehicle compatible to the biofuel usage would be eligible.	
Motorbikes, passenger cars and light commercial vehicles (M1,[25] M2 and M3,[26] N1[27] or L[28])	Financing or refinancing project for Development, manufacture, purchase or financing of loans for: • Zero direct emissions vehicles such as fully electric vehicles, incl. battery electric vehicles (BHEV), hydrogen and fuel cell vehicles (FCEV) (primary criteria) and that are certified with the DGT zero emissions environmental stamp in Spain (secondary criteria);[29] Or • Hybrids vehicles including traditional hybrids, and plug-in hybrid electric (PHEVs), at or below the threshold of 50 gCO_2/km or 80,45 gCO_2/mile, based on lab tests WLTP or NEDC (DB) or FTP-75 procedure.	
Cargo transport by road	Financing or refinancing project for Development, manufacture or purchase of freight road transport, such as commercial or cargo trucks that meets the following criteria: • Trucks with zero direct emissions, (primary criteria) and that are certified with the DGT zero emissions environmental stamp in Spain (secondary criteria)[30] or • Heavy trucks at or below the threshold of 25 gCO_2/tkm or 40.23 gCO_2/tmi. (Compliance with the threshold should be demonstrated for each vehicle to be financed and not at portfolio or fleet level).	• The development, manufacture, purchase or financing of loans for heavy duty trucks that are fuelled by LNG or CNG • Freight trucks without threshold • Freight trucks dedicated to the transport of fossil fuels or fossil fuels blended with alternative fuels. • Tank containers which transport fossil fuels or fossil fuels blended with alternative fuels."
Zero-emissions means of transport (electric scooters) and self-propelled vehicles for active mobility (manual scooters, bikes or bicycles)	Financing or refinancing projects for the development, manufacture or purchase of zero emissions vehicles such as electric scooters, or self-propelled form of transportation such as manual scooters, bikes or bicycles.	• Self-propelled mode of transportation solely intended for leisure, such as skateboards, or vehicles meant for recreation such as sailing boats, kayaks, canoes etc.
Infrastructure for land transportation	Financing or refinancing project for Installation, maintenance and repair of infrastructure for zero emission lor low carbon vehicles, such as: • Electric charging stations in buildings (charging points) and in the parking spaces attached to the buildings. The expenditure here is limited to the installation of charging points and not for developing the parking facilities. ICT that improves asset utilization, such as smart cards, smart road charging/pricing systems, etc. • Bus rapid transit (BRT) infrastructure including dedicated lanes, roads, bridges, depots, bus stops, etc. • Smart logistics and fleet management • Infrastructure for "active mobility" (pedestrian and cycling infrastructure such as bike lanes, pavements, cycle paths and pedestrian areas)	• New construction and existing road infrastructure retrofits (roads, road bridges, parking facilities etc.) • Parking facilities (even if charging and alternative fuel infrastructure are included) • Fossil fuel filling stations and other assets which prolong the life and/or facilitate the use of fossil-fuel powered transport

[25] *As referred to in Article 4(1), point (a)(i), of Regulation (EU) 2018/858.*
[26] *As referred to in Article 4(1), point (a), of Regulation (EU) 2018/858 of the European Parliament and of the Council of 30 May 2018 on the approval and market surveillance of motor vehicles and their trailers, and of systems, components and separate technical units intended for such vehicles, amending Regulations (EC) No 715/2007 and (EC) No 595/2009 and repealing Directive 2007/46/EC (OJ L 151, 14.06.2018, p. 1).*
[27] *As referred to in Article 4(1), point (b)(i), of Regulation (EU) 2018/858.*
[28] *As referred to in Article 4(1) of Regulation (EU) 2018/858.*
[29] *Sustainalytics views primary criteria eligible independently whereas the secondary criteria are deemed eligible only when considered in conjunction with the primary criteria.*
[30] *Ibid.*

Boats powered by renewable energy	Financing or refinancing project for Development, manufacture, or purchase of: • Zero emissions boats including boats powered with solar, electric or hydrogen power and sailboats.	• Boats with fossil fuel back-upengines
Shipping	• Low-carbon-fueled Ships, powered by biofuels such as methanol, hydrogen-powered, ammonia-powered, and fully electric. Additional Considerations: For retrofits that convert the ship to biofuels powered such as methanol, hydrogen-powered, ammonia powered, methanol only, and fully electric, the retrofit cost can be eligible under green.	• Military vessels • Conventional ships powered by heavy fuel oil and distillate products (HFO / MDO / MGO / ULSD) • Crude oil tankers • Ships dedicated to supporting fossil-fuels exploration/production. • Ships dedicated to transporting more than 25% of their freight as fossil fuel
River transportation of passengers and cargo by navigable waterways	Financing or refinancing project for Development, manufacture, or purchase of: • Low-carbon-fuel boats,[31] such as fully electric,[32] biofuel or hydrogen-powered;[33] or • Purchase, financing, leasing, rental and operation of freight vessels on inland waters, involving vessels that are not suitable for sea transport, where the activity complies with one or both of the following criteria: • (a) the vessels have zero direct (tailpipe) CO_2 emission; • (b) where technologically and economically not feasible to comply with the criterion in point (a), until 31 December 2025, hybrid and dual fuel vessels derive at least 50% of their energy from zero direct (tailpipe) CO_2 emission fuels or plug-in power for their normal operation[34] • (c) where technologically and economically not feasible to comply with point (a), from 1 January 2026 onwards the yearly average greenhouse gas intensity of the energy used on-board by a ship during a reporting period (verified by an independent third party and calculated as the amount of GHG emissions per unit of energy) does not exceed the following limits:[35] • 76.4 g CO_2e/MJ from 1 January 2026 until 31 December 2029; • 61.1 g CO_2e/MJ from 1 January 2030 until 31 December 2034; • 45.8 g CO_2e/MJ from 1 January 2035 until 31 December 2039; • 30.6 g CO_2e/MJ from 1 January 2040 until 31 December 2044; • 15.3 g CO_2e/MJ from 1 January 2045 until 31 December 2049; • 0 g CO_2e/MJ from 1 January 2050. • R&D expenditures for low-carbon fuel ships or engines, such as hydrogen and ammonia-powered engines and ships; or • Vessels fully dedicated for construction of marine renewables as per eligibility criteria under Renewable Energy category. Additional Considerations: • For retrofits that convert the ship to biofuels powered such as methanol, hydrogen-powered, ammonia powered, methanol only, and fully electric, the retrofit cost can be eligible under green.	Boats that run on the following: • Conventional heavy fuel oil (HFO) or bunker fuel. • Low-sulphur heavy fuel oil (LSHFO). • Marine diesel oil (MDO). • For cargo boat or ship, oil tankers or vessels transporting solely or mostly (in mass) coal and oil. • R&D related to ineligible ships. • Tank containers which transport fossil fuels or fossil fuels blended with alternative fuels. • Vessels for construction of marine renewables that may be used for other purposes, such as offshore oil and gas activities."
Sea and coastal freight and passenger water transport including retrofitting	The activity includes sea and coastal freight water transport, vessels for port operations and auxiliary activities, sea and coastal passenger water transport, and retrofitting of sea and coastal freight and passenger water	Vessels are not dedicated to the transport of fossil fuels.

[31] *CO_2e emissions per tonne kilometre (gCO_2e/tkm) or per tonne-nautical mile (gCO_2e/tnm) are 50% lower than the average benchmark value for heavy vehicles (Heavy Duty CO_2 Regulation). Eligibility must be reviewed in 2025 or they must be 10% moreefficient than set out in the EEDI (Efficiency Design Index) standard.*

[32] *Inland navigational boats with zero direct emissions*

[33] *Boats dedicated exclusively to the use of advancedbiofuels or renewable liquid and gaseous transportation fuels from a non-biological origin as defined in Article 2(34) and Article 2(36) pursuant toDirective (EU) 2018/2001), guaranteed whether by technological design or for constant monitoring and verification by third parties.*

[34] *EU Taxonomy Navigator, "Inland passenger water transport", at: https://ec.europa.eu/sustainable-finance-taxonomy/activities/activity/336/view*

[35] Ibid.

	transport[36,37] **Sea and coastal freight water transport, vessels for port operations and auxiliary activities** Purchase, financing, chartering (with or without crew) and operation of vessels designed and equipped for transport of freight or for the combined transport of freight and passengers on sea or coastal waters, whether scheduled or not. Purchase, financing, renting and operation of vessels required for port operations and auxiliary activities, such as tugboats, mooring vessels, pilot vessels, salvage vessels and ice-breakers. The activity complies with one or more of the following criteria: (a) the vessels have zero direct (tailpipe) CO_2 emissions; (b) until 31 December 2025, hybrid and dual fuel vessels derive at least 25 % of their energy from zero direct (tailpipe) CO_2 emission fuels or plug-in power for their normal operation at sea and in ports; (c) where technologically and economically not feasible to comply with the criterion in point (a), until 31 December 2025, and only where it can be proved that the vessels are used exclusively for operating coastal and short sea services designed to enable modal shift of freight currently transported by land to sea, the vessels have direct (tailpipe) CO_2 emissions, calculated using the International Maritime Organization (IMO) Energy Efficiency Design Index (EEDI), 50 % lower than the average reference CO_2 emissions value defined for heavy duty vehicles (vehicle sub group 5-LH) in accordance with Article 11 of Regulation 2019/1242; (d) where technologically and economically not feasible to comply with the criterion in point (a), until 31 December 2025, the vessels have an attained EEDI value 10 % below the EEDI requirements applicable on 1 April 2022 if the vessels are able to run on zero direct (tailpipe) CO_2 emission fuels or on fuels from renewable sources; (e) where technologically and economically not feasible to comply with point (a), from 1 January 2026, the vessels that are able to run on zero direct (tailpipe) CO_2 emission fuels or on fuels from renewable sources (271) have an attained EEDI value equivalent to reducing the EEDI reference line by at least 20 percentage points below the EEDI requirements applicable on 1 April 2022, and: (a) are able to plug-in at berth; (b) for gas-fuelled ships, demonstrate the use of state-of-the-art measures and technologies to mitigate methane slippage emissions; (f) where technologically and economically not feasible to comply with the criterion in point (a), from 1 January 2026, in addition to an attained Energy Efficiency Existing Ship Index (EEXI) value equivalent to reducing the EEDI reference line by at least 10 percentage points below the EEXI requirements applicable on 1 January 2023 , the yearly average greenhouse gas intensity of the energy used on-board by a ship during a reporting period does not exceed the following limits: (a) 76.4 g CO_2e/MJ from 1 January 2026 until 31 December 2029; (b) 61.1 g CO_2e/MJ from 1 January 2030 until 31 December 2034; (c) 45.8 g CO_2e/MJ from 1 January 2035 until 31 December 2039; (d) 30.6 g CO_2e/MJ from 1 January 2040 until 31 December 2044;	

[36] *EU Commission Delegated Regulation (EU) 2021/2139, at: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:02021R2139-20240101*

[37] *Sustainalytics acknowledges that the criteria align with the EU Taxonomy technical screening criteria; however, it notes that both ships and retrofits may still be powered by conventional fuels.*

(e) 15.3 g CO_2e/MJ from 1 January 2045.

Sea and coastal passenger water transport

Purchase, financing, chartering (with or without crew) and operation of vessels designed and equipped for performing passenger transport, on sea or coastal waters, whether scheduled or not. The economic activities in this category include operation of ferries, water taxies and excursions, cruise or sightseeing boats.

The activity complies with one or more of the following criteria:

(a) the vessels have zero direct (tailpipe) CO_2 emissions;

(b) where technologically and economically not feasible to comply with the criterion in point (a), until 31 December 2025, hybrid and dual fuel vessels derive at least 25 % of their energy from zero direct (tailpipe) CO_2 emission fuels or plug-in power for their normal operation at sea and in ports;

(c) where technologically and economically not feasible to comply with the criterion in point (a), until 31 December 2025, the vessels have an attained EEDI value 10 % below the EEDI requirements applicable on 1 April 2022, if the vessels are able to run on zero direct (tailpipe) emission fuels or on fuels from renewable sources;

(d) where technologically and economically not feasible to comply with point (a), from 1 January 2026, the vessels that are able to run on zero direct (tailpipe) emission fuels or on fuels from renewable sources have an attained EEDI value equivalent to reducing the EEDI reference line by at least 20 percentage points below the EEDI requirements applicable on 1 April 2022, and:
(a) are able to plug-in at berth;
(b) for gas-fuelled ships, demonstrate the use of state-of-the-art measures and technologies to mitigate methane slippage emissions.

(e) where technologically and economically not feasible to comply with point (a), from 1 January 2026, in addition to an attained Energy EEXI value equivalent to reducing the EEDI
reference line by at least 10 percentage points below the EEXI requirements applicable on 1 January 2023, the yearly average greenhouse gas intensity of the energy used on-board by a ship during a reporting period does not exceed the following limits:
(a) 76.4 g CO_2e/MJ from 1 January 2026 until 31 December 2029;
(b) 61.1 g CO_2e/MJ from 1 January 2030 until 31 December 2034;
(c) 45.8 g CO_2e/MJ from 1 January 2035 until 31 December 2039;
(d) 30.6 g CO_2e/MJ from 1 January 2040 until 31 December 2044;
(e) 15.3 g CO_2e/MJ from 1 January 2045.

Retrofitting of sea and coastal freight and passenger water transport

Retrofit and upgrade of vessels designed and equipped for the transport of freight or passengers on sea or coastal waters, and of vessels required for port operations and auxiliary activities, such as tugboats, mooring vessels, pilot vessels, salvage vessels and ice-breakers.

The activity complies with one or more of the following criteria:

(a) the retrofitting activity reduces fuel consumption of the vessel by at least 15 % expressed in grams of fuel per deadweight tons per nautical mile for freight vessels, or per gross tonnage per nautical mile for passenger vessels, as demonstrated by computational fluid dynamics (CFD), tank tests or similar engineering calculations;

	(b) enables the vessels to attain EEXI value at least 10 % below the EEXI requirements applicable on 1 January 2023 and if the vessels are able to run on zero direct (tailpipe) emission fuels or on fuels from renewable sources and have the ability to plugin at berth and are equipped with plug-in power technology.	
Construction, and maintenance of zero direct emissions vehicles	Financing or refinancing project for Construction, repair, maintenance, conditioning, and conversion of zero direct emissions vehicles, such that: • Specialized parts (not customized) must be specifically for green transportation applications to enable the green transportation technology. • ICT systems must be demonstrably more energy efficient than conventional counterparts based on documented evidence. • For the financing of auto-manufacturing plants, the whole process dedicated to EV or hybrid vehicles within the thresholds is eligible. • If a production facility or asset makes parts for or produces both conventional and green vehicles, the expenditure is eligible on a pro-rata basis based on the proportion that is exclusively dedicated to green vehicles.	• Fossil fuel transport • Components wholly dedicated to or intended for ICE and CNG passenger cars and supply chain. • In case of a facility manufacturing EV or hybrid and conventional vehicles, ancillary parts such as frame, seats, etc. are not eligible as they are not considered specialised parts exclusively for EV and hybrid vehicles. • Procurement or production of battery components not intended for EV batteries and renewable energy storage.

Waste management and treatment

Subtopic:

- Waste treatment
- Recycling

Activity/Purpose	Eligibility Criteria	Exclusions
Construction and operation of waste collection and recycling plants (excluding incineration or dumping activities).	Financing or refinancing project for: • Waste collection infrastructure including green/garden containers and recycling bins. • Waste collection that supports segregation at source. • Only non-hazardous waste. Conversion of at least 50% of the weight of waste into suitable secondary raw materials for the replacement of virgin materials in production processes. • Where the recycling activity includes e-waste or waste from electrical and electronic equipment (WEEE), it must be accompanied by robust waste management processes to mitigate associated risks.	
Selective collection and transport of non-hazardous waste in fractions separated at origin	Financing or refinancing project for: • The waste separated at origin (in individual or mixed fractions) is collected separately to prepare it for reuse and/or recycling • Waste collection vehicles are: i) zero direct emissions vehicles such as fully electric vehicles, incl. battery electric vehicles (BHEV), hydrogen and fuel cell vehicles (FCEV); or ii) hybrid vehicles including traditional hybrids, and plug-in hybrid electric (PHEVs), at or below the threshold of 75 gCO_2/km or 120.70 gCO_2/mile, based on lab tests WLTP or NEDC (DB) or FTP-75 procedure.	
Recycling/recovery of materials from non-hazardous waste	Financing or refinancing project for: • Companies/projects that replace raw materials/original materials with secondary materials (recycled) from material and resource recovery. • The recovery of materials from non-hazardous waste collected separately is eligible provided that: i) it generates suitable secondary raw materials for the replacement of virgin materials in the production process. ii) at least 50%, in terms or weight, of the processing.	• To exclude commercial-scale manufacturing /production of resource-efficient/low-carbon of products without details on manufacturing process, assurance of sustainable sourcing, and/or reasonable basis for substantial reduction of life-cycle emissions. • Procurement of recycled/waste inputs intended for (non-medical) plastic packaging for single-use consumer products
Waste treatment (processing to prevent and control pollution).	Financing or refinancing project for: • All non-hazardous waste collected and transported separately that is segregated at origin is allocated to preparation activities for reuse or recycling operations. • Development and/or manufacture of products designed for circularity and/or adaptative reuse including: i) R&D (including pilot projects) of products, processes and technologies using bio-based materials such as biopolymers or bioplastics. ii) Procurement of recycled / waste / resource-efficient materials as input for resource-efficient products. Production of new resource-efficient / low-carbon products. In the case of bio-based materials, these are RSB-certified. • Production of aluminum-based consumer/end products (such as beverage cans) where: - 90% or more of input is scrap/recycled aluminium or - 75-90% of input is scrap/recycled aluminium and the remaining (primary) aluminium has a carbon intensity lower than 2.5 tCO_2e/t.	

	• Manufacture of plastics in primary form (including recycling facilities for plastic), where at least 90% recycled plastics from mechanical recycling are used.	
Production of fertilisers obtained from the anaerobic digestion of biological waste.	Financing or refinancing project for: • Biodegradable municipal waste separated at origin and collected separately; • A monitoring plan exists to monitor and control the leakage of methane at the corresponding facilities(for example, for the production and storage of biogas, power generation, the storage of digestate)[38] The digestate produced is used as a fertiliser/ to improve the land, directly or after composting or at plants dedicated to the treatment of biowaste,the biowaste must constitute a major part of the input raw material (at least 70%, measured in weight, as an annual average). Co-digestion is only eligible in a smaller proportion (up to 30% of the input raw material) of the advanced bioenergetic raw material listed in Appendix IX of Directive (EU) 2018/2001.[39] If raw materials are used for energy crops listed in Appendix IX (in a smaller proportion of up to 30%), they will be produced pursuant to the criteria set out for Taxonomy Activities "Growing of perennial crops" or "Growing of non-perennial crops" and will respect any of the national limits established for the production of biogas.	

[38] *The biogas generated may be used for: i) directly for electricity and/or heat generation; ii) converted into biomethane to inject it into the natural gas network; iii) used as vehicle fuel (for example, bioCNG); or iv) as a raw material in the chemical industry (for example, for the production of H_2 and NH_3).*
[39] *Annex IX of Directive (EU) 2018/2001 of the European Parliament and of the Council, at: https://www.legislation.gov.uk/eudr/2018/2001/annex/IX*

Sustainable water management and sanitation

Subtopic:

- Sustainable Water Management
- Sustainable management of water expenditure/consumption

Activity/Purpose	Eligibility Criteria	Exclusions
Construction, maintenance, expansion and renewal of capture system operations, water purification and distribution including the treatment of water	Financing or refinancing project for: • The construction, operation and maintenance of new water networks to improve access to water, including the water supply infrastructure. • Activities that expand access to clean drinking water • Water distribution infrastructure projects including pumping stations and drains, gravity-fed canal systems, or high-efficiency drip/flood/pivot irrigation systems. • Activities that increase the efficiency and the quality of water use through recycling, treatment and reuse of water, maintaining a high degree of energy efficiency. • Reduction in the average net consumption of energy for the extraction and purification of water and reduction of leaks. i.) decrease average power consumption by at least 20%, or ii.) reduce the gap by at least 20% between the current ILI of the current weighted grid for three years and an ILI of 1.5. • Financing water saving systems and water measurement. • Desalination plants powered by low-carbon sources, such as renewables having an average carbon intensity of the electricity that is used for desalination at or below 100g CO_2e/kWh. Desalination projects require reasonable assurance of an appropriate waste management plan for brine disposal according to the environmental impact study.	• Water quality, water loss, water efficiency management systems, water and wastewater management systems and measures dependant on fossil fuels. • Systems and measures that provide water for fossil fuel operations, fracking, nuclear and mining. • Treatment of wastewater from fossil fuel operations (such as produced water from fracking) • Integrated Water and Power Plant (IWPP) with fossil fuel power
Construction, operation, expansion and renewal of wastewater collection and treatment systems	Financing of the construction, operation or extension of water treatment facilities, wastewater discharge infrastructure including drainage network, water saving systems, water measurement. The new wastewater treatment replaces more intensive wastewater treatment systems in terms of GHG emissions (such as pit latrines, septic tanks, anaerobic lagoons, etc.)	• Systems and treatment facilities dedicated to controversial activities having harmful social or environmental impact such as industrial scale livestock

Industrial production and processes

Subtopic:

- **Development and application of low-carbon technologies and improvement of energy efficiency**

Activity/Purpose	Eligibility Criteria	Exclusions
The production of low-carbon technologies and their critical parts that offer substantial reductions in GHG emissions in other sectors of the economy (including private homes)	Financing or refinancing project for: • Activities dedicated to financing equipment, development, manufacture, construction, expansion, operation, distribution technologies and maintenance of renewable energy and low- carbon activities, with life cycle GHG emissions not exceeding 100g CO_2e/kWh. • Production of renewable energy technology components The production of low-carbon technologies demonstrates net reductions in GHG emissions that are substantially higher in comparison to higher performance alternative technology, product or solution available on the market, based on an assessment of the carbon footprint from cradle to recognised/standardised cradle (for example, ISO 14067, 14040, EPD or PEF), validated by a third party.[40]	• Expenditures dedicated to or intended for fossil fuel production, operations, or lock-in
Production of products, critical parts and machinery that are essential for renewable energy technologies	Financing or refinancing project for: • Products and components for geothermal energy, hydroelectric power, concentrated solar power (CSP), photovoltaic solar power (PV), thermal solar power, wind power, ocean energy, bioenergy technologies that satisfy the conversion efficiency requirements set out in the Directive on Renewable Energy (2018/2001/EU) and green hydrogen and hydrogen electrolysis installation.	Financing facilities will be limited to those wholly dedicated to components for renewables.
Production of low-carbon transport vehicles and their critical parts, fleets and vessels	Standard passenger vehicles, light commercial vehicles (Regulation on CO_2 for standard passenger cars and vans (EU) 2019/631): • Until 2025: vehicles and exhaust pipe emissions intensity of 50g CO_2/km at most (WLTP). This alsoincludes vehicles with zero exhaust emissions (for example, electric, hydrogen). • From 2026: only vehicles with an emissionsintensity of 0g CO_2/km (WLTP). For L category vehicles: • Vehicles with zero exhaust emissions (incl. hydrogen, fuel cells, electric). Heavy vehicles: N2 and N3 vehicles, as defined by(Regulation on Heavy duty CO_2 (EU) 2019/1242): • Zero direct emission heavy vehicles that release less than 1 g CO_2/kWh (or 1 g CO_2/km for certain N2 vehicles); • Low-emissions heavy vehicles with direct CO_2 specific emissions of less than 50% of benchmark CO_2 emissions of all vehicles in the same subgroup. Rail fleets: • Zero direct emissions trains Urban land, suburban and intercity passengertransport fleets • Land transport fleets with zero direct emissions(for example, light train, underground, tram, trolleybus, bus and train) Water transport Boats with zero direct emissions.	• To exclude components wholly dedicated to or intended for ICE and CNG passenger cars and supply chain. • In case of a facility manufacturing EV or hybrid and conventional vehicles, ancillary parts such as frame, seats, etc. are not eligible as they are not considered specialised parts exclusively for EV and hybrid vehicles. • Procurement/production of battery components not intended for EV batteries and renewable energy storage (laptop, phone battery etc).

[40] *Sustainalytics notes that it is market practice for the assessment of such low carbon technologies to be done on a case-by-case, as the net GHG emissions reductions vary by sector, methodology and evolving benchmarks.*

Agriculture and forestry

Subtopic:

- Development/operation of plantations
- Forestry (Forestation, Reforestation, Restoration,
- Rehabilitation, Forestry Management, Conservation)

Activity/Purpose	Eligibility Criteria	Exclusions
Forestation or reforestation programmes	Financing or refinancing project for forestation or reforestation programmes that comply with the Spanish Government law of Forestry (Law 21/2015 on Forests),[41] and meet the following: i) Forestation programmes certified by the Forest Stewardship Council (FSC) Certification System.[42] Reforestation programmes that use tree species that are well-adapted to the local conditions and have a sustainable forestry management plan in place certified by FSC or Programme for the Endorsement of Forest Certification (PEFC).	• Manufacturing, purchase or application of inorganic/synthetic fertilizers/pesticides/herbicides • Techniques and technologies financed must not be on industrial scale livestock production units. • Expenditures related to distribution, trading and retail • Livestock management projects and activities associated with husbandry and animal welfare plans or for industrial scale meat processors or producers
Adaptation of agricultural operations for sustainable agriculture	Financing or refinancing projects related to: • Whole agriculture production units and associated activities that will be certified with any of the following certifications applicable: i) the FSC Certification System;[43] ii) FSC: Chain of Custody[44] and Forest Management Certification.[45] • Sustainable agricultural practices that eco-scheme[46] could support, will be limited to: organic farming,[47, 48] agro-forestry,[49] no-till farming systems, crop rotation for carbon sequestration and nitrogen accumulation purpose, adoption of techniques to reduce soil erosion, drip irrigation to reduce water use and precision agriculture.[50] These agricultural practices are conducted in pursuant with the EU ecological	

[41] *Ministry of the Presidency, Justice and Relations with the Courts, Spanish Government, "Law 21/2015, of July 20, which modifies Law 43/2003, of November 21, on Forests, at: https://www.boe.es/buscar/act.php?id=BOE-A-2015-8146*
[42] *FSC Connect, "Certification System", at: https://connect.fsc.org/certification/certification-system*
[43] *FSC Connect, "Certification System", at: https://connect.fsc.org/certification/certification-system*
[44] *FSC" Chain of Custody Certification", at: https://fsc.org/en/chain-of-custody-certification*
[45] *FSC, "Forest Management Certification, at: https://fsc.org/en/forest-managers*
[46] *European Commission, "Eco-Schemes", at: https://agriculture.ec.europa.eu/common-agricultural-policy/income-support/eco-schemes_en*
[47] *Under the European Commission´s eco-scheme, all agricultural practices on the organic farm will comply with the organic standards set by the certification body.*
[48] *European Commission, "Organic Farming", at: https://agriculture.ec.europa.eu/farming/organic-farming_en*
[49] *Sustainalytics views small agro-forestry projects with a sustainable management plan in place as credible and large agro- forestry projects with a sustainable forestry management plan in place certified by FSC or Programme for the Endorsement of Forest Certification (PEFC) as credible.*
[50] *For precision agriculture, financing will be limited to technologies that gather, process and analyze temporal, spatial and individual data, and combine it with other information to guide farm-specific management decisions to improve resource efficiency, productivity, quality, profitability and sustainability of agricultural production as credible. Examples of such technology include GIS, GPS, microelectronics, wireless sensor networks (WSNs) and radio frequency identification (RFID) technologies.*

	agriculture regulations as per EU Regulation 2018/848, [51] and are governed by rules on support for Strategic Plans drawn up by EU countries under the common agricultural policy EU Regulation 2021/2115.[52] • Financing certified agricultural products under a credible system like Rainforest Alliance.[53]	
Rehabilitation or new plantation of fruit trees	Financing or refinancing projects related to: • Rehabilitation or new agriculture perennial greenfield areas, plantations native species[54] (for example, orchards, fruit trees and walnuts), pursuant to the EU Commission's Guidelines on Biodiversity-Friendly Afforestation, Reforestation and Tree Planting[55]	
Land conservation and restoration	Finance or refinance activities/ projects that contribute towards the conservation of the earth's ecosystems and protected areas. Projects examples include: i) Conservation of protected areas through the prevention, management, containment, control and eradication of invasive species using biological,[56] mechanical[57] and/ or physical[58] methods such as: o the management and control of the Asian kelp (*Rugulopteryx okamurae*)[59] including eradication of this species (where possible) under the Asian algae control project[60] in Spain; o Prevention, control and eradication of invasive alien species. ii) Projects that combat desertification and drought, which include: o Land management approaches to increase carbon content in soil through modern farming methods, including addition of Biochar (charcoal produced from biomass) to soils. iii) Preservation and conservation of biodiversity, valuable natural habitats and landscapes (forests, marshes, creeks, coastal ecosystems.)	• Use of agrochemicals (herbicides or insecticides) to control or eradicate invasive plants and insects. • Hunting, trapping, poisoning and culling of vertebrate animals considered as pests.

[51] *European Commission, "Regulation (EU) 2018/848 of the European Parliament and of the Council of 30 May 2018 on organic production and labelling of organic products and repealing Council Regulation (EC) No 834/2007", at: https://eur-lex.europa.eu/eli/reg/2018/848/oj*
[52] *European Union, "Regulation (EU) 2021/2115", at: https://eur-lex.europa.eu/eli/reg/2021/2115/oj*
[53] *Sustainalytics considers it good practice to specify all eligible certification schemes intended to be obtained under the Framework*
[54] *Sustainalytics views rehabilitation and plantation of species that are native to the geography, with a sustainable management plan in place as credible.*
[55] *European Commission, "Guidelines on Biodiversity-Friendly Afforestation, Reforestation and Tree Planting", at: https://environment.ec.europa.eu/publications/guidelines-biodiversity-friendly-afforestation-reforestation-and-tree-planting_en*
[56] *Biological control involves using natural enemies (like insects, mites, or fungi) to control pests or weeds.*
[57] *Mechanical control techniques involves using tools or machines to physically remove invasive plants, such as mowing, tilling, girdling, or chopping.*
[58] *Physical control generally includes the destruction of invasive species by hand such as hand-pulling, digging, flooding, or dredging.*
[59] *The Asian algae (Rugulopteryx okamurae) is classified as an alien species included in the Spanish Catalogue of Invasive Alien Species in compliance with article 64.7 of Law 42/2007, of 13 December 2007, on Natural Heritage and Biodiversity which is a National Strategy to combat invasive species.*
[60] *Ministry for the Ecological Transition and the Demographic Challenge, "Management strategy, control and possible eradication of Asian algae (Rugulopteryx okamurae)", at: https://www.miteco.gob.es/es/biodiversidad/publicaciones/pbl_fauna_flora_estrategia_r_okamurae.html*

Change or improvement of the irrigation system in agricultural operations	Financing or refinancing projects related to: • Modernisation of existing networks/irrigation systems, from flood irrigation systems to sprinkler or drip irrigation systems. • Systems that reduce the gap between current leaks from the water supply network and a given reduced leak target value by a minimum of 20%. The unit of measurement is the Infrastructure Leak Index (ILI) and the low leak target is an ILI of 1.5.	• Efficient irrigation systems in agriculture dependent on fossil fuels.
Projects for reducing the use of synthetic fertilizers; projects for reducing the use of pesticides to a minimum, including replacement with pesticides with a lower environmental impact	Financing or refinancing projects related to: • Reducing the use of synthetic fertilizers; and pesticides to a minimum, including replacement with pesticides with a lower environmental impact. These projects pertain to individual measures at farm level and not general-purpose financing for certified agriculture units.	• use of synthetic pesticides or fertilizers. • purchase and distribution of inorganic or synthetic fertilizers, pesticides and herbicides. • manufacturing of synthetic fertilizers from fossil fuels.

Sustainable Blue Economy

Activity/Purpose	Eligibility Criteria	Exclusions
Sustainable aquaculture or fishing	Products or operations related to sustainable aquaculture and fishery certified by the Marine Stewardship Council (MSC) for fisheries or the Aquaculture Stewardship Council (ASC).	• Equipment running on fossil fuels. • Use of agrochemicals (herbicides or insecticides) to control or eradicate invasive plants and insects. • Hunting, trapping, poisoning and culling of vertebrate animals considered as pests
Measures for the conservation of the marine/freshwater ecosystem	• Financing or refinancing projects related to: R&D on new technologies that facilitate in monitoring and controlling or avoiding sea and river pollution. • Measures and activities aimed to conserve marine and freshwater ecosystems,[61] examples include ecological restoration and aquatic biodiversity conservation of coastal, marine, freshwater and watershed environments, including wetlands.	

[61] *For afforestation and reforestation projects, native species must be given preference and certified sustainable management plan (e.g. FSC or PEFC) must be in place.*

Enabling activities/purposes[62]

General exclusions for the enabling activities:

1. Activities that result in carbon-lock in
2. Activities that do not clearly demonstrate their positioning in an enabled green project's value chain
3. Activities that do not have a clear, quantifiable and attributable environmental contributions[63]
4. Projects that do not demonstrate management of identified environmental contributions[64]

Clean and affordable energy

Activities that aim at equipment financing, development, manufacturing, construction, expansion, operation of low-carbon and renewable energy that enable the green activities listed in Appendix 6.1, for which Life cycle GHG emissions should not exceed 100g CO_2e/kWh or any other lower threshold approved by the EU Taxonomy in subsequent updates. In the case of the use of balsa wood for any type of renewable energy project, a PEFC or FSC recognized certificate will be obtained.

Activity/Purpose	Eligibility Criteria	Exclusions
Manufacture of renewable energy technologies (wind energy, solar energy (solar thermal and solar photovoltaic), geothermal energy, hydraulic energy and energy from biomass, landfill gases, gases from treatment plants and biogas).	Manufacture of renewable energy technologies, where renewable energy is defined in Article 2(1) of Directive (EU) 2018/2001. It includes: 1) R&D, development and production of technologies, equipment, components or facilities for low-carbon energy such as: PV cells and components, CSP dishes, troughs and components, wind turbines, geothermal turbines, hydro turbines and components etc. 2) Development and production of technologies, equipment, components necessary for an enabled green activities' value chain, such as manufacture of steel for windmill.[65]	Manufacture of components like steel with an intend to use for carbon intensive activities.
Manufacture of equipment for the production and use of hydrogen	Manufacture of equipment for the production and use of hydrogen that meets the criteria for production of hydrogen by electrolysis as specified in the Appendix 6.1. GHG reduction verified in accordance with Article 30 of Directive (EU) 2018/2001, or by an independent third party.	

[62] To ensure that financing is limited to the activities enabling green criteria outlined in Appendix 6.1, funding under this category will be limited to pure play companies (defined as entities deriving 90% or more of their revenue from the eligible activities specified in Appendix 6.1).
[63] Environmental contributions are aligned with the environmental impacts outlined in ICMA's Green Enabling Projects Guidance Document "Green Enabling Projects Guidance Document", (2024), at: https://www.icmagroup.org/assets/documents/Sustainable-finance/2024-updates/Green-Enabling-Projects-Guidance-document-June-2024.pdf
[64] Ibid.
[65]Activities enabling hard-to-abate industries will apply to facilities, projects, or assets that meet the industry specific thresholds and criteria outlined in Section 6.2, 'Technical Criteria in Relation to Sustainable Transition Activities/Purposes,' of this Eligibility Guide."

Manufacture of batteries and accumulators	The economic activity consists of the manufacture of rechargeable batteries and accumulators (and their respective components) even from secondary raw materials - which result in a substantial reduction in GHG emissions: 1) Manufacture of rechargeable batteries and accumulators for enabling sustainable transportation (in line with the criteria defined in Appendix 6.1), 2) Manufacture of rechargeable batteries and accumulators enabling stationary and off-grid energy storage and other industrial applications (in line with the Energy Storage criteria defined in Appendix 6.1), 3) Manufacture of the corresponding components that enable green expenditures defined in Appendix 6.1. such as active materials for batteries, accumulators, battery cells, housings and electronic components, 4) Recycling of batteries, and accumulators at the end of their useful life.	General exclusions listed above
Installation, maintenance and repair of renewable energy technologies	The activity consists of one of the following individual measures, if they are assembled on site as technical installations of buildings: a. installation, maintenance and repair of solar photovoltaic systems and auxiliary technical equipment; b. installation, maintenance and repair of solar hot water panels and ancillary technical equipment; c. installation, maintenance, repair and modernisation of heat pumps contributing to renewable energy objectives in relation to heating and cooling in accordance with Directive (EU) 2018/2001, and ancillary technical equipment; d. installation, maintenance and repair of wind turbines and auxiliary technical equipment; e. installation, maintenance and repair of non-glazed solar collectors and auxiliary technical equipment; f. installation, maintenance and repair of thermal or electrical energy storage units and auxiliary technical equipment; g. installation, maintenance and repair of a high-efficiency micro-power and heat and power micro-plant; h. installation, maintenance and repair of heat exchange or recovery systems	General exclusions listed above
Research, development and innovation for direct air capture of CO_2	Research, applied research and experimental development of solutions, processes, technologies, business models and other products dedicated to the direct air capture of CO_2 in the atmosphere in accordance with the EU Commission Delegated Regulation criteria set in Section 9.2 'Research, development and innovation for direct air capture of CO_2',[66] as under: The economic activities in this category could be associated with several NACE codes, in particular M71.1.2 and M72.1 in accordance with the statistical classification of economic activities established by Regulation (EC) No 1893/2006. 1. The activity researches, develops or provides innovation for technologies, products or other solutions that are dedicated to the direct air capture of CO_2 in the atmosphere.	General exclusions listed above

[66] European Commission, "Commission Delegated Regulation (EU) 2021/2139", at: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02021R2139-20240101

	2. The implementation of the technologies, products or other solutions being researched for the direct air capture of CO_2 in the atmosphere has the potential to result in overall net GHG emissions reductions once commercialised. 3. Where the researched, developed or innovated technology, product or other solution is at Technology Readiness Level (TRL) 1 to 7, life cycle GHG emissions are evaluated in simplified form by the entity carrying out the research. The entity demonstrates one of the following, where applicable: a) a patent not older than 10 years associated with the technology, product or other solution, where information on its GHG emissions reduction potential has been provided; b) a permit obtained from a competent authority for operating the demonstration site associated with the innovative technology, product or other solution for the duration of the demonstration project, where information on its GHG emissions reduction potential has been provided. Where the researched, developed or innovated technology, product or other solution is at TRL 8 or higher, life cycle GHG emissions are calculated using Recommendation 2013/179/EU or, alternatively, using ISO 14067:2018(388) or ISO 14064-1:2018(389) and are verified by an independent third party.	
Energy Storage	Financing or refinancing project for development, manufacture, operation of energy or electricity storage, such as: - Construction and operation of facilities that store electricity and return it at a later time in the form of electricity (i.e. such as batteries, battery plants or facilities). The activity includes pumped hydropower storage. - The activity is the construction and operation of electricity storage including pumped hydropower storage. - Where the activity includes chemical energy storage, the medium of storage (such as hydrogen or ammonia) complies with the criteria for manufacturing of the corresponding product specified in Sections 3.7 to 3.17 of Commission Delegated Regulation (EU) 2021/2139. In case of using hydrogen as electricity storage, where hydrogen meets the technical screening criteria specified in Section 3.10 of the same regulation, re-electrification of hydrogen is also considered part of the activity. Storage of thermal energy: - Construction and operation of facilities that store thermal energy and return it at a later time in the form of thermal energy or other energy vectors. - The activity stores thermal energy, including Underground Thermal Energy Storage (UTES) or Aquifer Thermal Energy Storage (ATES). Storage of hydrogen: - Construction and operation of facilities that store hydrogen and return it at a later time. - The activity is one of the following:	Pumped hydropower and thermal energy storage facilities with significant controversies related to environmental or social risks or impacts, such as loss of habitat, biodiversity, and displacement of people. Hydrogen storage facilities with an intent to use hydrogen for fossil fuel related operations.

	(a) construction of hydrogen storage facilities; (b) conversion of existing underground gas storage facilities into storage facilities dedicated to hydrogen- storage; (c) operation of hydrogen storage facilities where the hydrogen stored in the facility meets the criteria for manufacture of hydrogen set out in Section 3.10. of Commission Delegated Regulation (EU) 2021/2139. For any of the three type of energy storage mentioned above, where an economic activity is an integral element of the 'Installation, maintenance and repair of renewable energy technologies' as referred to in Section 7.6 of Commission Delegated Regulation (EU) 2021/2139, the technical screening criteria specified in Section 7.6 must be observed.	

Sustainable transport

The financing or refinancing of activities that enable the expansion or access to affordable, accessible, and sustainable individual and/or collective passenger and/or freight transport systems, and their related infrastructures as per the green activities described in Appendix 6.1.

Activity/Purpose	Eligibility Criteria	Exclusions
Manufacture of low-carbon technologies for transport	Manufacture, Repair, maintenance, refurbishment, conversion or modernisation of technology for: a) Trains, passenger cars and wagons that have zero direct CO_2 emissions (exhaust emissions); b) Trains, passenger cars and wagons that have zero direct CO_2 emissions (exhaust emissions) when running on a track with the necessary infrastructure, and use a conventional engine when such infrastructure is not available (bimode); c) Urban and suburban public and private passenger land transport devices, with zero direct CO_2 emissions (exhaust emissions); d) Private vehicles with 9 seats or more for urban or suburban passenger transport by road, with zero direct emissions; e) Personal mobility devices powered by the user's physical activity, by a zero-emission engine, or by a combination of physical activity and zero-emission motorization (bicycles and electric bicycles, electric scooters) f) Private 4-wheeled vehicles with up to 8 passengers and light vehicles (mx. 3.5 metric tons) for the transport of goods (vans): direct emissions from 1/01/2026 <0 gCO2/km g) Motor vehicles with less than four wheels and direct emissions <0 gCO2/km (motorcycles and motorcycles) h) Heavy goods vehicles for road freight transport with zero direct emissions and which are "zero-emission heavy goods vehicles": category N2, N3 and N1 maximum mass <7.5t + N2 and N3 maximum laden mass >7.5t ; and provided that no fossil fuels are transported .j) Passenger or freight transport vessels that have zero direct CO_2 emissions (exhaust emissions), fully electric or sail-powered vessels.	General exclusions listed above Vehicles or vessels engaged in the transport of fossil fuels are excluded.
Manufacture, repair, maintenance, refurbishment, conversion and modernisation of mobility components for zero-emission personal mobility devices and of automotive and mobility components, systems, separate technical units, parts and spare parts, as defined in Article 3(18) to (21) and (23) of Regulation (EU) 2018/858 of the European Parliament and of the	1. Manufacture, repair, maintenance, refurbishment, conversion and modernisation of components that are essential to procure and improve the environmental performance of the following vehicles: a) urban and suburban passenger land transport devices, with zero direct CO_2 emissions (exhaust emissions); b) vehicles designed as categories M2 and M3[67]with zero direct CO_2 emissions (exhaust emissions); (c) vehicles of categories M1 and N1 classified as light-duty vehicles*4[68], with zero specific CO_2 emissions, as defined in Article 3(1)(h) of Regulation (EU) 2019/631 of the European Parliament and of the Council; (d) vehicles in category L*6[69] with CO_2 exhaust emissions equal to 0	• General exclusions listed above • Components wholly dedicated to or intended for ICE and CNG passenger cars and supply chain. • In case of a facility manufacturing EV or hybrid and conventional vehicles, ancillary parts such as frame, seats, etc. are not eligible as

[67] As referred to in Article 4(1), point (a), of Regulation (EU) 2018/858
[68] As defined in Article 4(1), points (a) and (b) of Regulation (EU) 2018/858
[69] As defined in Article 4 of Regulation (EU) No 168/2013.

Council, approved, designed and manufactured for use exclusively in vehicles and buses.	g CO_2e/km, calculated in accordance with the emissions test set out in Regulation (EU) No 168/2013; (e) vehicles of categories N2 and N3, and N1 classified as heavy-duty vehicles, not intended for the transport of fossil fuels, with a technically permissible maximum laden mass not exceeding 7,5 tonnes, which are "zero-emission heavy-duty vehicles" as defined in point (11) of Article 3 of Regulation (EU) 2019/1242 of the European Parliament and of the Council. 2. Manufacture, repair, maintenance, refurbishment, reconversion and modernisation of mobility components for personal mobility devices in which propulsion comes from the user's physical activity, from a zero-emission engine or from a mixture of physical activity and zero-emission motor.	they are not considered specialised parts exclusively for EV and hybrid vehicles. • Procurement/production of battery components not intended for EV batteries and renewable energy storage (laptop, phone battery).
Manufacture, installation, technical consultancy, refurbishment, modernisation, repair, maintenance and conversion of products, equipment, systems and software related to railway components detailed in point 2.7 of Annex II to Directive (EU) 2016/797.	Manufacture, installation, refurbishment, repairs, maintenance, modernisation or conversion of products, equipment, systems or software related to the following railway components detailed in point 2.7 of Annex II to Directive (EU) 2016/797 [70]or provides related technical consultancy services. These components and services are essential for the environmental performance, use and operation over the lifetime of one or more of the following technologies: (a) trains, passenger coaches and wagons with zero direct CO_2 emissions (exhaust emissions) complying with Sustainable transportation criteria of this document; (b) trains, passenger cars and wagons with zero direct CO_2 emissions (exhaust emissions) when running on a track with the necessary infrastructure, and using a conventional engine when such infrastructure is not available (bimode), complying with Sustainable transportation criteria of this document.	• General exclusions listed above • Components or services to be used for fossil fuel powers transport.
Rail transport infrastructure	Construction, modernisation, operation and maintenance of surface and underground railways, as well as bridges and tunnels, stations, terminals, railway service facilities and safety and traffic management systems, including the provision of architectural, engineering, delineation, building inspection, surveying and mapping services, as well as services that carry out physical testing, chemical tests, and other analytical tests of all types of materials and products. <u>The activity meets one of the following technical criteria1. Infrastructure is:</u> (i) either electrified trackside infrastructure and associated subsystems: infrastructure, power, on-board control-command and signalling and track-side control-command and signalling subsystems, as defined in Annex II.2 to Directive (EU) 2016/797, (ii) either new and existing trackside infrastructure and associated subsystems, where there is a plan for the electrification of railway lines and, to the extent necessary for the operation of electric trains, sidings, or in case the infrastructure is to be suitable for the use of zero-CO_2 exhaust trains within ten years of the start of the activity: infrastructure, energy, on-board control-command and signalling and trackside signalling subsystems, as defined in Annex II.2 to Directive (EU) 2016/797,	• General exclusions listed above • The infrastructure is not intended for transportation or fossil fuel storage.

[70] Sub-systems of rail system including structural body, command and control system for all train equipment, electric current collection devices, traction and energy conversion units, on-board equipment for electricity consumption measuring and charging, braking, coupling and running gear (bogies, axles, etc.) and suspension, doors, man/machine interfaces (driver, on-board staff and passengers, including accessibility features for persons with disabilities and persons with reduced mobility), passive or active safety devices and requisites for the health of passengers and on-board staff.

	(iii) or, until 2030, existing trackside infrastructure and associated subsystems that are not part of the TEN-T network (275) and its indicative extensions to third countries, or of any network of major railway lines defined at national, supranational or international level: infrastructure, energy, on-board control-command and signalling and track-side control-command and signalling subsystems, as defined in Annex II.2 to Directive (EU) 2016/797; The infrastructure and facilities are intended for the transhipment of goods between modes: terminal infrastructure and superstructures for loading, unloading and transhipment of goods; The infrastructure and facilities are intended for the transfer of passengers from rail to rail or from other modes to rail.	

6.2 Technical criteria in relation to sustainable transition activities/purposes

Energy

Subtopic: Natural Gas

Activity/Purpose	Eligibility Criteria	Exclusionary Criteria
Natural Gas (midstream and downstream)	• Power or heat generation - Retrofits to existing Gas-fired power or heat facilities including CHP, that: • results in expected direct emissions intensity of 306 gCO_2/kWh[71] and • has Methane leakage measurement and reduction through installation of leakage detection and repair equipment, and • Estimates emissions from the supply chain, where feasible • Construction and operation of new Gas-fired power or heat facilities including CHP, with - Substantial lifecycle emissions reduction over unabated gas-fired power below 100 gCO_2e/kWh, or - GHG intensity below 306 gCO_2e/kWh,[72] AND - The facility is expected to follow TPI's 2- degree scenario decarbonization pathway for power plants over the course of its lifetime AND - intent to switch away from coal/oil power, OR to deliver services for seasonal peaks, storage, or high-temperature heat for industries, AND - Methane leakage measurement AND - Estimates from their supply chain where feasible	• Significant environmental and social controversy (or non-compliance) associated with power plant operations • New /existing gas-fired projects with no carbon capture and/or blending with low-carbon gases (or with lifecycle emissions intensity of 410-650 gCO2e/kWh)
Transmission and distribution networks for renewable and low-carbon gases	Retrofit of existing gas T&D pipelines: • Making networks low-carbon gas ready, AND • Reduction of methane leakage • New gas pipelines for renewable and low carbon gases	•New / expansion of gas T&D pipelines
Manufacture of hydrogen and hydrogen based synthetic fuels	Manufacture of hydrogen using: SMR + CCS ("Blue Hydrogen") with GHG emissions at least 60% lower than SMR route. Pyrolysis of methane ("Turquoise Hydrogen")	

[71] *Aligned with the Transition Pathway Initiatives' 2028 2-degree benchmark scenario (2DS) benchmark for the global electrical utility sector. It is assumed that funds will be disbursed within 3 years of issuance and expects a facility to achieve this level of performance.*
Note: This is a dynamic value and will always represent the benchmark that is 3 years from bond issuance on the TPI 2DS global electrical utility decarbonization pathway, assuming that the funds will be disbursed within 3 years of issuance and expects a facility to achieve this level of performance.
[72] *Ibid.*

Sustainable transportation

Subtopic:

- **Infrastructure for low-carbon transport**

Activity/Purpose	Eligibility Criteria	Exclusionary Criteria
Shipping	• Financing of ships powered by alternative/low-carbon fuel including: Dedicated LNG-fueled ships Dual-fuel ships using LNG along with alternative low sulphur/low-carbon fuel options	• Nuclear powered ships • Military vessels • Conventional ships powered by heavy fuel oil and distillate products (HFO / MDO / MGO / ULSD) • Crude oil tankers • Ships dedicated to supporting fossil-fuels exploration/ production.
Aviation (passengers and cargo)	• Manufacturing and acquisition of aircrafts according to the following criteria: - Low-Carbon Propulsion System (or Modified Gas Turbine Engine such as Hybrid-and Turbo-Electric) OR - State-of-the-art Conventional Propulsion System • with known fuel efficiency over reference technology/ baseline fleet AND • with concrete plans to increase the use of Sustainable Aviation Fuels (SAF), such as through long-term purchase agreements for SAFs and that align with a recognized decarbonization trajectory for the financed portfolio	• Military Aviation/Combat Aircrafts

Industrial production and processes

Subtopic:

- **Development and application of low-carbon technologies and improvement of energy efficiency**

Activity/Purpose	Eligibility Criteria	Exclusionary Criteria
Manufacture of steel	• Retrofit of existing facilities that result in an emissions intensity lower than 1.36[73] tCO_2e/t of steel (scope 1+2) through the following measures which may include: i) using low-carbon-feedstock ii) integrating CCUs • Production of facilities that meet at least one of the following criteria: a) Current emissions intensity below 1.32 tCO_2e/t[74] of steel, OR b) Steel production with GHG intensities of process step(s) in EU Taxonomy AND meet either of the following criteria: I. The average emissions intensity over the lifetime of the facility is below 0.64[75] tCO_2e/t of steel (Scope 1 + 2 emissions), OR II. The facility is expected to follow TPI's below 2-degree scenario decarbonization pathway throughout its lifetime.[76] • Steel may be considered as a Green UoP, in case of production through: i) Electric Arc Furnace using scrap – using majority scrap steel (at least 70%). ii) Direct Reduced Iron + Electric Arc Furnace (DRI + EAF) – using renewable biogas/green hydrogen and renewable energy.	

[73] *Aligned with the Transition Pathway Initiatives' 2028 2-degree benchmark scenario (2DS) benchmark for the steel sector. Sustainalytics assumes that funds will be disbursed within 3 years of issuance and expects a facility to achieve this level of performance. Note: This is a dynamic value and will always represent the benchmark that is 3 years from bond issuance on the TPI 2DS cement decarbonization pathway, assuming that the funds will be disbursed within 3 years of issuance and expects a facility to achieve this level of performance.*

[74] *Aligned with the Transition Pathway Initiatives' 2028 2-degree benchmark scenario (2DS) benchmark for the steel sector. Sustainalytics assumes that funds will be disbursed within 3 years of issuance and expects a facility to achieve this level of performance. Note: This is a dynamic value and will always represent the benchmark that is 3 years from bond issuance on the TPI 2DS cement decarbonization pathway.*

[75] *Transition Pathway Initiative's Below 2-degree Scenario benchmark value in the year 2039, for the steel sectors.*
Note: A steel production facility must demonstrate it falls under the pathway by meeting the threshold at the halfway point of lifetime of the facility. The average emission intensity represents the mid-point of the average lifetime of a new blast furnace, which is assumed to be 30 years. This is a dynamic value and will always represent the benchmark that is 15 years from bond issuance on the TPI 2DS steel decarbonization pathway. The average emission intensity in tCO_2e/t for the years 2038, 2039 and 2040 are 0.76,0.71, and 0.64, respectively, for the steel sector. Additionally, if the average emissions intensity is below the benchmark value at the mid-point of the facility's lifetime, then the facility does not exceed its 'carbon budget' and is always below the decarbonization curve.

[76] *TPI, "Steel", at: https://www.transitionpathwayinitiative.org/sectors/steel*

Manufacture of cement	• Retrofit of existing facilities using conventional cement making process that result in an emissions intensity[77] lower than 0.507 tCO_2e/t[78] of cementitious product. (Scope 1 emissions) through the following measures which may include: i) improvements in thermal and electric efficiency; ii) switch to alternative fuels; iii) reduction of clinker-cement materials and/or iv) CCS/CCUS • Production facilities using conventional cement making process meeting the following criteria: Current emissions intensity less than 0.507 tCO_2e/t[79] of cementitious product; and meets either of the criteria: i) the average emissions intensity over the entire lifetime of the facility should be below 0.41 tCO_2e/t[80] for 2037 of cementitious product, **OR** ii) The facility should follow TPI's 2-degree scenario decarbonization pathway throughout its lifetime.[81] • Clinker production should meet the following criteria: i) Grey cement clinker where the GHG emissions are lower than 0.722 tCO_2e/t of grey cement clinker,[82] **AND** ii) the facility is expected to be on a decarbonization pathway throughout its lifetime.

[77] *The most widely used industry standard for calculating emissions intensity of cement is Net CO_2 emissions kg/ton of cementitious product, which includes Scope 1 emissions from cement production only. This is also the metric used by TPI and SBTi, and in line with the GCCA guidelines.*

[78] *Aligned with the Transition Pathway Initiatives' 2028 2-degree benchmark scenario (2DS) benchmark for the cement sector. Sustainalytics assumes that funds will be disbursed within 3 years of issuance and expects a facility to achieve this level of performance. Note: This is a dynamic value and will always represent the benchmark that is 3 years from bond issuance on the TPI 2DS cement decarbonization pathway.*

[79] *Aligned with the Transition Pathway Initiatives' 2028 2-degree benchmark scenario (2DS) benchmark for the cement sector. Sustainalytics assumes that funds will be disbursed within 3 years of issuance and expects a facility to achieve this level of performance. Note: This is a dynamic value and will always represent the benchmark that is 3 years from bond issuance on the TPI 2DS steel decarbonization pathway.*

[80] *Transition Pathway Initiative's 2-degree scenario benchmark value in the year 2037, for the cement sector.*
Note: A cement production facility must demonstrate it falls under the pathway by meeting the threshold at the halfway point of lifetime of the facility. The average emission intensity represents the mid-point of the average lifetime of a new blast furnace, which is assumed to be 25 years. This is a dynamic value and will always represent the benchmark that is 12 years from bond issuance on the TPI 2DS steel decarbonization pathway. The average emission intensity in tCO_2e/t for the years 2035, 2036 and 2037 are 0.437,0.423 and 0.41, respectively, for the cement sector. Additionally, if the average emissions intensity is below the benchmark value at the mid-point of the facility's lifetime, then the facility does not exceed its 'carbon budget' and is always below the decarbonization curve.

[81] *TPI, "Carbon performance assessment of cement producers: note on methodology- February 2021", at: https://www.transitionpathwayinitiative.org/publications/76.pdf?type=Publication*

[82] *This metric is what the EU uses in its EU-ETS benchmarks and assumes a clinker to cement ratio of 0.65.*

Manufacture of aluminium	• Retrofit of existing facilities for primary aluminium production that result in an emissions intensity lower than 5.91 tCO_2e/t[83] through the following measures which may include: i) Deploying novel anode technologies ii) use of renewable energy for smelting iii) retrofitting of old smelters iv) improvement in the thermal efficiency • Production of primary aluminium meeting the following criteria: i) Current emissions intensity be below 5.91 tCO_2e/t[84] of aluminium; OR ii) aluminium production that meets all three EU Taxonomy criteria after 2025 AND iii) meeting either of the two conditions below: o the average emissions intensity over the entire lifetime of the facility is below 2.68 tCO_2e/t[85] of aluminium, OR o The facility follows TPI's 2- degree scenario decarbonization pathway.[86] o Production of secondary aluminium may be considered as a Green UoP in case secondary aluminium manufacturing is done using 100% scrap.

[83] *Aligned with the Transition Pathway Initiatives' 2028 2-degree benchmark scenario (2DS) benchmark for the aluminium sector, assuming that funds will be disbursed within 3 years of issuance and expects a facility to achieve this level of performance. Note: This is a dynamic value and will always represent the benchmark that is 3 years from bond issuance on the TPI 2DS aluminium decarbonization pathway.*

[84] *Ibid.*

[85] *Transition Pathway Initiative's 2-degree scenario benchmark value in the year 2040, for the aluminium sector.*
Note: An aluminium production facility must demonstrate it falls under the pathway by meeting the threshold at the halfway point of lifetime of the facility. The average emission intensity represents the mid-point of the average lifetime of an aluminium plant, which is assumed to have a lifetime of 30 years. This is a dynamic value and will always represent the benchmark that is 15 years from bond issuance on the TPI 2DS steel decarbonization pathway. The average emission intensity in tCO_2e/t for the years 2038, 2038 and 2040 is 3.23, 2.95 and 2.968, respectively for the aluminium sector. Additionally, if the average emissions intensity is below the benchmark value at the mid-point of the facility's lifetime, then the facility does not exceed its 'carbon budget' and is always below the decarbonization curve.

[86] *TPI, "Aluminium", at: https://www.transitionpathwayinitiative.org/sectors/aluminium*

6.3 Criteria in relation to sustainable social activities/purposes

The criteria for considering a social activity as sustainable take the recommendations set out in the draft social taxonomy as a reference and aim to contribute to compliance with the 3 objectives set out in the draft social taxonomy:

1. Decent work (including workers in the value chain)
2. Suitable living standards and well-being for end users
3. Communities and inclusive and sustainable companies

Furthermore, the criteria considered for the identification of sustainable social activities give special consideration to the following principles:

- *UN Guiding Principles on Business and Human Rights*
- *OECD Guidelines for Multinational Enterprises*
- *ILO Declaration on Fundamental Rights and Principles at Work*
- *European Pillar of Social Rights and the European Social Charter*

Basic inclusive infrastructure

SDG	Subtopic	Target audience definition	Eligibility Details	Exclusionary Criteria
	Access to water and sanitation infrastructure services	General public, remote areas or those with difficultiesaccessing this type of service.	Financing for the construction, equippingand/or maintenance of water supply and sanitation projects that provide/expand affordable access to drinking water, and sanitation	• Integrated Water and Power Plant (IWPP) with fossil fuel power • Desalination plants with dedicated on-site fossil fuel power" • Industrial uses
	Access to energy services	Regions or towns where there is no access or access is substantially inadequate, or in which there have been demonstrated problems with the power supply, such as power cuts.	Financing for the construction, equipping and/or maintenance of electricity distribution networks in areas with energy supply problems; that distribute electricity using a minimum of 85% renewable energy.	• Transmission grid connected to a dedicated fossil fuel power plant (coal/oil/natural gas) • Any ""power generation"" plant should separately be considered for eligibility as 'green' project"
	Access to telecommunications services	Underserved communities or communities living in remote areas where there is no or substantially inadequate access of telecommunication services.	Financing for the construction, equipping and/or maintenance of communication networks that serve the purpose of extending communication services (including internet services and mobile phone coverage) to regions without availability or with low availability of these technologies. For example, rural areas. For vulnerable and disadvantaged groups, the Social	

			Connectivity Bonus[87] programme under this expenditure offers affordable access to ultra-fast Internet for the underserved population.	
 	Adaptation of infrastructure services to groups with reduced mobility or with disabilities	People with reduced mobility (for example, the elderly) and people with disabilities. The programmes under the category are governed by the National Plan for Universal Accessibility plan by the Ministry of Social Rights and Agenda 2030[88] and Royal Legislative Decree 1/2013,[89] that aims to: A) Guarantee the right to equal opportunities and treatment, as well as the real and effective exercise of rights by people with disabilities on equal terms with other citizens, B) Establish the regime of infractions and sanctions that guarantee the basic conditions regarding equal opportunities, non-discrimination and universal accessibility for people with disabilities.	Financing for the adaptation of infrastructure services intended for: 1. Companies dedicated to equipping public or private buildings to improve accessibility for groups with reduced or disability mobility 2. Homeowners' associations for the installation of lifts and removal of architectural barriers (removal of steep slopes,widening of doors, etc.) 3. Equipping of public spaces (parks, health centres)to improve the accessibility of reduced mobility groups or people with disabilities 4. Adapting to accessto digital platforms and inclusive access to digitisation 5. Development and maintenance of facilities for people with disabilities, such as: hearing and induction loop systems, accessible toilets, ramps, handrails, tactile paving, tactile strips, tactile warning strips, construction of parking space dedicated for disabled persons with permit, or larger interior lift spaces for wheelchair users.	

[87] *Zona Movilidad, "The Government launches a Social Connectivity Bonus with aid of 240 euros for families in need", at: https://www.zonamovilidad.es/gobierno-bono-social-conectividad-ayudas-240-euros-familias-necesidades#:~:text=El%20Gobierno%20lanza%20un%20Bono,euros%20para%20familias%20con%20necesidades&text=El%20Gobierno%20de%20Espa%C3%B1a%20ha,en%20situaci%C3%B3n%20de.*

[88] *Ministry of Social Rights and Agenda 2030, at: https://www.mdsocialesa2030.gob.es/en/derechos-sociales/discapacidad/informacion/index.htm*

[89] *Royal Legislative Decree 1/2013, at: https://www.mdsocialesa2030.gob.es/en/derechos-sociales/discapacidad/informacion/index.htm*

	Access to transport infrastructure services	For General public, aimed at enhancing connectivity in remote areas or towns in areas with low connectivity, reduced mobility or people with disabilities	Financing for the construction, operation, or maintenance of: 1. Public or subsidised railway infrastructure; or that include affordable and equitable access. 2. Development of roads in areas where the transport infrastructure is poor. 3. Projects that contribute to improving the accessibility of disabled persons or reduced mobility using means of transport such as new or existing vehicles meeting the CO_2 emissions standards within the jurisdictions.	Construction, upkeep, or upgrade of major roads or highways where road connectivity is adequate. Routine upkeep or upgrade of existing major roads or highways.
	Construction and renovation of social/protected housing (ownership and Renting)	People in vulnerable groups that meet the socioeconomic criteria of regional governments to be considered beneficiaries of social housing[90]	Financing for the construction, renewal or improvement of protected housing subsidised either in full or ṅpart by the State. Loans dedicated to the development and equipping of protected housing, including: Renewal, maintenance and improvement of protected housing projects	

Socioeconomic inclusion and progress

SDG	Activity/Purpose	Target audience definition	Eligibility Details	Exclusions
	Microfinancing: Equal and inclusive access to financial services especially for vulnerable groups	Individuals or families located in Spain with low income/ below the poverty line [91] or other indicator this is considered appropriate to this end.	Microloans to MicroBank families for financing of daily needs linked to personal and family development The loans will be accompanied with some kind of financial advantages in place for the borrowers such as: • flexible or lenient financing terms, down payment or closing cost assistance, loan extension, no collateral requirement, or interest rates that are below market rate.[92] AND	

[90] *Vulnerable Groups are defined as per Spanish Law 4/2022 as "vulnerable consumers (with regards to a consumer based relationship) include, individuals either on a stand-alone or collective basis, that due to their personal, economic, educational or social circumstances, characteristics or needs, find themselves either geographically, temporarily or on a sectoral basis, in a special situation of subordination, defenselessness or vulnerability which prevent them from exercising its rights as consumers on equal terms".*

[91] *Below poverty line is defined as individuals or families located in Spain with an annual income that is equal to or lower than three times the national public income index (IPREM) or other indicator that is considered appropriate to this end. (Revised annually by MicroBank) and with no type of collateral or real guarantee.*

[92] *MicroBank, "Easier with MicroBank", at: https://www.microbank.com/en/products/health-loan.html*

			• Loans will have procedures in place to avoid predatory lending.[93]	
	Companies whose corporate purposes and activities aim to resolve a social problem as partof its mission.	Tertiary sector organisations with a social mission: companies/enterprises such as registered social enterprises, charities, association, foundation, federation, SMEs, cooperatives, micro enterprises, NGOs or confederation whose corporate purpose or purposes seek to improve the quality of life of vulnerable or disadvantaged groups as under: i) immigrants; ii) people aged over 65 with difficulty accessing simple services, vulnerability because of ageing; iii) young people aged over eighteen and under thirty from child protection institutions (as defined by Law 44/2007); iv) people with disabilities: those who have been recognized as having a degree of disability equal to or more than 33% and can prove this in the form of a disability certificate; v) Individuals/ families whose combined annual income is equal to or lower than three times the national public income index; vi) refugees.	Companies legally qualified as an association,foundation, federation, SMEs, cooperatives, micro enterprises or NGOs whose corporate purpose or purposes seek to improve the quality of life of the target group: The services provided by these organizations to the vulnerable groups are going to be free or subsidized. Project example includes: i) organizations providing mental health services to the target population. ii) Foundations that support the Government of Spain's reception and integration support program for Ukrainian refugees that lack financial resources and are affected by the Russia-Ukraine conflict.	• Financing will exclude programs/activities involving promotion of religious or political activities. • Financing to large cooperatives

[93] *Caixa Bank, "What are the costs associated with a mortgage?", at: https://www.caixabank.es/particular/holabank/mortgage-expenses-p.html*

	Financing of MSMEs[94]	i) MSMEs in the more economically disadvantaged regions of Spain. ii) MSMEs owned by vulnerable/ disadvantaged groups such as young people, minorities, groups with a low level of education,[95] migrants and those with low income/under the poverty line.[96]	Loans or other financing to MSMEs that: i) Are in the most economically disadvantaged regions of Spain. These regions are in the lowest 30th percentile in terms of GDP per capita or in the highest 30th percentile in terms of unemployment. ii) Are newly formed and majority owned by members of historically, systematically marginalized or disadvantaged groups iii) face significant adversity as a result of natural disaster such as earthquakes; extreme weather events, such as floods.	• Financing excludes activities involving the following: tobacco, firearms/weapons, palm oil (in some countries), fossil fuel operations, child or forced labour, etc.
	Financing to alleviate the effects of natural disasters and health emergencies		• Finance or refinance organizations for projects that provide support to alleviate the effects of natural disasters and health emergencies, including: o Provision of evacuation shelters, supplies of essential goods such as food, water, medicines, mental health counselling etc.) to the individuals or families impacted due to natural disasters. o Development and maintenance of natural disaster-resilient infrastructure improvements.[97] • Provide loans to individuals that have been affected by natural disasters that meet the following criteria: o flexible or lenient financing terms, down payment or closing cost assistance, loan extension, no collateral	Financing of the loans or projects will exclude the services connected directly to the exercise of retributive justice systems, including policing, incarceration, and surveillance.

[94] *MSMEs are defined as per the European Commission's definition. European Commission, "Internal Market, Industry, Entrepreneurs, and SMEs", at: https://ec.europa.eu/growth/smes/sme-definition_en*

[95] *In Spain, low level of education is defined as the mandatory secondary education.*

[96] *Below poverty line is defined as individuals or families located in Spain with an annual income that is equal to or lower than three times the national public income index (IPREM) or other indicator that is considered appropriate to this end. (Revised annually by MicroBank) and with no type of collateral or real guarantee.*

[97] *The disaster resilient infrastructure will be identified in accordance with the region's specific requirement for such infrastructure as defined by credible sources.*

			requirement, or interest rates that are below market rate.[98] AND o Loans will have procedures in place to avoid predatory lending.[99]	
	Bank financing for entrepreneurs		Providing loans to entrepreneurs and business owners who belong to vulnerable groups such as minorities, groups with a low level of education,[100] migrants and those with low income/under the poverty line[101] Responsible lending practices to understand borrowers' financial situation; mitigate risk for borrowers and help ensure that they understand the terms of loans; and ensure avoidance of predatory lending. The loans will be accompanied with some financial advantage in place for the borrowers such as: • flexible or lenient financing terms, down payment or closing cost assistance, loan extension, no collateral requirement, or interest rates that are below market rate.[102] AND • Loans will have procedures in place to avoid predatory lending.[103]	
	Financing for female entrepreneurs/ SMEs[104]		A company qualifies as a company owned by a woman when it meets the following criteria: **(A)** ≥ 51% owned by woman/women. Or **(B)** ≥ 20% owned by woman/women; And (i) has ≥ 1 woman as a CEO/ COO/ Chairwoman/ Deputy	• Financing and/or refinancing female entrepreneurs or SMEs or businesses not meeting the aforementioned criterion for woman owned SMEs.

[98] *MicroBank, "Easier with MicroBank", at: https://www.microbank.com/en/products/health-loan.html*
[99] *Caixa Bank, "What are the costs associated with a mortgage?", at: https://www.caixabank.es/particular/holabank/mortgage-expenses-p.html*
[100] *In Spain, low level of education is defined as the mandatory secondary education*
[101] *Below poverty line is defined as individuals or families located in Spain with an annual income that is equal to or lower than three times the national public income index (IPREM) or another indicator that is considered appropriate to this end. (Revised annually by MicroBank) and with no type of collateral or real guarantee.*
[102] *MicroBank, "Easier with MicroBank", at: https://www.microbank.com/en/products/health-loan.html*
[103] *Caixa Bank, "What are the costs associated with a mortgage?", at: https://www.caixabank.es/particular/holabank/mortgage-expenses-p.html*
[104] *Caixa has defined SMEs as per the European Commission's definition.*
European Commission, "Internal Market, Industry, Entrepreneurs, and SMEs", at: https://ec.europa.eu/growth/smes/sme-definition_en

			Chairwoman: And (ii) ≥ 30% of the Board of Directors is made up of women, when there is a Board	

Education

SDG	Activity/Purpose	Target audience definition	Eligibility Details	Exclusions
	Financing for the construction or improvement/ refurbishment of public/ subsidised infrastructure for education (primary schools, secondary schools, higher education and vocational training	General population including vulnerable groups and those at risk of poverty regardless of ability to pay.	• Subsidised infrastructure for education and vocational training with guaranteed affordability and accessibility for all target populations.	
	Educational loan financing for students	General Population	• Financing offered for secondary and preuniversity studies, university studies, tertiary and specialist studies, as well as training courses and courses to improve digital profiles.[105] • Financial advantage in place for the student borrower • Responsible lending practices to understand borrowers' financial situation; mitigate risk for borrowers and help ensure that they understand the terms of loans; and ensure avoidance of predatory lending.	
	Other services that permit access to education	General population	• Projects for educational improvements, technical developments, increase in the number of teachers and professors.	
	Other services that permit access to education such as transport.	Students living in areas with limited or inadequate connectivity and transportation services, unless the transportation solution meets the criteria outlined in the Sustainable Transportation category. In	• Transportation solutions that enable access of students to educational institutions.	

[105] *Sustainalytics views student loans extended to students that belong to low-income families, or those who are historically marginalized or disadvantaged (based on ethnicity, religion, etc.) as a credible social expenditure.*

		such cases, they become eligible without the need for further target population specification.		

Health and Well-being

SDG	Activity/Purpose	Target audience definition	Eligibility Details	Exclusions
	Buildings/ Infrastructure	All groups	Development, extension or acquisition of any building or facility at any hospital not forprofit, public, independent or affiliated to a university, clinic, hospital, mental health or general health centre that offer public/free/subsidised[106] health services	
	Equipment	All groups	• Products and equipment for the provision ofservices related to medical care at health centres that offer public/free/subsidised health services. Including: The development of critical medical equipment or provision of diagnosis services. Examples may include magnetic resonance machines, respirators orservices, services that support diagnosis, such as laboratory tests. Such products and equipment will be directed to healthcare facilities that: i) earn at least 90% of revenue from services rendered under the national public health insurance; ii) access to the equipment will be made available to the public for free or with a subsidy; and , iii) health facilities, where financing is only directed towards free or subsidized services, where it does not adhere to the 90% threshold of revenue services rendered under the from national public health insurance. • Provision of medical or healthcare equipment, orthopedic goods, and instruments including hearing aids or audition devices, vision treatment or dental supplies made affordable through public healthcare systems and available to all regardless of their ability to	

[106] *Sustainalytics considers subsidies as providing reasonable assurance of affordability when this results in limited out of pocket expenses for beneficiaries.*

			pay[107]	
	Specialist residential attention/social work services and facilities	Vulnerable groups that are defined as: i) people aged over 65 with difficulty accessing simple services, vulnerability because of ageing; ii) people with disabilities: those who have been recognized as having a degree of disability equal to or more than 33 percent and can prove this in the form of a disability certificate.	Residential help centres for vulnerable groups (older people, disabled people, mental health centres,). Centres that offer services without residential care for these groups. The service must be public or subsidised.	
	Emergency and health crisis infrastructure	All groups	Financing of infrastructure and equipment for disease control services and medical response to emergencies/crises, that will be accessible to all regardless of their ability to pay.	
	Health training	All groups	Financing of public education centres and vocational training for professionals in the provision of public health and emergency services, that will be accessible to all regardless of their ability to pay.	
	Medical research and development	All groups	• Finance or refinance expenditures related to universal healthcare, ring-fenced for activities solely dedicated for the production, procurement or distribution of essential medicines and vaccinations which meet the following conditions: i) design to address an unmet need (including neglected tropical diseases,[108] rare diseases[109] and essential medicines[110] or vaccines that	Shared resources such as electricity, water, etc for production of medicines or vaccinations

[107] *Sustainalytics considers it to be a best practice to provide these equipment and devices in jurisdiction where there is a lack of access to such products.*

[108] *"Neglected tropical diseases (NTDs) are a diverse group of conditions that are mainly prevalent in tropical areas, where they thrive among people living in impoverished communities. They are caused by a variety of pathogens including viruses, bacteria, parasites, fungi and toxins, and are responsible for devastating health, social and economic consequences."*
WHO, "Neglected Tropical Diseases", (2023), at :https://www.who.int/news-room/questions-and-answers/item/neglected-tropical-diseases#:~:text=Neglected%20tropical%20diseases%20(NTDs)%20are,%2C%20parasites%2C%20fungi%20and%20toxins.

[109] *"Rare diseases are diseases which affect a small number of people compared to the general population and specific issues are raised in relation to their rarity. In Europe, a disease is considered to be rare when it affects 1 person per 2000. The field of rare diseases suffers from a deficit of medical and scientific knowledge. Rare diseases are sometimes associated with "orphan drugs," because potential drugs to treat rare diseases are not developed by the pharmaceutical industry for economic reasons even though they respond to a public health need."*
Orphanet, "About rare diseases," at: https://www.orpha.net/en/other-information/about-rare-diseases#:~:text=Rare%20diseases%20are%20diseases%20which,region%2C%20but%20common%20in%20another.
Orphanet, "About Orphan Drugs," at: https://www.orpha.net/en/other-information/about-orphan-drugs

[110] *"Essential Medicines are medicines that satisfy the regionally-specific priority health care needs of a given population. In a functioning health care*

			treat major diseases[111]); ii) accessible and affordable (free or subsidized) to all, regardless of their ability to pay, and iii) that manufacturers to be financed generate at least 90% of revenue from affordable or generic medication.	

Inclusive agriculture and livestock activities

SDG	Subtopic	Target audiencedefinition	Eligibility Details	Exclusion Criteria
	Inclusive agriculture/ livestock	Small-scale farmers: Farmers as per the FAO definition: 1a) Small-scale farmers, pastoralists, forest keepers, and fishers who manage areas varying from less than 1 to 10 ha;[112] Or[113] 1b) producers who operate an amount of land falling in the first two quintiles (the bottom 40%) of the cumulative distribution of land size at national level (measured in hectares); or 1c) producers who operate a number of livestock falling in the first two quintiles (the bottom 40%) of the cumulative distribution of the number of livestock per production unit at national level (measured in Tropical Livestock Units – TLUs); AND 2) producers who obtain an annual economic revenue from agricultural activities falling in the first two quintiles (the bottom 40%) of the cumulative distribution of	Loans to small agriculture/ livestock producers for investments in their production systems or activities that support the ability of small producers to increase food production; in particular women, family farmers, shepherds and fishermen, based on the following criteria for loans: 1. Loans will be accompanied with some kind of financial advantages in place for the borrowers such: as flexible or lenient financing terms, down payment or closing cost assistance, loan extension, or interest rates that are below market rate.[114] 2. Loans will have procedures in place to avoid predatory lending.[115]	

system, they are meant to be available at all times in appropriate dosage forms, assured quality and at affordable prices. Examples include insulins, tuberculin, antimalarial medicines, and the dengue vaccine."
Model Lists of Essential Medicines, 23rd list, 2023, at: https://www.who.int/publications/i/item/WHO-MHP-HPS-EML-2023.02

[111] *A disease that falls in the WHO's Top 10 causes of death. As of 2020, this list includes the following diseases, in order of importance: Ischaemic heart diseases, stroke, chronic obstructive pulmonary disease, lower respiratory infections, neonatal conditions, trachea, bronchus, lung cancers, Alzheimer's disease and other dementias, diarrheal diseases, diabetes mellitus, and kidney disease.*
WHO, "The top 10 causes of death", (2020), at: https://www.who.int/news-room/fact-sheets/detail/the-top-10-causes-of-death

[112] *FAO, "Family Farming Knowledge Platform", at: https://www.fao.org/family-farming/detail/en/c/273864/*

[113] *FAO, "SDG indicator metadata", at: https://unstats.un.org/sdgs/metadata/files/Metadata-02-03-02.pdf*

[114] *MicroBank, "Easier with MicroBank", at: https://www.microbank.com/en/products/health-loan.html*

[115] *Caixa Bank, "What are the costs associated with a mortgage?", at: https://www.caixabank.es/particular/holabank/mortgage-expenses-p.html*

		economic revenues from agricultural activities per production unit at national level (measured in purchasing power parity dollars) not exceeding 34,387 purchasing power parity dollars.		

6.4 Categories included in vulnerable groups/disadvantaged persons

- To be considered as sustainable financing operations for vulnerable groups, the criteria applied are in line with the provisions of the Caixa Bank Sustainable Development Goals (SDGs) Funding Framework, which draws on the definition of vulnerable groups included in Law 4/2022 (Provision 3198 of Official State Gazette No. 51/2022) on consumer protection when addressing social and economic vulnerability. Therefore, pursuant to this law and notwithstanding the applicable sector standard where applicable, vulnerable consumers are considered (as regards consumption) as natural persons, whether individually or collectively, who, given their personal, economic, educational or social circumstances, characteristics or needs are geographically, temporarily or sectorally, in a special situation of subordination, defencelessness or vulnerability that prevents them from enforcing their rights as consumers on equal terms.

- Generally speaking and for the purposes of illustration, vulnerable groups, for the purposes of this framework, may also include the following vulnerable categories or situations, applicable to specific expenditures as defined in the Appendix 6.2 of the Eligibility Guide:

  > **Micro Bank: Individuals/families** whose combined annual income is equal to or lower than threetimes the national public income index.
  > **Population at risk of poverty.** The poverty line is 60% of the average income per household consumption unit nationwide (this threshold increases or decreases to the same extent as the average income does each year).
  > **Persons at risk of social exclusion** (as defined by Law 44/2007)[116] and accredited as belonging to any of the groups indicated below):
    a) Recipient of minimum insertion income, or any other benefit that is the same or similar, depending on the name adopted in each region of Spain.
    b) Persons who are unable to access the benefits referred to above, on accountof any of the following reasons:
      1. They fail to meet the minimum residence period or do not meet the conditions for constituting the beneficiary unit.
      2. The maximum period for legally receiving the benefit has expired.
    c) Young people aged over eighteen and under thirty from child protectioninstitutions.
    d) People with drug or alcohol addiction problems in the process of rehabilitationor social reintegration.
    e) Inmates at prison centres whose situation allows them access to employment,as well as those on conditional release and former inmates.

  > **Families with dependent** relatives and/or illnesses that entail high treatment costs.
  > People with difficulties accessing the job market: young people and those over 50
  > People aged over 65 with difficulty accessing simple services, vulnerability because of ageing
  > Young people in situations of vulnerability (unemployment, economic vulnerability).

[116] *BOE, "The Regulation of The Regime of the Companies Of Insertion", at: https://www.boe.es/buscar/pdf/2007/BOE-A-2007-21492-consolidado.pdf*

- People with reduced mobility.
- People with disabilities: those who have been recognised as having a degree of disability equal to or more than 33 percent and can prove this in the form of a disability certificate.
- People without access to basic infrastructure as they live in an area without initial infrastructure (e. g. rural/isolated towns

6.5 Impact metrics for the environmental activities/purposes

For every environmental activity/purpose, depending on how they are defined in the Guide, they must submit a series of data and metrics to verify that all the necessary requirements are met for them to be considered sustainable. The table below provides details of the metrics that must be provided. These metrics will be updated in line with regulatory requirements and insofar as they can be collected and monitored.

Real estate business

Activity/Purpose	Impact metrics
Construction/Acquisition properties certified as being energy efficient	• Energy rating: A/B; • Energy demand: Kwh/m^2; • CO_2 emissions: $KgCO_2/m^2$; • Number of tons of CO2e prevented; • square metres; • use of the property; •Location and type of certified Green Buildings; • Energy consumed (kWh/m2 per year)
Property renovation	• Energy rating: A/B; • Energy demand: Kwh/m^2; • % variation in demand for primary energy • CO_2 emissions: $KgCO_2/m2$; • Number of tons of CO_2e prevented; • square metres; • Use of the property; • Location and type of certified Green Buildings; • Energy consumed (kWh/m2 per year)
Installation of solar panels, thermal storage units or electricity and other renewable energy systems	• Percentage to which the renovation improved the property's energy efficiency • % variation in demand for primary energy

Energy

Subtopic: Renewable Energies

Activity/Purpose	Impact metrics
Renewable wind power generation	• Installed capacity (MW); Estimated/Actual Energy Produced (MWh) Annual Update • Number of plants
Renewable photovoltaic power generation	• Installed capacity (MW); Estimated/Actual Energy Produced (MWh) Annual Update • Number of plants
Renewable thermosolar power generation	• Installed capacity (MW); Estimated/Actual Energy Produced (MWh) Annual Update • Number of plants installed
Renewable hydroelectric power generation	• Technology: Flowing Water/Dam; • Installed capacity (MW); Estimated/Actual Energy Produced (MWh) Annual Update • Number of plants • CO_2 emissions
Renewable geothermal power generation	• Installed capacity (MW); Estimated/Actual Energy Produced (MWh) Annual Update • Number of plants • CO_2 emissions
Renewable tidal and wave power generation	• Installed capacity (MW); Estimated/Actual Energy Produced (MWh) Annual Update • Number of plants
Renewable power generation: hydrogen from the electrolysis process	• Installed capacity (MW); Estimated/Actual Energy Produced (MWh) Annual Update • Number of plants • CO_2 emissions
Construction and operation of electricity transmission and distribution systems (HV and interconnection systems)	• Distance (km); • Overhead or Underground • Include membership of European interconnection system
Projects for storing electricity generated using renewable sources in batteries	• Storage capacity (MWh) • CO_2 emissions
Power generation (electric and thermal) using biomass	• Installed Capacity (MW); Estimated/Actual Energy Produced (MWh) Annual Update • CO_2 emissions
Power generation (electric and thermal) using Cogeneration or Combined Gas Cycle	• Installed Capacity (MW); Estimated/Actual Energy Produced (MWh) Annual Update • CO_2 emissions
Renewable power generation for self-consumption (with and without sale of surplus)	• Installed Capacity (MW); Estimated/Actual Energy Produced (MWh) Annual Update • CO_2 emissions

Sustainable transportation:

Activity/Purpose	Impact metrics
Railway passenger transport (Trains, Underground, Tram)	• Emissions per passenger/km. gCO_2/p.km; • Length of railway laid for massive public transport; • Numberof tonnes of CO2e prevented through sustainable transportation; • Populations benefitting from new transport systems; • Location
Infrastructure for railway transport (Trains, Underground, Tram)	• Emissions per passenger/km. gCO2/p.km; • passengers per year
Urban and suburban transportation. Passenger transport by road	• Emissions per passenger/km. gCO2/p.km; • passengers per year • Electric/hybrid
Cargo transport by train or road	• Purpose of transportation (cargo/passenger); • CO_2 emissions • Electric/hybrid
Motorbikes, passenger cars and commercial vehicles	• CO_2 emissions per kilometre (zero starting from 2025); • km of autonomy • Electric/hybrid
Installation, maintenance and repair of electrical vehicle charging stations in buildings (charging points)	• CO_2 emissions per kilometre of electric vehicles to which it is destined (or type of vehicle to which it is destined); • Charge capacity (vehicles/hour)
Sailing boats, Boats powered by solar, electric or hydrogen power	• CO_2 emissions per kilometre of electric vehicles to which it is destined (or type of vehicle to which it is destined); • Charge capacity (vehicles/hour)
Transport by sea and auxiliary services	• Purpose of transportation (cargo/passenger) • CO_2 emissions
Renovation/Conversion of boats for them to run on gas and/or electricity and/or hydrogen	• Purpose of transportation (cargo/passenger) • CO_2 emissions • % reduction in fuel consumption
Construction, repair, maintenance, conditioning, conversion of vehicles, trains or vessels powered by electricity (zero CO2 emissions)	• Transport category (vehicle, train, carriage, boat, etc.); • CO_2 emissions • Purpose of transportation (cargo/passenger); • Type of intervention (construction, repair, maintenance, conditioning, conversion)

Water Management and Treatment

Activity/Purpose	Impact metrics
Construction, expansion and operation of water catchment, purification and distribution systems	• Cubic metres of treated water • Energy consumption per cubic metre of recycled water • % reduction in water consumption
Renovation of the water catchment, treatment and distribution systems	
Construction, expansion and operation of wastewater collection and treatment systems	
Renovation of wastewater collection and treatment	
Change or improvement of the irrigation system in agricultural operations	

Waste management and treatment (Social)

Activity/Purpose	Impact metrics
Activities dedicated to financing equipment, development, construction, equipment and/or maintenance of water supply or sanitation networks or related infrastructure; public and subsidised in areas with problems of water supply or sanitation	• Increase in water supply, sanitation service and/or sewer coverage (in terms of number and percentage of households) • Percentage increase in coverage/number of households with access to quality drinking water compliant with the national standards.

Industrial production and processes

Activity/Purpose	Impact metrics
Activities dedicated to financing equipment, development, manufacture, construction, expansion, operation, distribution and maintenance of renewable energy and low-carbon activities	• CO2 emissions prevented • Direct CO2 emissions Depending on the sector, this indicator measures: • Energy consumed per square metre (kWh/m2) • Energy consumed per user (kWh/person) • Energy consumed by production (kWh/number produced)

Agriculture and forestry

Activity/Purpose	Impact metrics
Forestation or reforestation programmes	Area planted in hectares
Rehabilitation or new plantation of fruit trees	Area planted in hectares
Adaptation of agricultural operations to ecological agriculture	Area planted in hectares
Financing of any investment that may be made in farming operations based on ecologically sustainable purposes: · Energy efficiency · Renewable energy · Waste management	• Cubic metres of water saved • CO_2 emissions prevented • Tonnes of waste processed • Energy saved (Mwh)
Projects for reducing the use of synthetic fertilizers, projects reducing the use of pesticides to a minimum, including replacement with pesticides with a lower environmental impact	• Avoided and/or sequestered GHG emissions (tCO_2/ year) • Increase in area under sustainable agriculture (ha)

Sustainable blue economy

Activity/Purpose	Impact metrics
Sustainable aquaculture or fishing	• Increase in % of certified sustainable fisheries/ aquaculture • Increase in tonnes of sustainable seafood production • Reduction of chemicals, anti-microbials or pesticides per ton of fish
Measures for the conservation of the marine/freshwater ecosystem	• Maintenance/safeguarding/increase of protected area/ habitat in km^2 and in % for increase • Absolute number of predefined target organisms and species per km2 (bigger fauna) or m^2 (smaller fauna and flora) before and after the project

6.6 Impact metrics for the transition activities/purposes

Energy

Subtopic: Natural Gas

Activity/Purpose	Impact metrics
Natural Gas (midstream and downstream)	• Installed capacity (MW); Estimated/Actual Energy Produced (MW) Annual Update • CO_2 emissions
Retrofit of existing gas T&D pipelines	• Distance (km) overhead or underground
Manufacture of hydrogen and hydrogen based synthetic fuels	• Installed capacity (MW); Estimated/Actual Energy Produced (MWh) Annual Update • Number of plants • CO_2 emissions

Sustainable transportation:

Activity/Purpose	Impact metrics
Shipping	• Emissions per passenger/km. gCO_2/p.km; • passengers per Year • Emissions per Tn/km. gCO_2/p.km; • Tonnes cargo per Year
Aviation (passengers and cargo)	• Emissions per passenger/km. gCO_2/p.km; • passengers per Year • Emissions per Tn/km. gCO_2/p.km; • Tonnes cargo per Year

Industrial production and processes

Activity/Purpose	Impact metrics
Manufacture of steel	• CO_2 emissions prevented • Direct CO_2 emissions • Energy consumed by production (kWh/Tn produced)
Manufacture of cement	• CO_2 emissions prevented • Direct CO_2 emissions • Energy consumed by production (kWh/Tn produced)
Manufacture of aluminium	• CO_2 emissions prevented • Direct CO_2 emissions • Energy consumed by production (kWh/Tn produced)

6.7 Impact metrics for the social activities/purposes

The operations must include the necessary information to facilitate reporting and measuring the impact pursuant to the provisions of the "Governance Procedure for Identifying Sustainable Financing". These metrics will be updated and expanded upon in line with regulatory requirements and insofar as it is possible to collect and monitor them.

Basic inclusive infrastructure

Subtopic	Activity/Purpose	Impact metrics
Accesses to simple basic water infrastructure services	Financing for the construction, equipping and/or maintenance of water supply networks and/or infrastructure; public and subsidised in areas with problems of supply	• Number of people with access to affordable and clean drinking water and equal sanitation
Access to simple energy services	Financing for the construction, equipping and/or maintenance of electricity distribution networks in areas with energy supply problems	• Number of people with access to electricity
Access to telecommunications services	Financing of activities that improve access to information technology and communications for vulnerable groups, disadvantaged groups or those with difficulties accessing this type of service.	• Proportion of the population with mobile network coverage • Proportion of persons with mobile network • Number of people benefitting from the improvement to the mobile connection network • Number of houses benefitting from the improvement to Internet connection
Adaptation of infrastructure services to groups with reduced mobility or with disabilities or different abilities	Financing for the adaptation of infrastructure services to groups with reduced mobility or with different abilities	• Number of beneficiaries
Access to transport infrastructure services	Financing for the construction, operation or maintenance of public or subsidised railway transport projects and development of roads in areas with poor availability in relation to the transport infrastructure.	• Number of people with access to sustainable transportation
Construction and renovation of social/protected housing	Financing for the construction, renewal or improvement of protected housing	• Number of social/protected flats • Number of people with access to suitable, secure and sustainable housing

Socioeconomic inclusion and progress

Subtopic	Activity/Purpose	Impact metrics
Microfinancing: Equal and inclusive access to financial services especially for vulnerable groups	Finance daily needs associated with personal and family development	• Number of microloans • Number of borrowers
Companies whose corporate purposes and activities aim to resolve a social problem as part of its mission.	Financing to Associations, NGOs, cooperatives, SMEs and micro enterprises that serve social purposes.	• Number of companies • Number of beneficiaries
		• Type of legal de
Companies that include sustainability in their by-laws and objectively ensure they are pursued by acquiring certifications	Financing or certified corporate financing projects, specifying the corporate purpose of the financing.	• Number of companies • Number of beneficiaries, people assisted • Type of centre (public/subsidised/private) • Provision of service (public and/or subsidised and/or private
Financing for the self-employed, microenterprises and SMEs in disadvantaged areas or situations	SMEs financing disadvantaged areas	• Type of company
		• Number of companies and self-employed workers • Number of jobs created/preserved
Financing to alleviate the effects of natural disasters and health emergencies such as Covid-19 on businesses	Loan financing or refinancing and/or projects for groups affected by health-related natural disasters and emergencies	• Type of company • Number of companies • self-employed workers • Number of jobs created/preserved
Bank financing to entrepreneurs (self-employed workers and micro enterprises) with less than 10 employees and with turnover of no more than €2,000,000/year	Bank financing to entrepreneurs, self-employed workers and micro enterprises with less than 10 employees and with turnover of no more than €2,000,000/year	• Type of company and Number of companies and self-employed workers • Number of jobs created/preserved • • Number of projects financed
Financing for female entrepreneurs/SMEs	Financing and/or refinancing for female entrepreneurs or SMEs where the majority partner is a woman	• Type of company
		• Number of companies and self-employed workers • Number of jobs created/preserved • Number of projects financed
		• % owned by women/% women on Board of Directors/female CEO

Education

Subtopic	Activity/Purpose	Impact metrics
Construction or improvement/refurbishment of public/subsidised infrastructure for education • Financing for schools and public service/subsidised centres	Financing for the construction or improvement/refurbishment of public/subsidised infrastructure for education (primary schools, secondary schools and higher education)	• Type of centre (public/subsidised/private) Total Number of beneficiaries Number of studentsenrolled at the financed centres • Percentage of students with special educational needs in regular classrooms • Number of educational facilities and/or initiatives
Financing of education	Educational loan financing for students	• Number of students benefitting

Health and Well-being

Subtopic	Activity/Purpose	Impact metrics
Buildings/Infrastructure	Financing to build, expand, rehabilitate: hospitals, clinics and health centres that offer public/free/subsidised healthcare services.	• Type of centre (public/subsidised/private) • Number of beds at financed health centres, • Potential benefitting population • Number of centres financed
Equipment	Financing for the purpose of products and services related to medical assistance at health centres that offer public/free/subsidised health services	• Type of centre (public/subsidised/private) • Volume of equipment financed • Number of health centres • Potential benefitting population
Residential care services and facilities/Specialised social work	Financing of residential attention and care for vulnerable groups	• Type of centre (public/subsidised/private) • Number of beds at financed health centres • potentialbenefitting population • number of centres financed
Emergency and health crisis infrastructure/emergencies	Financing of public infrastructure and equipment for the provision of medical care in emergency/crisis situations and disease control services.	• Type of centre (public/subsidised/private) • Volume of equipment financed, • Number of health centre users
Health training	Financing for public education centres and vocational training for professionals in the provision of public health and emergency services	• Number of centres financed, number of individuals trained
Medical research and development	Financing of new treatments, vaccinations, medications and/or medical devices	• Number of centres financed, • Number of financed project

Inclusive agriculture and livestock activities

Subtopic	Activity/Purpose	Impact metrics
Forestation or reforestation programmes	Financing or refinancing project for forestation or reforestation programmes that comply with the Spanish Government law of Forestry (Law 21/2015 on Forests	• CO_2 emissions prevented • Increase in area under sustainable forest management (ha)
Adaptation of agricultural operations for sustainable agriculture	Financing or refinancing projects related to: Whole agriculture production units and associated activities that will be certified with any of the following certifications applicable Financing certified agricultural products under a credible system like Rainforest Alliance.	• Area affected (ha)
Rehabilitation or new plantation of fruit trees	Financing or refinancing projects related to: Rehabilitation or new agriculture perennial greenfield areas, plantations native species pursuant to the EU Commission's Guidelines on Biodiversity-Friendly Afforestation, Reforestation and Tree Planting117	• CO_2 emissions prevented • Conversion of agricultural land to more diverse cropping systems (e.g. agroforestry) (ha) • Area rehabilitated (ha)
Land conservation and restoration	Finance or refinance activities/ projects that contribute towards the conservation of the earth's ecosystems and protected areas.	• CO_2 emissions prevented • Area protected (ha) • Improvements in water quality -changes in NO_3 in mg/L and pH level
Change or improvement of the irrigation system in agricultural operations	Financing or refinancing projects related to: Modernisation of existing networks/irrigation systems, from flood irrigation systems to sprinkler or drip irrigation systems. Systems that reduce the gap between current leaks from the water supply network and a given reduced leak target value by a minimum of 20%.	• CO_2 emissions prevented • Area affected (ha) • Water savings (m^3/year)

[117] *European Commission, "Guidelines on Biodiversity-Friendly Afforestation, Reforestation and Tree Planting", at: https://environment.ec.europa.eu/publications/guidelines-biodiversity-friendly-afforestation-reforestation-and-tree-planting_en*

7 APPENDIX: Glossary of terms

Concept	Definition
APLMA	Asia Pacific Loan Market Association Its objective is to promote growth, liquidity and best practice in the syndicated loan markets in Asia Pacific. https://www.aplma.com/
BEV	Battery electric vehicles BEVs are pure electric vehicles; cars powered by one or more electric motors that consume energy stored in batteries.
BMS	Building Management Systems **Building automation (BAS),** also known as building management system (BMS) or building energy management system (BEMS), is the automatic centralized control of a building's HVAC (heating, ventilation and air conditioning), electrical, lighting, shading, access control, security systems, and other interrelated systems. Some objectives of building automation are improved occupant comfort, efficient operation of building systems, reduction in energy consumption, reduced operating and maintaining costs and increased security.
BREEAM	Building Research Establishment Environmental Assessment Methodology Method of assessing and certifying sustainability in building. This is an international method developed by BRE (Building Research Establishment) Global in the UK that allows to measure the degree of environmental sustainability of buildings. https://breeam.es/ https://bregroup.com/
BRT	Bus Rapid Transit, system designed to improve the capacity and reliability of public transport in congested cities. It is based on reserved lanes, which cannot be used by any vehicle except large buses operated by BRT companies.
CNG	Type of natural gas for vehicles. The compressed natural gas (CNG) is natural gas stored at high pressures, between 200 and 250 bars.
Codigestion	Anaerobic co-digestion occurs when two or more substrates of different origin and composition are treated jointly, thus improving the balance of nutrients and physical-chemical characteristics of the substrate, helping to better stabilize the system and increase biogas production. This co-digestion method will therefore allow: • Take advantage of the synergy of the mixtures, compensating for the deficiencies of each substrate separately, and achieve more efficient biogas production. • Sharing treatment facilities. • Unify management methodology. • Cushioning temporary variations in production and composition that affect each waste separately. Reduce investment and operating costs.
CSP	Concentrated solar power (CSP, also known as concentrating solar power, concentrated solar thermal) systems generate solar power by using mirrors or lenses to concentrate a large area of sunlight into a receiver. Electricity is generated when the concentrated light is converted to heat (solar thermal energy), which drives a heat engine (usually a steam turbine) connected to an electrical power generator or powers a thermochemical reaction
CSRD	Corporate Sustainability Reporting Directive The CSRD requires companies to disclose a broad range of data relating to their environmental, social, and governance practices according to the ESRS technical standards. This includes the consideration of double materiality — how a company both impacts and is impacted by climate change. The new rules will ensure that investors and other stakeholders have access to the information they need to assess the impact of companies on people and the environment and for investors to assess financial risks and opportunities arising from climate change and other sustainability issues. Finally, reporting costs will be reduced for companies over the medium to long term by harmonizing the information to be provided.

	The rules start applying between 2024 and 2030. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32022L2464
CTL	Coal liquefaction is a process of converting coal into liquid hydrocarbons: liquid fuels and petrochemicals. This process is often known as "Coal to X" or "Carbon to X", where X can be many different hydrocarbon-based products. However, the most common process chain is "Coal to Liquid Fuels" (CTL)
DGT	Dirección General de Tráfico (DGT), autonomous body created in 1959 belonging to the Ministry of the Interior of Spain. Its mission is to develop actions to improve the behavior and mobility of any vehicle on the roads, as well as to train and inform drivers. It is also responsible for the safety and fluidity of road traffic, and for providing administrative services to citizens. https://www.dgt.es/inicio/
DNSH	The DNSH (Do No Significant Harm) principle is a fundamental concept in the Taxonomy regulations(EU 2020/852), which establishes a series of criteria to determine whether an economic activity can be considered sustainable or not. This regulation has a direct relationship with the Compliance with ESG criteria. To satisfy the Taxonomy regulation, it is mandatory to comply with the DNSH principle, along with two other principles (substantial contribution and minimum social guarantees). Specifically, DNSH develops in the Article 17of the Taxonomy regulation and refers to the assessment of the environmental and social impacts of economic activities, with the aim of ensuring that no significant damage occurs. It is a precautionary principle that focuses on avoiding negative impacts, rather than trying to repair them after they have occurred.
EU Taxonomy	The EU taxonomy regulation describes a framework to classify "green" or "sustainable" economic activities executed in the EU. The EU taxonomy regulation creates a clear framework for the concept of sustainability, exactly defining when a company or enterprise is operating sustainably or environmentally friendly. The legislation aims to reward and promote environmentally friendly business practices and technologies. The focus lays on the following **six environmental objectives:** 1. Climate change mitigation 2. Climate change adaptation 3. Sustainable use and protection of water and marine resources 4. Transition to a circular economy 5. Pollution prevention and control 6. Protection and restoration of biodiversity and ecosystems To be classified as a sustainable economic activity according to the EU taxonomy regulation, a company must not only contribute to at least one environmental objective but also must not violate the remaining ones. The **classification of an economic activity in terms of sustainability** is based on the following four criteria, which base on the previously mentioned environmental objectives: 1. The economic activity contributes to one of the six environmental objectives 2. The economic activity does 'no significant harm' (DNSH) to any of the six environmental objectives 3. The economic activity meets 'minimum safeguards' such as the UN Guiding Principles on Business and Human Rights to not have a negative social impact 4. The economic activity complies with the technical screening criteria developed by the EU Technical Expert Group https://finance.ec.europa.eu/sustainable-finance/tools-and-standards/eu-taxonomy-sustainable-activities_en
EMS	Energy Management Systems An EMS is an Energy Management Platform that combines IoT, Big Data and AI to collect data from your facilities and turn it into valuable information. An Energy Management Platform is a flexible and intelligent ecosystem that connects the hardware and software of each of your facilities – buildings, chain stores or warehouses – to improve the performance of your FM or energy management equipment.
EPBD	Energy performance of buildings directive (2010/31/EU) Aiming to achieve a fully decarbonized building stock by 2050, the EPBD contributes directly to the EU´s energy and climate goals.

	The revised Energy Performance of Buildings Directive (EU/2024/1275) entered into force in all EU countries on 28 May 2024 and helps increase the rate of renovation in the EU, particularly for the worst-performing buildings in each country. It also supports better air quality, the digitalization of energy systems for buildings and the roll-out of infrastructure for sustainable mobility. Recognizing the differences across EU countries in factors such as the existing building stock, geography and climate, the directive allows governments to decide on the renovation measures best suited to their specific national context. Countries can also exempt various categories of buildings from the rules including historical buildings and holiday homes. https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32010L0031
EPC	Energy performance certificates provide information on the energy efficiency of buildings and recommended improvements. EPCs and inspections of heating and cooling systems are important instruments that help improve the energy performance of buildings with a central role in the Energy Performance of buildings directive (EPBD) (2010/31/EU)
ERS	Electric road systems (ERS) are road transportation systems based on technologies that support electric power transfer from roads to vehicles in motion.
ESRS	European Sustainability reporting Standards The standards apply to companies under the scope of the CSRD regardless of which sector they operate it. https://ec.europa.eu/commission/presscorner/detail/en/qanda_23_4043
Expert Group for SLL	This Expert Group is responsible for establishing the expert criteria in relation to the validation of financing operations linked to sustainability indicators for those operations that do not have an independent external verifier or standard. To perform this function, prior to the formalisation of transactions that may incorporate ESG commitments linked to the price, it must analyse the suitability of such commitments in accordance with the Sustainability-Linked Loan Principles. The Business Areas shall be the proponents and the Group shall evaluate and decide by means of a voting system. The main functions of the Expert Group are as follows: Analysis, archiving of documentation, Elaboration of criteria, Elaboration of proposals for improvement on the functioning of the Group itself. The Expert Group is composed of different areas: • Sustainability • Corporate Banking • Risk • Compliance and Control • Internal Audit
FCEV	Fuel cell electric vehicles. FCEVs have electric motors that get their energy from hydrogen. The hydrogen is refueled at special charging points and converted into fuel through an oxidation process.
FSC Certification System	FSC (Forest Stewardship Council, is a global non-profit organization dedicated to promoting responsible and sustainable forest management.) has established a certification system to ultimately ensure sustainable management of the world's forests.
FSC: Chain of Custody	Chain of custody certification is how the Forest Stewardship Council (FSC) verifies that forest-based materials produced according to our rigorous standards are credibly used along the product's path from the forest to becoming finished goods. The FSC label on a finished product signals that the materials used during production have met the chain of custody requirements at every step in the supply chain, from sourcing to distribution.
FTP-75	City driving cycle. Series of tests defined by the US Environmental Protection Agency (EPA) to measure tailpipe emissions and fuel economy of passenger cars (excluding light trucks and heavy-duty vehicles) Though it was originally created as a reference point for fossil fueled vehicles, the FTP-75, is also used to estimate the range in distance travelled by an electric vehicle in a single charge.
GBP	Green Bonds are any type of bond instrument where the proceeds or an equivalent amount will be exclusively applied to finance or re-finance, in part or in full, new and/or existing eligible Green Projects and which are aligned with the four core components of the GBP: 1. Use of proceeds 2. Process for project evaluation and selection

	3. Management of proceeds 4. Reporting The **Green Bond Principles** (GBP) seek to support issuers in financing environmentally sound and sustainable projects that foster a net-zero emissions economy and protect the environment. GBP-aligned issuance should provide transparent green credentials alongside an investment opportunity. By recommending that issuers report on the use of Green Bond proceeds, the GBP promote a step change in transparency that facilitates the tracking of funds to environmental projects, while simultaneously aiming to improve insight into their estimated impact. https://www.icmagroup.org/assets/documents/Sustainable-finance/2022-updates/Green-Bond-Principles-June-2022-060623.pdf
GHG emissions	Greenhouse gas emissions Gases that trap heat in the atmosphere. The main greenhouse gases are: 1. Carbon dioxide (cO2) 2. Methane (CH4) 3. Nitrous Oxide (n2o) 4. Fluorinated gases Each of these gases can remain in the atmosphere for different amounts of time, ranging from a few years to thousands of years. Some gases are more effective than others at making the planet warmer and "thickening the Earth's atmospheric blanket." For each greenhouse gas, a **Global Warming Potential (GWP)** was developed to allow comparisons of the global warming impacts of different gases. Specifically, it is a measure of how much energy the emissions of 1 ton of a gas will absorb over a given period of time, typically a 100-year time horizon, relative to the emissions of 1 ton of carbon dioxide (CO2). Gases with a higher GWP absorb more energy, per ton emitted, than gases with a lower GWP, and thus contribute more to warming Earth.
GLP	The **Green Loan Principles** (GLP) were originally published in 2018 and provide a framework for what is recognized as an increasingly important area of finance. In order to promote the development of this product, and underpin its integrity, the APLMA, LMA, and LSTA considered it appropriate to produce **Guidance on the GLP**, to provide market practitioners with clarity on their application and promote a harmonized approach.
GTL	**Gas to liquids** (GTL) is a refinery process to convert natural gas or other gaseous hydrocarbons into longer-chain hydrocarbons, such as gasoline or diesel fuel
HEV	**Hybrid electric vehicle**, are vehicles that combine one or more electric motors with an internal combustion engine.
ICMA	Capital Markets Association CMA is a not-for-profit association (Verein) under the Swiss Civil Code. The Association is headquartered in Zurich. ICMA and its members work together to promote the development of the international capital and securities markets, pioneering the rules, principles and recommendations which have laid the foundations for their successful operation. In pursuit of its objectives, ICMA brings together members from all segments of the wholesale and retail debt securities markets, through regional and sectoral member committees, and focuses on a comprehensive range of market practice and regulatory issues which impact all aspects of international market functioning. ICMA prioritizes three core fixed income market areas – primary, secondary, repo and collateral: with two cross-cutting themes of sustainable finance and FinTech and digitalization. ICMA has around 620 members active in all segments of international debt capital markets in almost 70 jurisdictions globally. Among the members are private and public sector issuers, banks and securities dealers, asset and fund managers, insurance companies, law firms, capital market infrastructure providers and central banks. ICMA provides for the Green Bond Principles (GBP), the Social Bond Principles (SBP), the Sustainability Bond Guidelines (SBG) and the Sustainability-Linked Bond Principles (SLBP) - collectively known as "the Principles" – which are the de facto global issuance standard for the international sustainable bond market The **Principles** are a collection of voluntary frameworks with the stated mission and vision of promoting the role that global debt capital markets can play in financing progress towards environmental and social

	sustainability. https://www.icmagroup.org/
IWPP	An independent water and power plant (IWPP) or an integrated water and power project is a combined facility which serves as both a desalination plant and a power plant
KPIs	Key Performance Indicators Quantitative metric that shows how your team or company is progressing towards your most important business goals.
LEED	Leadership in Energy and Environmental Design It´s a green building rating system. LEED certification provides a framework for healthy, highly efficient, and cost-saving green buildings, which offer environmental, social and governance benefits. LEED certification is a globally recognized symbol of sustainability achievement, and it is backed by an entire industry of committed organizations and individuals paving the way for market transformation. https://www.usgbc.org/leed
LMA	Loan Market Association Its objective is improving liquidity, efficiency and transparency in the primary and secondary syndicated loan markets in Europe, the Middle East and Africa (EMEA). By establishing sound, widely accepted market practice, it seeks to promote the syndicated loan as one of the key debt products available to borrowers across the region. https://www.lma.eu.com/
LSHFO	Low-Sulphur heavy fuel oil (LSHFO) A growing number of low Sulphur fuel oils (LSFOs) are being marketed as a result of new international rules to reduce the Sulphur content of ship fuels. This project aims to strengthen the knowledge base on environmental fate and behavior of LSFO spills in cold seawater.
LSTA	The Loan Syndications and Trading Association (LSTA) is a financial services trade group which exists to enhance the development and running of the North American syndicated loan market. The LSTA's mission statement is to "promote a fair, orderly, efficient, and growing corporate loan market and provide leadership in advancing and balancing the interests of all market participants" https://www.lsta.org/
M1, M2 and M3, N1 or L	Classification of vehicles according to homologation: Directive: 2007/46/EC: Homologation of motor vehicles and trailers, systems, components and independent technical units intended for such vehicles. • Category M: Motor vehicles with at least four wheels designed and manufactured for the transport of passengers. – Category M 1 : Vehicles with a maximum of eight seats (excluding the driver's seat) designed and manufactured for the transport of passengers. – Category M 2 : Vehicles with more than eight seats (excluding the driver) whose maximum mass does not exceed 5 tons, designed and manufactured for the transport of passengers. – Category M 3 : Vehicles with more than eight seats (excluding the driver) with a maximum mass exceeding 5 tons, designed and manufactured for the transport of passengers. • Category N: Motor vehicles with at least four wheels designed and manufactured for the transport of goods. – Category N 1 : Vehicles with a maximum mass not exceeding 3.5 tons designed and manufactured for the transport of goods. – Category N 2 : Vehicles with a maximum mass greater than 3.5 tons and not exceeding 12 tons designed and manufactured for the transport of goods. Directive: 2002/24/EC Category L: Homologation of two- or three-wheeled motor vehicles and quadricycles
MDO	Marine diesel oil (MDO) is a type of distillate diesel oil. Marine diesel oil is also called distillate marine diesel.[1] MDO is widely used by medium speed and medium/high speed marine diesel engines. It is also used in the larger low speed and medium speed propulsion engine which normally burn residual fuel.[1] Those fuels result from a catalytic cracking and Vis breaking refinery.

MSME	Micro-small and medium sized enterprises
NEDC testing	New European Driving Cycle test procedure Until 2018, The EU, through NEDC testing, controlled and found out what emissions of carbon dioxide and other types of polluting particles were generated by the cars of the different brands on sale. In addition to the emissions, this cycle also recorded how much petrol the cars consumed; however, it was based on theoretical driving. It is focused on: 1. traffic conditions at speeds of 120 km/h and above. The main problem was that it did not take into account pollution in built-up areas, only on interurban roads. Another aspect they studied was the time required for a vehicle to slow down in 20 km/h sections.
NZEB	Nearly-zero energy buildings, is a requirement introduced by the Energy Performance of Buildings Directive EU/31/2010 (revised in 2018). It means that all new buildings – as of 2020 - must have a high energy performance and very low-energy needs, covered largely by onsite and nearby renewable energy sources. https://energy.ec.europa.eu/topics/energy-efficiency/energy-efficient-buildings/nearly-zero-energy-and-zero-emission-buildings_en
PED	Primary energy demand Primary energy refers to the total energy from a raw energy source that is converted into consumable energy. Primary energy is greater than final energy consumption because it includes the energy that is lost in the process through inefficiencies.
PHEV	Plug-in Hybrid electric vehicle. As HEVs, plug-in hybrid cars run on a combustion engine and one or more electric motors, the difference is that while non-plug-in hybris (HEVs) use the energy recovery system during braking, PHEVs have a battery pack that is recharged by connecting it to a charging point.
PV	Photovoltaics (PV) is the conversion of light into electricity using semiconducting materials that exhibit the photovoltaic effect, The photovoltaic effect is commercially used for electricity generation and as photosensors.
RSB-certified.	RSB is a collaborative network of global organizations advancing the just transition to a net-positive world. https://rsb.org/ RSB certification enables producers of fuel, biomass and material products from bio-based and recycled carbon – including fossil waste – to demonstrate their compliance with RSB's globally recognized Principles & Criteria, when they become RSB-certified. https://rsb.org/certification/
SBG	Sustainability bonds are bonds where the proceeds will be exclusively applied to finance or re-finance a combination of both green and social projects. The Sustainability Bond Guidelines (SBG), confirm the relevance of the Principles in this context and facilitate the application of their guidance on transparency and disclosure to the sustainability bond market. https://www.icmagroup.org/assets/documents/Sustainable-finance/2021-updates/Sustainability-Bond-Guidelines-June-2021-140621.pdf
SBP	Social bonds are use of proceeds bonds that raise funds for new and existing projects with positive social outcomes. The Social Bond Principles (SBP) seek to support issuers in financing socially sound and sustainable projects that achieve greater social benefits. SBP-aligned issuance should provide transparent social credentials alongside an investment opportunity. By recommending that issuers report on the use of Social Bond proceeds, the SBP promote a step change in transparency that facilitates the tracking of funds to social projects, while simultaneously aiming to improve insight into their estimated impact. https://www.icmagroup.org/assets/documents/Sustainable-finance/2023-updates/Social-Bond-Principles-SBP-June-2023-220623.pdf
SDGs	The Sustainable Development Goals (SDGs), also known as the Global Goals, were adopted by the United Nations in 2015 as a universal call to action to end poverty, protect the planet, and ensure that by 2030 all people enjoy peace and prosperity.

	The 17 SDGs are integrated—they recognize that action in one area will affect outcomes in others, and that development must balance social, economic, and environmental sustainability. 1. No poverty 2. Zero Hunger 3. Good health and well-being 4. Quality education 5. Gender Equality 6. Clean water and sanitation 7. Affordable and clean energy 8. Decent work and economic growth 9. Industry, innovation, and infrastructure 10. Reduced inequalities 11. Sustainable cities and communities 12. Responsible consumption and production 13. Climate action 14. Life below water 15. Life on land 16. Peace, justice, and strong institutions 17. Partnerships for the goals https://sdgs.un.org/goals
SLBP	Sustainability-linked bonds aim to further develop the key role that debt markets can play in funding and encouraging companies that contribute to sustainability (from an environmental and/or social and/or governance perspective). This definition shall always be aligned with ICMA's SLB Principles. The Sustainability-Linked Bond Principles provide guidelines that recommend structuring features, disclosure and reporting. They are intended for use by market participants and are designed to drive the provision of information needed to increase capital allocation to such financial products. The SLBP are applicable to all types of issuers and any type of financial capital market instruments. https://www.icmagroup.org/assets/documents/Sustainable-finance/2024-updates/Sustainability-Linked-Bond-Principles-June-2024.pdf
SLL	Sustainability Linked Loans. As the global sustainable finance market continues to expand, innovative financial instruments have emerged to meet changing needs. One instrument that's contributing to this dynamic market's growth is the sustainability-linked loan (SLL). An SLL ties the borrower's loan terms to the achievement of ambitious sustainability goals. This can spur meaningful progress within organizations, while allowing borrowers to demonstrate their ESG commitments to stakeholders. This definition shall always be aligned with LMA's SLL Principles.
SLLP	Sustainability-Linked Loans aim to facilitate and support environmentally and socially sustainable economic activity and growth. The Sustainability-Linked Loan Principles (SLLP) have been developed by an experienced working party, consisting of representatives from leading financial institutions active in the global syndicated loan markets. https://www.icmagroup.org/assets/documents/Sustainable-finance/2024-updates/Guidelines-for-Sustainability-Linked-Loans-financing-Bonds-June-2024.pdf
SLL's Expert Group	The SLL's Expert Group is the internal forum that determines if an SLL meets the criteria to be considered as sustainable financing under this Guide and thus for the purpose of contributing to the sustainable finance mobilization target set by the bank
SME	Small and medium-sized enterprises, the main factors determining whether an enterprise is an SME are: 1.- staff headcount 2.- either turnover or balance sheet total
SPO	Second Party Opinion (SPO) is an independent, point-in-time analysis of a sustainable finance instrument, program, or framework.
SPT	Sustainable Performance Target Measurable improvements in key performance indicators on to which issuers commit to a predefined timeline.

	SPTs should be ambitious, material and where possible benchmarked and consistent with an issuer's overall sustainability/ESG strategy.
Sustainable Development Goals (SDGs) Funding Framework.	For the purpose of issuing Green, social and/or Sustainability debt instrument (s), which include bonds and/or commercial papers, CaixaBank has developed the **SDGs Funding Framework**, which provides guidelines regarding the four key pillars of the ICMA Green Bond Principles, Social Bond Principles and the Sustainability Bond Guidelines.
Sustainable financing	Sustainable finance refers to the process of taking environmental, social and governance (ESG) considerations into account when making investment decisions in the financial sector.
Sustainable financing working group	The **Sustainable Finance Working Group** meets formally at least once a month, or whenever any of the areas involved deems it necessary. Its main task will be to review monthly the sustainable finance transactions originated in the period, to validate the completeness of the information provided by the originator and assess their qualification to be included in the Bank's sustainable finance mobilisation figure.
WEEE	Waste from electrical and electronic equipment (WEEE) It includes a large range of devices such as mobile phones, computers, televisions, fridges, household appliances, lamps but also medical devices and photovoltaic panels. E-waste contains a complex mixture of materials, some of which are hazardous. These can cause major environmental and health problems if the discarded devices are not managed properly. Modern electronics also contain rare and expensive resources, including critical raw materials. These can be recycled and re-used if the waste is effectively managed. Improving the collection, treatment and recycling of electrical and electronic equipment at the end of their life can increase resource efficiency and support the shift to a circular economy. EU rules on treating waste electrical and electronic equipment to contribute towards a circular economy. https://environment.ec.europa.eu/topics/waste-and-recycling/waste-electrical-and-electronic-equipment-weee_en
WLTP	World Harmonized Light-duty Vehicle Test procedure Since 2019, WLTP is in force. Global standard covering all car manufacturers and includes several aspects: 1. Emissions under normal driving conditions 2. Emission forecasts between 15.000 and 100.000 km driven 3. Fuel tank breathing losses (in test chambers) 4. Fuel consumption and its maximum deviation, which may not exceed 5% Although an electric car does not emit any pollutant gases while driving, the WLTP cycle is used to certify its range, i.e. its energy consumption.

8 APPENDIX: Regulatory references

Regulation	Description
Directive EU 2024/1275 EPBD	Energy performance of buildings directive (EU/2024/1275) is aiming to achieve a fully decarbonized building stock by 2050, contributing directly to the EU's energy and climate goals. To boost the energy performance of buildings, the EU has established a legislative framework that includes the revised Energy Performance of Buildings Directive (EU/2024/1275) and the revised Energy Efficiency Directive (EU/2023/1791). Together, the directives promote policies that will help achieve a highly energy efficient and decarbonized building stock by 2050 create a stable environment for investment decisions enable consumers and businesses to make more informed choices to save energy and money https://energy.ec.europa.eu/topics/energy-efficiency/energy-efficient-buildings/energy-performance-buildings-directive_en
Directive 2010/30	DIRECTIVE 2010/30/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 19 May 2010 on the **indication by labelling and standard product information of the consumption of energy and other resources by energy-related products** https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32010L0030
Regulation EU 2017/1369	REGULATION (EU) 2017/1369 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 4 July 2017 setting a **framework for energy labelling and repealing Directive 2010/30/EU** https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32017R1369
Directive 2010/731/EU	COMMISSION DECISION of 30 November 2010 establishing a **questionnaire to be used for reporting on the implementation of Directive 2000/76/EC** of the European Parliament and of the Council on the incineration of waste https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32010D0731
Directive 2009/125/EC	DIRECTIVE 2009/125/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 21 October 2009 establishing a **framework for the setting of eco-design requirements for energy-related products** https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32009L0125
Directive 2018/2001/EU	DIRECTIVE (EU) 2018/2001 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 11 December 2018 on the **promotion of the use of energy from renewable sources** https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32018L2001
Directive 2007/46/EC	DIRECTIVE 2007/46/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 5 September 2007 establishing a **framework for the approval of motor vehicles and their trailers, and of systems, components and separate technical units intended for such vehicles** https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32007L0046
Directive 715/2007	REGULATION (EC) No 715/2007 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 20 June 2007 on **type approval of motor vehicles with respect to emissions from light passenger and commercial vehicles** (Euro 5 and Euro 6) and on access to vehicle repair and maintenance information

	https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32007R0715
Regulation EU 622/2012	COMMISSION REGULATION (EU) No 622/2012 of 11 July 2012 amending Regulation (EC) No 641/2009 with regard to **eco-design requirements for glandless standalone circulators and glandless circulators integrated in products** https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32012R0622
Regulation EU 2019/1242	REGULATION (EU) 2019/1242 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 20 June 2019 **setting CO2 emission performance standards for new heavy-duty vehicles and amending Regulations (EC) No 595/2009 and (EU) 2018/956 of the European Parliament and of the Council and Council Directive 96/53/EC** https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32019R1242
Regulation EC 834/2007	Council Regulation (EC) No 834/2007 of 28 June 2007 on **organic production and labelling of organic products and repealing Regulation (EEC) No 2092/91** https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32007R0834
Regulation EU 2018/848	REGULATION (EU) 2018/848 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 30 May 2018 on **organic production and labelling of organic products and repealing Council Regulation (EC) No 834/2007** https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32018R0848