

# Mamoura Diversified Global Holding PJSC

**Type of Engagement:** Allocation Review

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## Introduction

In October 2023, Mamoura Diversified Global Holding PJSC (“MDGH”) issued a green bond (the “2023 Green Bond”), which was issued under the Mamoura Diversified Global Holding PJSC Green Finance Framework (the “Framework”)<sup>1</sup> and raised USD 750 million aimed at financing and refinancing existing and future projects expected to provide positive environmental impacts globally, in addition to aligning with the decarbonization ambitions of the UAE. In September 2024, MDGH engaged Sustainalytics to review the projects and assets funded through the 2023 Green Bond and provide an assessment as to whether the projects and assets met the use of proceeds criteria outlined in the Framework. Sustainalytics has calculated the estimated impact achieved by the 2023 Green Bond in a separate report.<sup>2</sup> Sustainalytics provided a Second Party Opinion on the Framework in September 2023.<sup>3</sup>

## Evaluation Criteria

Sustainalytics evaluated the projects and assets financed or refinanced between October 2023 and October 2024 with proceeds from the 2023 Green Bond based on whether the projects and assets met the use of proceeds and eligibility criteria of the Framework.

**Table 1: Use of Proceeds, Eligibility Criteria and Associated KPIs**

| Use of Proceeds Category | Eligibility Criteria   | Key Performance Indicators  |
|--------------------------|--|---|
| <b>Renewable Energy</b>  | <p>Investments in companies involved in technologies and services such as generation and transmission of energy from renewable sources and manufacturing of the related equipment including onshore and offshore wind power, solar power, bioenergy, geothermal energy, hydro power, and green hydrogen:</p> <ul style="list-style-type: none"> <li>Solar power: Photovoltaics (PV), concentrated solar power (CSP) and solar thermal facilities</li> <li>Wind power: Onshore and offshore wind energy generation facilities and other emerging technologies, such as wind tunnels and cubes</li> <li>Geothermal energy projects with less than 100 gCO<sub>2</sub>e/kWh measured on a life cycle basis</li> <li>Hydropower: projects with less than 100 gCO<sub>2</sub>e/kWh lifecycle emissions or power density greater than 5W/m<sup>2</sup></li> <li>Green hydrogen: produced using renewable energy with a lifecycle GHG emissions below 100 gCO<sub>2</sub>e/kWh</li> </ul> | <ol style="list-style-type: none"> <li>Estimated annual reduced and/or avoided GHG emissions [tCO<sub>2</sub>e/year]</li> <li>Total installed capacity [MW]</li> <li>Estimated annual reduced and/or avoided GHG emissions [tCO<sub>2</sub>e/year]</li> <li>Number of power storage facilities financed (units per year) [#]</li> <li>Number of electricity transmission or distribution infrastructures financed (units per year) [#]</li> </ol> |

<sup>1</sup> Mamoura Diversified Global Holding PJSC, “Mamoura Diversified Global Holding PJSC Green Finance Framework”, 2023, at:

[https://www.mubadala.com/en/-/media/project/mubadala/reports/en/2023/MDGH%20Green%20Finance%20Framework\\_September%202023.pdf](https://www.mubadala.com/en/-/media/project/mubadala/reports/en/2023/MDGH%20Green%20Finance%20Framework_September%202023.pdf)

<sup>2</sup> Available at: <https://www.sustainalytics.com/corporate-solutions/sustainable-finance-and-lending/published-projects>

<sup>3</sup> Sustainalytics, “Second-Party Opinion, Mamoura Diversified Global Holding PJSC Green Finance Framework”, 2023, at: <https://www.mubadala.com/en/-/media/project/mubadala/reports/en/2023//mdgh-green-finance-framework-spo-2023.pdf>

|                        |   |  |
|------------------------|---|--|
|                        | Infrastructure to support renewable energy transmission, distribution and storage <sup>4</sup>  |  |
| <b>Green Buildings</b> | <p>Investments in companies involved in or direct investments in the construction, acquisition and refurbishment of new or existing buildings that meet at least one of the criteria below:</p> <ul style="list-style-type: none"> <li>• New or existing residential or commercial buildings that are within the top 15 percent most energy efficient buildings in their respective region or with an EPC label of A</li> <li>• Residential or commercial buildings that have been refurbished resulting in a reduction of primary energy demand of at least a 30 percent</li> <li>• New, existing or refurbished residential, commercial or mixed use buildings which received or are expected to receive at least one of the following certifications: <ul style="list-style-type: none"> <li>• BREEAM "Very Good" or above</li> <li>• LEED "Gold" or above</li> <li>• GSAS "4 Star" or above</li> <li>• DGNB "Gold" or above</li> <li>• EDGE</li> <li>• Estidama, Pearl Building Rating System in the Emirate of Abu Dhabi "3 Pearl Rating with a minimum 20% improvement above ASHRAE 90.1 criteria"</li> <li>• Al Sa'fat, Dubai Green Building System in the Emirate of</li> <li>• Dubai "Platinum Sa'fa"</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>i. Estimated annual reduced and/or avoided GHG emissions [tCO<sub>2</sub>e/year]</li> <li>ii. Estimated annual energy consumption [kWh/year]</li> <li>iii. Estimated annual reduced and/or avoided energy consumption [kWh/year]</li> <li>iv. Share of buildings with green buildings certifications [%]</li> </ul> |

## Issuer's Responsibility

MDGH is responsible for providing accurate information and documentation relating to the projects and assets funded, including description of projects, assets and amounts allocated.

## Independence and Quality Control

Sustainalytics, a leading provider of ESG research and ratings to investors, conducted the verification of the use of proceeds from the 2023 Green Bond. The work undertaken as part of this engagement included collection of documentation from MDGH and review of said documentation to assess conformance with the Framework.

Sustainalytics relied on the information and facts presented by MDGH with respect to the funded projects and assets. Sustainalytics is not responsible nor shall it be held liable for any inaccuracies in the opinions, findings or conclusions herein due to incorrect or incomplete data provided by MDGH.

Sustainalytics made all efforts to ensure the highest quality and rigor during its assessment process and enlisted its Sustainability Bonds Review Committee to provide oversight of the review.

<sup>4</sup> MDGH does not intend to finance or refinance any infrastructure dedicated to creating a direct connection or expanding an existing direct connection between a substation or network and power production plant that is more greenhouse gas intensive than 100 gCO<sub>2</sub>e/kWh measured on a life cycle basis.

## Conclusion

Based on the limited assurance procedures conducted,<sup>5</sup> nothing has come to Sustainalytics' attention that causes us to believe that, in all material respects, the reviewed projects do not meet the use of proceeds criteria outlined in the Framework. MDGH has disclosed to Sustainalytics that the proceeds from the 2023 Green Bond were fully allocated as of the time of this report.

## Detailed Findings

**Table 2: Detailed Findings**

| <b>Eligibility Criteria</b>     | <b>Procedure Performed</b>   | <b>Factual Findings</b>   | <b>Error or Exceptions Identified</b> |
|---------------------------------|--|---|---------------------------------------|
| <b>Use of Proceeds Criteria</b> | Verification of the 5 projects funded with proceeds from the green bond in 2023 to determine if the projects meet the use of proceeds criteria outlined in the Mamoura Diversified Global Holding PJSC Green Finance Framework. For allocation to the individual use of proceeds categories, please refer to Appendix 1. | All 5 projects reviewed complied with the use of proceeds criteria. | None                                  |

<sup>5</sup> Sustainalytics limited assurance process includes reviewing the documentation relating to the details of projects, including description, estimated and realized costs, and project impact, as provided by the Issuer, which is responsible for providing accurate information. Sustainalytics has not conducted on-site visits to projects.

## Appendix

### Appendix 1: Allocation Reporting by Use of Proceeds Category

| Use of Proceeds Category        | Projects Financed   | Amount Allocated (USD) |
|---------------------------------|---|------------------------|
| Renewable Energy                | Pureplay Company <sup>6</sup>                                   | 172,996,598            |
|                                 | Offshore wind energy in Germany, Taiwan and France <sup>7</sup> | 323,989,933            |
|                                 | Solar and wind energy in India                                  | 108,000,000            |
| Green Buildings                 | Spanish student housing platform                                | 35,947,384             |
|                                 | Logistics platform in the UK                                    | 109,066,085            |
| <b>Total Proceeds Allocated</b> |   | <b>750,000,000</b>     |

<sup>6</sup> Project 3 is a renewable energy company, including green hydrogen projects, that focuses on supporting the UAE transition to net zero. It comprises 55 of individual projects.

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