Second-Party Opinion

# Jyske Bank Group Green Finance Framework

## Evaluation Summary

Sustainalytics is of the opinion that the Jyske Bank Group Green Finance Framework is credible and impactful and aligned with the four core components of the Green Bond Principles 2021. This assessment is based on the following:

**USE OF PROCEEDS** The eligible categories for the use of proceeds – Renewable Energy, Energy Transmission, Distribution and Storage, Manufacture and Production, Green Buildings, Clean Transportation, and Sustainable Water and Waste Management – are aligned with those recognized by the Green Bond Principles. Sustainalytics considers that the eligible categories will lead to positive environmental impacts and advance the UN Sustainable Development Goals, specifically SDGs 6, 7, 9, 11 and 12.

**PROJECT EVALUATION AND SELECTION** Jyske Bank has established a Committee for Responsible Financing which will be responsible for evaluating and selecting projects in line with the Framework's eligibility criteria. The Committee for Responsible Financing will also oversee that the environmental and social risks associated with the green projects are properly mitigated. Sustainalytics considers the project selection process to be in line with market practice.

**MANAGEMENT OF PROCEEDS** Jyske Bank's Treasury Department will be responsible for the management of proceeds, will manage them on a portfolio level and will track their allocation using an internal tracking system. The Bank intends to allocate proceeds within 12 months of each issuance, while proceeds from covered bonds will be fully allocated at issuance. Pending full allocation, unallocated proceeds will be held in cash or invested in short-term and liquid securities. This is in line with market practice.

**REPORTING** Jyske Bank will report on the allocation of proceeds and the corresponding impact on its website on an annual basis until maturity of the bonds. Allocation reporting will include the total amount allocated, amount allocated by category, progress on the targets set in the Framework, total unallocated proceeds, and share of financing and refinancing. Sustainalytics views Jyske Bank's allocation and impact reporting as aligned with market practice.

Second-Party Opinion
Reviewed by:
MORNINGSTAR | SUSTAINALYTICS

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|---|---|
| **Evaluation Date** | November, 7 2024 |
| **Issuer Location** | Silkeborg, Denmark |

**Report Sections**




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## Alignment with the EU Taxonomy

Sustainalytics has assessed the Framework for alignment with the EU Taxonomy's criteria for Substantial Contribution (SC) to its environmental objectives, and Minimum Safeguards. For more details, please see Section 1 and Appendix 1.

# Introduction

Jyske Bank Group ("Jyske Bank" or the "Bank") is a Danish bank that offers financial services to private customers and businesses, including mortgage loans and leasing solutions. Established in 1967, the Bank is headquartered in Silkeborg, Denmark. As of June 2024, Jyske Bank had 89 branches in Denmark and 3,935 employees.[1]

Jyske Bank has developed the Jyske Bank Group Green Finance Framework dated November 2024 (the "Framework") under which Jyske Bank intends to issue green bonds, and Jyske Realkredit intends to issue green covered bonds.[2,3] Jyske Bank and Jyske Realkredit intend to use the proceeds to finance or refinance, in whole or in part, projects expected to contribute to decarbonizing the building stock in Denmark and to reducing GHG emissions in the country. The Framework defines eligibility criteria in the following areas:

1. Renewable Energy
2. Energy Transmission, Distribution and Storage
3. Manufacture and Production
4. Green Buildings
5. Clean Transportation
6. Sustainable Water and Waste Management

Jyske Bank engaged Sustainalytics to review the Framework and provide a Second-Party Opinion on the Framework's environmental credentials and its alignment with the Green Bond Principles 2021 (GBP)[4]. The Framework has been published in a separate document.[5]

**Scope of work and limitations of Sustainalytics' Second-Party Opinion**

Sustainalytics' Second-Party Opinion reflects Sustainalytics' independent[6] opinion on the alignment of the reviewed Framework with current market standards and the extent to which the eligible project categories are credible and impactful.

As part of the Second-Party Opinion, Sustainalytics assessed the following:

- The Framework's alignment with the Green Bond Principles 2021, as administered by ICMA;
- The credibility and anticipated positive impacts of the use of proceeds;
- Alignment of the use of proceeds criteria with the SC criteria, and alignment with the Minimum Safeguards of the EU Taxonomy;
- The alignment of the issuer's sustainability strategy and performance and sustainability risk management in relation to the use of proceeds.

For the use of proceeds assessment, Sustainalytics relied on its internal taxonomy, version 1.17, which is informed by market practice and Sustainalytics' expertise as an ESG research provider.

As part of this engagement, Sustainalytics held conversations with representatives of Jyske Bank to understand the sustainability impact of its business processes and planned use of proceeds, as well as the management of proceeds and reporting aspects of the Framework. Jyske Bank representatives have confirmed that: (1) they understand it is the sole responsibility of Jyske Bank to ensure that the information provided is complete, accurate and up to date; (2) they have provided Sustainalytics with all relevant information; and (3) that any provided material information has been duly disclosed in a timely manner. Sustainalytics also reviewed relevant public documents and non-public information.

[1] Jyske Bank, "About us", at: https://jyskebank.com/about
[2] Jyske Realkredit is a subsidiary of Jyske Bank that finances mortgage loans for personal and commercial customers' purchases of properties. Jyske Realkredit, "About Jyske Realkredit", at: https://jyskerealkredit.com/about
[3] Jyske Bank has confirmed to Sustainalytics that: i) covered bonds will be covered green standard bonds as defined in the June 2022 Appendix of the Green Bond Principles 2021; ii) proceeds from the covered bonds will be directed to eligible assets; and iii) there will be no double counting of eligible projects financed by covered bonds or any other outstanding green financing instrument.
[4] The Green Bond Principles are administered by the International Capital Market Association and are available at https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/.
[5] The Jyske Bank Group Green Finance Framework is available on Jyske Bank's website at: https://jyskebank.com/investorrelations/sustainability/gff.
[6] When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not the least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics' hallmarks is integrity, another is transparency.

This document contains Sustainalytics' opinion of the Framework and should be read in conjunction with it.

Any update of the present Second-Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and Jyske Bank.

Sustainalytics' Second-Party Opinion assesses alignment of the Framework with market standards but provides no guarantee of alignment nor warrants any alignment with future versions of relevant market standards. Furthermore, Sustainalytics' Second-Party Opinion addresses the anticipated impacts of eligible projects but does not measure the actual impact. The measurement and reporting of the impact achieved through projects financed under the Framework is the responsibility of the issuer.

In addition, the Second-Party Opinion opines on the potential allocation of proceeds but does not guarantee their realized allocation towards eligible activities.

No information provided by Sustainalytics under the present Second-Party Opinion shall be considered as being a statement, representation, warrant or argument in favour or against the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that Jyske Bank has made available to Sustainalytics for the purpose of this Second-Party Opinion.

# Sustainalytics' Opinion

## Section 1: Sustainalytics' Opinion on the Jyske Bank Group Green Finance Framework

Sustainalytics is of the opinion that the Jyske Bank Group Green Finance Framework is credible and impactful, and aligns with the four core components of the GBP. Sustainalytics highlights the following elements of Jyske Bank's Group Green Finance Framework:

- Use of Proceeds:
  - The eligible categories – Renewable Energy, Energy Transmission, Distribution and Storage, Manufacture and Production, Green Buildings, Clean Transportation, and Sustainable Water and Waste Management – are aligned with those recognized by the GBP.
  - Jyske Bank has communicated to Sustainalytics that financing under the Framework will mainly take place in Denmark. However, in line with its credit policy, the Bank may also finance renewable energy projects in other EU countries if the companies are registered in Denmark and operate under Danish law.
  - Jyske Bank has confirmed to Sustainalytics that it will not refinance operating expenditures.
  - Jyske Bank may finance general purpose loans to entities that derive 90% or more of their revenue from activities meeting the eligibility criteria in the Framework. Sustainalytics believes that project and activity-based lending generally result in more direct environmental benefits and enhance compliance with the criteria in the Framework, however, financing pure play companies through green bond proceeds is a commonly accepted approach that is likely to generate positive impacts.
  - Under the Renewable Energy category, Jyske Bank may finance or refinance projects related to renewable energy facilities, including:
    - Electricity generation and heat and cool production from onshore and offshore wind facilities and related infrastructure.
      - For heat and cool production from offshore wind power, Jyske Bank has confirmed that it will limit fossil fuel backup to power monitoring, operating and maintenance equipment, resilience or protection measures, and restart capabilities.
    - Electricity generation, heat and cool production, cogeneration of heat and cool and power from solar energy.
      - Jyske bank has communicated to Sustainalytics that this activity will include financing of solar thermal heat. Jyske bank has confirmed that 100% of the electricity generated from the facility will be derived from solar energy.
    - Electricity generation and heat and cool production from bioenergy.

- Jyske Bank has confirmed to Sustainalytics that biomass plants for electricity generation will provide a reduction of 80% in life cycle emissions compared to the fossil fuel baseline (183 $gCO_2e$/MJ for electricity production).
- The Bank has also communicated to Sustainalytics that financing will only include biomass from forestry feedstock certified by the Sustainable Biomass Program or certifications with equivalent performance. Sustainalytics notes that it is market expectation to specify all eligible schemes and certifications, and encourages the Bank to report on any specific schemes and certifications it intends to use.

▪ Heat and cool production from geothermal energy.
- Jyske Bank has confirmed to Sustainalytics that geothermal plants will have a maximum direct emissions intensity of 100 $gCO_2$/kWh.

▪ Heat and cool production from waste heat.
- Jyske Bank has confirmed to Sustainalytics that it will exclude waste heat from fossil fuel production and operations.

▪ Sustainalytics considers investments under this category to be aligned with market practice.

- Under Energy Transmission, Distribution and Storage, Jyske Bank may finance or refinance projects related to:
  - Energy storage facilities, and transmission and distribution infrastructure for electricity.
    - The Bank has confirmed to Sustainalytics that: i) the facilities are connected to the interconnected European system; and ii) more than 67% of newly enabled generation installed capacity in the system has an emissions intensity below 100 $gCO_2e$/kWh, measured on a life cycle basis in accordance with electricity generation criteria over a rolling five-year period.
    - The Bank has confirmed to Sustainalytics that storage of electricity in the form of hydrogen will only involve hydrogen produced using electricity from renewable energy sources.
    - The Bank has confirmed to Sustainalytics the exclusion of pumped hydro storage from financing under the Framework.
  - Infrastructure for district heating and cooling distribution.
    - The Bank has confirmed to Sustainalytics that it will exclude waste heat from fossil fuel production and operations.
  - Infrastructure for transport and storage of $CO_2$.[7]
    - For the transportation of captured $CO_2$, Jyske Bank will adopt appropriate measures to mitigate and manage the risk of $CO_2$ leakage.
    - $CO_2$ storage will be carried out in areas that are suitable in terms of the geological formation of the land and there will be a robust management plan for leakage detection systems.
    - Transportation and storage of $CO_2$ from fossil fuel extraction, production and refining activities are excluded from the Framework.
    - Sustainalytics considers carbon, capture and storage (CCS) to have the potential to enable emissions reduction in hard-to-abate industries, and considers it a technology that could support the decarbonization of these industries until alternative low-carbon technologies and solutions are developed. Sustainalytics notes that Jyske Bank's criteria are in line with the substantial contribution criteria of the EU Taxonomy for the transport of $CO_2$ and underground permanent geological storage of $CO_2$.
  - Installation and operation of electric heat pumps that will have a refrigerant management system including procedures to measure, monitor and minimize leakages, such as leak detection alarm systems, regular leak detection inspections, and equipment maintenance and cleaning. Heat pumps with high global warming potential (GWP) refrigerants are excluded from the Framework.

[7] Sustainalytics notes that the $CO_2$ captured and stored might come from various sources which may include carbon-intensive operations, acknowledging that Jyske Bank does not exercise any control of such operations where the captured $CO_2$ originates.

    - Sustainalytics considers investments under this category to be aligned with market practice.
- Under the Manufacture and Production category, Jyske Bank may finance or refinance projects related to:
    - Manufacture of hydrogen using renewable electricity (green hydrogen) and anhydrous ammonia made from green hydrogen.
    - Manufacture of renewable energy equipment, including solar panels and wind turbines.
        - Jyske Bank has communicated to Sustainalytics that the facilities will be wholly dedicated to manufacturing components for renewables.
    - Production of biogas and digestate through anaerobic digestion of separately collected bio-waste or sewage sludge.
        - For biogas production, installations will have life cycle emissions at least 65% lower than fossil fuel baseline for biogas production.
        - Biogas production will use households biowaste and waste from livestock operations as feedstock. Jyske Bank has confirmed the exclusion of: i) animal fats, oil and other animal processing by-products; and ii) animal manure from industrial-scale livestock operations.
        - In relation to sewage sludge, the Bank will exclude wastewater from fossil fuel operations.
    - Sustainalytics considers investments under this category to be aligned with market practice.
- Under the Green Buildings category, Jyske Bank may finance or refinance:
    - Construction of new buildings with primary energy demand (PED) at least 10% lower than the applicable requirements for nearly zero-energy buildings (NZEB).
    - Acquisition and ownership of buildings according to the following criteria:
        - New and existing buildings built after 31 December 2020 with PED at least 10% lower than the applicable requirements for NZEB.
        - Existing buildings built after 31 December 2020 with an energy performance certificate (EPC) A or those that belong in the top 15% of the national or regional building stock expressed in operational PED demonstrated by adequate evidence.
    - Renovations in accordance with one of the following criteria:
        - The renovation meets the requirements for major renovations in accordance with the Directive 2010/31/EU (EPBD).[8]
            - Sustainalytics notes that the EU Taxonomy[9] requires renovations to comply with the requirements for "major renovations" set in the applicable national and regional building regulations implementing the EPBD, so that the energy performance of the building or renovated part meets the cost-optimal minimum energy requirements of the EPBD. Sustainalytics therefore encourages Jyske Bank to report on the actual improvement on primary energy demand performance or energy savings achieved in comparison with the existing building stock in the area or region.
        - The renovation leads to at least a 30% reduction in PED.
        - The Bank has confirmed to Sustainalytics that it will limit investments under this category to renovation expenditures.
    - Installation, maintenance and repair of energy efficiency equipment and technologies, including heat pumps and solar cells.
        - The Bank has confirmed to Sustainalytics that it will exclude technologies designed or intended for processes that are inherently carbon intensive, primarily driven or powered by fossil fuels, such as oil or gas-fired boilers, cogeneration and CHP units, or for production processes in heavy industries, such as steel, cement and aluminium.

[8] European Parliament, "Directive 2010/31/EU of the European Parliament and of the Council of 19 May 2010", (2010), at: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32010L0031
[9] European Commission, "EU Taxonomy Delegated Act", (2021), at: https://ec.europa.eu/finance/docs/level-2-measures/taxonomy-regulation-delegated-act-2021-2800-annex-1_en.pdf

        - Jyske Bank has confirmed to Sustainalytics that it will exclude buildings designed for the purpose of extraction, storage, transportation or manufacture of fossil fuels.
        - Sustainalytics considers investments under this category to be aligned with market practice.
    - Under the Clean Transportation category, Jyske Bank may finance or refinance projects according to the following criteria:
        - Zero direct emissions passenger cars and vans.
        - Hybrid vehicles with emissions intensity up to 50 $gCO_2$/pkm until 2025.[10]
        - Zero direct emissions public passenger transportation, including buses, trains and costal water transportation.
        - Zero direct emissions freight transport.
            - The Bank has confirmed to Sustainalytics the exclusion of freight trucks and tank containers dedicated to the transport of fossil fuels or fossil fuels blended with alternative fuels.
        - Infrastructure that supports zero emissions public and private transportation, including transport by road or rail, such as charging stations for electric transportation or tracks for electric passenger trains.
            - Jyske Bank has confirmed that it will exclude new construction and existing road infrastructure retrofits, as well as parking facilities.
        - Sustainalytics considers investments under this category to be aligned with market practice.
    - Under the Sustainable Water and Waste Management category, Jyske Bank may finance or refinance the following:
        - Construction, extension, operation and renewal of: i) water collection, treatment and supply systems; and ii) wastewater collection and treatment.
            - Jyske Bank has confirmed the exclusion of: i) equipment and methods dependent on fossil fuels; ii) systems and measures to provide water for fossil fuel operations, fracking and mining; and iii) systems and treatment facilities dedicated to controversial activities having harmful social or environmental impacts, such as industrial scale livestock.
        - Collection, transport and material recovery of non-hazardous waste which is segregated at source.
            - The Bank will ensure the segregation of recyclables, including plastics and metals, from feedstock for energy-from-waste and waste-to-energy facilities, in case of financing mixed residual waste.
            - Jyske Bank has confirmed to that the recovery facilities will be limited to recycling facilities for products such as plastic, glass bottles and electric batteries for cars. The Bank has also confirmed that it will limit financing to mechanical recycling for plastics, and that recycling of e-waste will be supported by robust waste management processes to mitigate associated risks.
            - The Banks will not finance vehicles for the transportation of waste.
        - Sustainalytics considers investments under this category to be aligned with market practice.
    - The Framework excludes activities in: i) energy generation from burning fossil fuels; ii) extraction or refining of fossil fuels, including oil and coal); iii) energy generation from nuclear power; iv) production of weapons; v) gambling; vi) tobacco, and vii) prostitution and pornography.
- Project Evaluation and Selection:
    - Jyske Bank has established a Committee for Responsible Financing which will be responsible for evaluating and selecting projects in line with the Framework's eligibility criteria. The committee consists of representatives from departments responsible for commercial and private clients, as well as from the following divisions: Credit, Risk Management, Treasury and Sustainability.

[10]Carbon intensity is measured based on the Worldwide Harmonized Light-Duty Vehicles Test Procedure (WLTP).

- The Committee for Responsible Financing will also oversee that the environmental and social risks associated with the eligible projects are properly mitigated. Sustainalytics considers these environmental and social risk management systems to be adequate and aligned with the requirements of the GBP. For additional detail see Section 2.2.
- Based on the established process for project evaluation and selection and the presence of a risk management system, Sustainalytics considers this process to be in line with market practice.

- Management of Proceeds:
  - The Bank's Treasury Department will be responsible for managing proceeds on a portfolio level and will track their allocation using an existing internal tracking system. The total for financed activities under the Framework will always be at least equal to the total amount of green bonds issued.
  - The Bank intends to allocate proceeds from green bonds within 12 months of each issuance, while proceeds from covered bonds will be fully allocated at issuance through a match-funding mechanism. Pending full allocation, unallocated proceeds will be held in cash or invested in short-term and liquid securities.
  - Based on the use of an internal tracking system and the disclosure of the temporary use of proceeds, Sustainalytics considers this process to be in line with market practice.
- Reporting:
  - Jyske Bank will report on the allocation of proceeds and the corresponding impact in a standalone report on its website on an annual basis until maturity of the bonds.
  - Allocation reporting will include the total amount allocated, amount allocated by category, progress on the targets set in the Framework, total unallocated proceeds, and share of financing versus refinancing
  - Where available, impact reporting will include relevant environmental impact metrics, including yearly estimated GHG emissions savings (in tonnes) and installed renewable energy capacity (in GWh).
  - Based on the commitments to allocation and impact reporting, Sustainalytics considers this process to be in line with market practice.

**Alignment with Green Bond Principles 2021**

Sustainalytics has determined that the Jyske Bank Group Green Finance Framework aligns with the four core components of the GBP.

**Alignment with the EU Taxonomy**

Sustainalytics has assessed each of the Framework's eligible use of proceeds criteria against the relevant criteria in the EU Taxonomy. For SC, please see Table 1. For Minimum Safeguards, please see below.

Table 1 provides an overview of the alignment of Jyske Bank Group's Framework with the applicable SC criteria of the EU Taxonomy.

***Table 1: Summary of Alignment of Framework Criteria with the EU Taxonomy***

| EU Taxonomy Activities corresponding to Framework Criterion | Alignment with Technical Screening Criteria | | Alignment per EU Environmental Objective | | | | | |
|---|---|---|---|---|---|---|---|---|
| | SC | DNSH | Mitigation | Adaptation | Water | Circular Economy | Pollution | Eco-systems |
| 4.3 Electricity generation from wind power | ■ | * | | | | | | |
| 4.1 Electricity generation using solar photovoltaic technology | ■ | * | | | | | | |
| 4.17 Cogeneration of heat/cool and power from solar energy | ■ | * | | | | | | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 4.21 Production of heat/cool from solar thermal heating | ■ | * | | | | | | |
| 4.8 Electricity generation from bioenergy | ■ | * | | | | | | |
| 4.20 Cogeneration of heat/cool and power from bioenergy | ■ | * | | | | | | |
| 4.24 Production of heat/cool from bioenergy | ■ | * | | | | | | |
| 4.22 Production of heat/cool from geothermal energy | ■ | * | | | | | | |
| 4.25 Production of heat/cool using waste heat | ■ | * | | | | | | |
| 4.9 Transmission and distribution of electricity | ■ | * | | | | | | |
| 4.10 Storage of electricity | ■ | * | | | | | | |
| 4.15 District heating/cooling distribution | ■ | * | | | | | | |
| 5.11 Transport of $CO_2$ | ■ | * | | | | | | |
| 5.12 Underground permanent geological storage of $CO_2$ | ■ | * | | | | | | |
| 4.16 Installation and operation of electric heat pumps | ■ | * | | | | | | |
| 3.10 Manufacture of hydrogen | ■ | * | | | | | | |
| 3.15 Manufacture of anhydrous ammonia | ■ | * | | | | | | |
| 3.1 Manufacture of renewable energy technologies | ■ | * | | | | | | |
| 5.6 Anaerobic digestion of sewage sludge | ■ | * | | | | | | |
| 5.7 Anaerobic digestion of bio-waste | ■ | * | | | | | | |
| 7.1 Construction of new buildings | ■ | * | | | | | | |
| 7.7 Acquisition and ownership of buildings | ■ | * | | | | | | |
| 7.2 Renovation of existing buildings | ■ | * | | | | | | |
| 7.3 Installation, maintenance and repair of energy efficiency equipment | ■ | * | | | | | | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 6.5 Transport by motorbikes, passenger cars and light commercial vehicles | ■ | * | | | | | | |
| 6.1 Passenger interurban rail transport | ■ | * | | | | | | |
| 6.3 Urban and suburban transport, road passenger transport | ■ | * | | | | | | |
| 6.11 Sea and coastal passenger water transport | ■ | * | | | | | | |
| 6.6 Freight transport services by road | ■ | * | | | | | | |
| 6.14 Infrastructure for rail transport | ■ | * | | | | | | |
| 5.1 Construction, extension and operation of water collection | ■ | * | | | | | | |
| 5.2 Renewal of water collection, treatment and supply systems | ■ | * | | | | | | |
| 5.3 Construction, extension and operation of wastewater collection and treatment | ■ | * | | | | | | |
| 5.4 Renewal of wastewater collection and treatment | ■ | * | | | | | | |
| 5.5 Collection and transport of non-hazardous waste in source segregated fractions | ■ | * | | | | | | |
| 5.9 Material recovery from non-hazardous waste | ■ | * | | | | | | |

| Legend | |
|---|---|
| Aligned | ■ |
| Partially aligned | ◘ |
| Not aligned | ☒ |
| Not applicable | – |
| Not assessed | * |
| Grey shading indicates the primary EU Environmental Objective | |

**Alignment with the EU Taxonomy's Minimum Safeguards**

The EU Taxonomy recommends that companies have policies aligned with international and regional guidelines and regulations pertaining to human rights, labour rights, and combating bribery and corruption. Specifically, activities should be carried out in alignment with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. Additionally, companies should be in compliance with the International Labour Organisation's (ILO) declaration on Fundamental Rights and Principles at Work.

Based on a consideration of the policies and management systems applicable to Framework criteria, as well as the regulatory context in which financing will occur, Sustainalytics is of the opinion that the EU Taxonomy's Minimum Safeguards requirements will be met.

**Human and Labour Rights**

Jyske Bank has implemented the following policies and procedures regarding human rights:

- Jyske Bank's Policy on Sustainability and Corporate Social Responsibility follows the UN Principles for Responsible Banking,[11] the UN Principles for Responsible Investment (UN PRI),[12] the UN Global Compact's principles on human and labour rights,[13] the UN Guiding Principles on Business and Human Rights,[14] the OECD Guidelines for Multinational Enterprises[15] and the ILO Declaration on Fundamental Principles and Rights at Work.[16,17]
- As Jyske Bank's is incorporated under Danish law and provides financing only to Danish companies, it is required to follow the national legislation on human and labour rights. The Danish Working Environment Act (LBK nr 2062)[18] sets workplace safety and health standards and the Act on Prohibition of Discrimination in the Labour Market (LBK nr 399)[19] sets rules on equal treatment and non-discrimination. Additionally, the Danish constitution ensures the right to freedom of association.[20]
- Jyske Bank has a complaints channel and procedures for employees to report discrimination and violations of the Bank's human rights policies. Jyske Bank is also joining the UN Global Compact's Business and Human Rights Accelerator programme in 2024,[21] focusing on integrating the UN Guiding Principles on Business and Human Rights into its management system.[22]
- Jyske Bank has a due diligence process to monitor compliance with human rights and labour laws. For all clients, the Bank conducts an initial know your customer (KYC) process and for active clients a repeat KYC assessment to monitor ongoing compliance with national legislation. For investments, the Bank screens companies to identify those violating or suspected of violating international norms and conventions.[23]

Based on the work of its research services and its ESG Risk Rating assessment, Sustainalytics evaluated the performance of Jyske Bank in the area of human and labour rights and has not detected involvement in any relevant controversies that would suggest that the above policies are not adequate in addressing key risks.

Sustainalytics is of the opinion that these measures appropriately safeguard minimum standards on human and labour rights in relation to the activities of the Framework.

**Anti-bribery and anti-corruption**

Jyske Bank has implemented the following anti-bribery and anti-corruption policies and procedures:

- Jyske Bank's Anti-bribery and Anti-corruption Policy for All Jyske Bank Group Employees prohibits any forms of bribery, corruption, nepotism or improper business practices. It provides guidelines for employees, including the handling of gifts, which are only acceptable if of value below DKK 1,200 (EUR 161). Any gifts above this value must be approved by a manager. Cash, kickbacks and personal discounts are explicitly forbidden, and any irregularities must be reported through the Bank's internal channels.[24]

[11] UNEP FI, "About the Principles", at: https://www.unepfi.org/banking/more-about-the-principles/
[12] UN PRI, "About the PRI", at: https://www.unpri.org/about-us/about-the-pri
[13] UN Global Compact, "Who we are", at: https://unglobalcompact.org/what-is-gc
[14] UN Human Rights, "Guiding Principles on Business and Human Rights", (2011), at: https://www.ohchr.org/sites/default/files/documents/publications/guidingprinciplesbusinesshr_en.pdf
[15] OECD, "OECD Guidelines for Multinational Enterprises on Responsible Business Conduct", at: https://mneguidelines.oecd.org/mneguidelines/
[16] ILO, "ILO Declaration on Fundamental Principles and Rights at Work", at: https://www.ilo.org/ilo-declaration-fundamental-principles-and-rights-work
[17] Jyske Bank, "Policy on sustainability and corporate social responsibility", (2023), at: https://jyskebank.com/wps/wcm/connect/jbc/4a9dd678-22a9-4fb4-97c2-79784f10145e/Policy+on+sustainability+and+corporate+responsibility+2023.pdf?MOD=AJPERES&CVID=oTFTxyT.
[18] Government of Denmark, "Bekendtgørelse af lov om arbejdsmiljø - LBK nr 2062 af 16/11/2021", at: https://www.retsinformation.dk/eli/lta/2021/2062
[19] Government of Denmark, "Bekendtgørelse af lov om forbud mod forskelsbehandling på arbejdsmarkedet m.v. - LBK nr 399 af 05/04/2024", at: https://www.retsinformation.dk/eli/lta/2024/399
[20] The Danish Parliament, "The Constitutional Act of Denmark", at: https://www.thedanishparliament.dk/-/media/sites/ft/pdf/publikationer/the-constitutional-act-of-denmark.pdf
[21] UN Global Compact, "Business and Human Rights Accelerator", at: https://unglobalcompact.org/take-action/business-and-human-rights
[22] Jyske Bank, "Annual Report 2023", at: https://jyskebank.com/wps/wcm/connect/jbc/7b369504-8d5d-4957-ab94-9f10522702ce/Jyske+Bank+Annual+Report+2023.pdf?MOD=AJPERES
[23] Jyske Bank shared this information with Sustainalytics confidentially.
[24] Jyske Bank, "Anti-bribery and anti-corruption policy for all Jyske Bank Group employees", at: https://jyskebank.com/wps/wcm/connect/jbc/e7803e24-3b6c-401b-b503-d90db729b3fb/Antibestikkelsespolitik%2Bog%2Bantikorruptionspolitik_ENG.pdf?MOD=AJPERES&CVID=nFy9wQ5

- To combat bribery, bribe solicitation and extortion, Jyske Bank has a screening process to identify borrowers or investee companies that may violate international norms or conventions. Furthermore, the Bank conducts a KYC process for new and recurrent clients.[25]
- Jyske Bank has a whistleblower protection programme to encourage employees to report violations of laws, financial regulations and others.[26]

Based on the work of its research services and its ESG Risk Rating assessment, Sustainalytics evaluated the performance of Jyske Bank in relation to anti-bribery and anti-corruption matters and has not detected involvement in any relevant controversies that would suggest that the above policies are not adequate in addressing key risks.

Sustainalytics is of the opinion that these measures provide the minimum safeguards required for anti-bribery and anti-corruption matters in relation to the activities of the Framework.

Based on these policies, standards and assessments, Sustainalytics is of the opinion that Jyske Bank's policies, guidelines and commitments are sufficient to demonstrate that the activities and projects to be financed under the Framework will be carried out in alignment with the EU Taxonomy's Minimum Safeguards.

## Section 2: Sustainability Strategy of Jyske Bank

**Contribution to Jyske Bank Group's sustainability strategy**

Jyske Bank's sustainability strategy focuses on achieving net zero GHG emissions from its lending, investment and banking operations.[27]

Jyske Bank has set a long-term target of achieving net zero carbon emissions by 2050, with interim reduction targets for 2030. For its lending portfolio, using 2021 as the baseline, the Bank targets a 65% reduction in GHG emissions per square metre for residential multi-family property, a 50% reduction for office and commercial properties, and an 85% reduction for owner-occupied homes by 2030. From the 2020 baseline, it aims to cut GHG emissions in agriculture by 40% per DKK million lent and reduce GHG emissions in energy supply by 30% per kWh produced by 2030. For road transport, Jyske Bank aims to reduce emissions per kilometre by 15% by 2030, from a 2019 baseline. In its investment activities, Jyske Bank plans to reduce the carbon footprint of its equity investments by 75% and its funds in Danish mortgage bonds by 40% by 2030 from a 2019 baseline. Additionally, for its own operations, the Bank has committed to reduce its scope 1 and 2 GHG emissions by 65% by 2030, from a 2020 baseline.[28]

The Bank aims to reduce emissions from its lending portfolio by focusing on high-emission sectors such as agriculture, energy supply, road transport and commercial properties. As at the end of 2023, the targeted sectors covered 26% of Jyske Bank's loan portfolio and accounted for 34% of its financed emissions. In asset management, the Bank has set carbon reduction targets for equity investments and Danish mortgage bonds. In 2023, the Bank achieved a 60% reduction in GHG emissions from its customers' equity investments from 2019. For mortgage bonds, as of 2023, Jyske Bank has already surpassed its 2030 reduction target of 40% from a 2019 baseline. Jyske Bank has also been financing renewable energy projects, low-energy commercial properties and low-emission vehicles, including a combined 3.9 TWh of renewable energy capacity in 2023, with a goal to increase this to 5 TWh by 2025. In 2023, Jyske Realkredit was recognized for issuing the largest volume of green bonds in Denmark.[29]

Jyske Bank is a founding signatory of the UN Principles for Responsible Banking[30] and a participant in the UN Global Compact,[31] integrating sustainability across its operations. The Bank follows the UN Principles for Responsible Investment[32] for responsible asset management and is part of Dansif,[33] which promotes sustainable finance. Jyske Bank also participates in the Net-Zero Asset Managers Initiative[34] and Climate

[25] Jyske Bank shared this information with Sustainalytics confidentially.
[26] Jyske Bank, "Whistleblower protection", at: https://jyskebank.com/investorrelations/governance/money-laundering/wbp
[27] Jyske Bank, "Annual Report 2023", at: https://jyskebank.com/wps/wcm/connect/jbc/7b369504-8d5d-4957-ab94-9f10522702ce/Jyske+Bank+Annual+Report+2023.pdf?MOD=AJPERES
[28] Ibid.
[29] Ibid.
[30] United Nations Environment Programme, "Jyske Bank A/S", at: https://www.unepfi.org/member/jyske-bank-a-s/
[31] United Nations, "Jyske Bank", at: https://unglobalcompact.org/what-is-gc/participants/101271-Jyske-Bank
[32] Principles for Responsible Investment, "Jyske Bank A/S", at: https://www.unpri.org/signatory-directory/jyske-bank-a/s/1369.article
[33] Dansif, "Medlemsliste", at: https://dansif.dk/medlemsliste/
[34] Net Zero Asset Manager Initiative, "Jyske Capital", at: https://www.netzeroassetmanagers.org/signatories/jyske-capital/

Action 100+,[35] targeting net zero emissions and engaging with high-emission companies. The Bank has reported in line with the TCFD recommendations since 2021.[36]

Sustainalytics is of the opinion that the Jyske Bank Group Green Finance Framework is aligned with the Jyske Bank overall sustainability strategy and initiatives and will further the Bank's action on its key environmental priorities.

**Approach to managing environmental and social risks associated with the projects**

Sustainalytics recognizes that the proceeds from the instruments issued under the Framework will be directed towards eligible projects that are expected to have positive environmental and social impacts. However, Sustainalytics is aware that such eligible projects could also lead to negative environmental and social outcomes. Some key environmental and social risks possibly associated with the eligible projects may include: i) issues involving emissions, effluents and waste generation during construction; ii) land use and biodiversity issues associated with large-scale infrastructure development; iii) occupational health and safety (OHS); and iv) risks related to business ethics and predatory lending. Sustainalytics notes that Jyske Bank plays a limited role in the development of projects and the assets being financed, but it remains exposed to risks associated with projects it may finance by offering lending and financial services.

Sustainalytics is of the opinion that Jyske Bank is able to manage or mitigate potential risks through implementation of the following:

- To increase sustainability and responsibility within its business, in 2023, Jyske Bank launched a Policy on Sustainability and Corporate Social Responsibility. The policy sets a framework for integrating sustainability into its operations and business practices, focusing on environmental responsibility, social considerations and economic sustainability, aiming to reduce $CO_2$ emissions, uphold human rights and promote responsible business conducts. The policy also highlights responsible banking practices, including the prevention of financial crimes, ensuring data security, and promoting a healthy workplace environment.[37]
- To further manage emissions, effluents and waste, risks related to land use and biodiversity, and OHS, the Bank relies on a variety of internal policies. The Bank's Policy for Responsible and Sustainable Investment integrates sustainability factors into investment and financing decisions. Jyske Bank conducts regular norm-based screening of investment portfolios to identify companies that violate or are suspected of violating international environmental standards. This includes identifying environmental risks such as pollution (e.g., oil or chemical spills). The Bank engages with these companies to encourage behaviour change and, if necessary, excludes them from new investments after sustained non-compliance. Jyske Bank mitigates risks related to environmental ecosystem loss by integrating sustainability risks, such as ecosystem deterioration from desertification, water shortages, and soil degradation, into its investment decision process. The policy tackles climate risks, including regulatory changes and extreme weather events, and excludes companies involved in harmful activities.[38] In addition, the Bank must follow the Danish Working Environment Act, which requires it to provide a safe working environment.[39]
- Regarding business ethics and responsible lending, the Bank has a Credit Policy that includes thorough assessments of a client's financial situation, to avoid over indebtedness. The policy prioritizes sustainable lending over maximizing loan size, promoting long-term financial stability.[40] In addition, the Bank's policy Promoting a Healthy Corporate Culture sets guidelines for ethical conduct, including setting processes to prevent financial crimes, including money laundering and corruption, and promote responsible credit practices and data security. The policy encourages open communication, accountability and reporting of unethical behavior with a zero-tolerance approach to illegal activities. Based on this policy, Jyske Bank monitors ethical practices through regular audits and compliance checks.[41]

[35] Climate Action 100+, "Investor Signatories", at: https://www.climateaction100.org/whos-involved/investors/?search_investors=jyske&investor_topic=denmark
[36] Jyske Bank, "Annual Report 2023", at: https://jyskebank.com/wps/wcm/connect/jbc/7b369504-8d5d-4957-ab94-9f10522702ce/Jyske+Bank+Annual+Report+2023.pdf?MOD=AJPERES
[37] Jyske Bank, "Policy on sustainability and corporate social responsibility", (2023), at: https://jyskebank.com/wps/wcm/connect/jbc/4a9dd678-22a9-4fb4-97c2-79784f10145e/Policy+on+sustainability+and+corporate+responsibility+2023.pdf?MOD=AJPERES&CVID=oTFTxyT
[38] Jyske Bank, "The Jyske Bank Group's policy for responsible and sustainable investment", (2024), at: https://www.jyskebank.dk/wps/wcm/connect/jfo/d415a137-f0c3-4b55-bff9-d5c1a78119b7/The+Jyske+Bank+Group%27s++Policy+for+responsible+investment+2.43.pdf?MOD=AJPERES&CVID=p1TQ8Y3
[39] Government of Denmark, "Bekendtgørelse af lov om arbejdsmiljø", (2021), at: https://www.retsinformation.dk/eli/lta/2021/2062
[40] Jyske Bank, "Code of conduct", at: https://jyskebank.com/investorrelations/governance/code-of-conduct
[41] Jyske Bank, "Policy Promoting a Healthy Corporate Culture", (2022), at: https://jyskebank.com/wps/wcm/connect/jbc/14acb5d2-e5ea-4f7b-a595-42da2c99d436/Policy+promoting+a+healthy+corporate+culture+in+the+Jyske+Bank+Group.pdf?MOD=AJPERES&CVID=olO0lsh

- Financing under the Framework will take place in Denmark, which is recognized as a Designated Country under the Equator Principles, indicating the presence of strong environmental and social governance legislation systems and institutional capacity to mitigate common environmental and social risks.[42]

Based on these policies, standards and assessments, Sustainalytics is of the opinion that Jyske Bank has implemented adequate measures and is well positioned to manage and mitigate environmental and social risks commonly associated with the eligible categories.

## Section 3: Impact of Use of Proceeds

All use of proceeds categories are aligned with those recognized by the GBP. Sustainalytics has focused below on where the impact is specifically relevant in the local context.

**Importance of financing green buildings in Denmark**

The buildings sector is a significant contributor of GHG emissions in the EU, responsible for 35% of energy-related emissions in 2021.[43] The EU has pledged to cut GHG emissions by 55% by 2030 compared to 1990 levels, which requires a 60% reduction in GHG emissions from buildings compared to 2015 levels.[44,45] In Denmark, emissions from energy consumption in buildings decreased by 39% from 2005 to 2021, making up 10% of the country's total GHG emissions.[46] However, the buildings sector remained the largest energy consuming sector in 2021, accounting for 47% of total energy consumption.[47] Specifically, residential buildings were responsible for 69% of buildings' total energy use, driven mainly by space heating and appliance use.[48]

Denmark has set a goal to reduce its total GHG emissions by 70% by 2030 compared to 1990 levels and to achieve carbon neutrality by 2050.[49] In the buildings sector, Denmark plans to phase out gas heating by 2035.[50] To achieve these targets, the Danish government is implementing the following: i) expanding energy-efficient district heating; ii) converting oil and gas boilers to heat pumps; and iii) stimulating adoption of energy savings measures.[51,52] Additionally, Denmark updated its building code in 2023, introducing mandatory life cycle assessments for all new buildings over a 50 years lifespan, and setting an annual environmental impact threshold of 12 $kgCO_2e$ per square metre for buildings larger than 1,000 $m^2$.[53] Furthermore, as part of its recovery and resilience plan, Denmark will allocate EUR 235 million to energy efficiency measures, including support for private and public buildings.[54]

Based on the above, Sustainalytics is of the opinion that Jyske Bank's financing of green buildings has the potential to contribute in reducing the environmental footprint of Denmark's buildings sector and more broadly to the country's efforts to meet its emissions reduction targets.

[42] Equator Principles, "About the Equator Principles", at: https://equator-principles.com/about-the-equator-principles/
[43] European Environment Agency, "Greenhouse gas emissions from energy use in buildings in Europe", (2023), at: https://www.eea.europa.eu/en/analysis/indicators/greenhouse-gas-emissions-from-energy?activeAccordion=546a7c35-9188-4d23-94ee-005d97c26f2b
[44] European Commission, "Stepping Up Europe's 2030 climate ambition", (2020), at: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52020DC0562
[45] European Commission, "A Renovation Wave for Europe - greening our buildings, creating jobs, improving lives", (2020), at: https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1603122220757&uri=CELEX:52020DC0662
[46] IEA, "Denmark 2023 – Energy Policy Review", (2023), at: https://iea.blob.core.windows.net/assets/9af8f6a2-31e7-4136-94a6-fe3aa518ec7d/Denmark_2023.pdf
[47] Ibid.
[48] Ibid.
[49] OECD, "Towards net zero emissions in Denmark", (2022), at: https://www.oecd-ilibrary.org/economics/towards-net-zero-emissions-in-denmark_5b40df8f-en;jsessionid=Mkdnu2Vr9h8NYTobsNLstfi4b-lWu6beB_bOZ-vs.ip-10-240-5-78
[50] IEA, "Denmark 2023 – Energy Policy Review", (2023), at: https://iea.blob.core.windows.net/assets/9af8f6a2-31e7-4136-94a6-fe3aa518ec7d/Denmark_2023.pdf
[51] Ibid.
[52] OECD, "Towards net zero emissions in Denmark", (2022), at: https://www.oecd-ilibrary.org/economics/towards-net-zero-emissions-in-denmark_5b40df8f-en;jsessionid=Mkdnu2Vr9h8NYTobsNLstfi4b-lWu6beB_bOZ-vs.ip-10-240-5-78
[53] Nordic Sustainable Construction, "Buildings' Life Cycle Assessments gain ground in the Nordics", (2023), at: https://www.nordicsustainableconstruction.com/news/2023/january/denmark-introduces-co2-limit-for-new-constructions
[54] European Commission, "Denmark's recovery and resilience plan", at: https://commission.europa.eu/business-economy-euro/economic-recovery/recovery-and-resilience-facility/country-pages/denmarks-recovery-and-resilience-plan_en

**Contribution to SDGs**

The Sustainable Development Goals were adopted in September 2015 by the United Nations General Assembly and form part of an agenda for achieving sustainable development by 2030. The instruments issued under the Jyske Bank Group Green Finance Framework are expected to help advance the following SDGs and targets:

| Use of Proceeds Category | SDG | SDG target |
|---|---|---|
| Renewable Energy | 7. Affordable and Clean Energy | 7.2 By 2030, increase substantially the share of renewable energy in the global energy mix |
| Energy Transmission, Distribution and Storage | 9. Industry, Innovation and Infrastructure | 9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities |
| Manufacture and Production | 7. Affordable and Clean Energy | 7.2 By 2030, increase substantially the share of renewable energy in the global energy mix |
| Green Buildings | 9. Industry, Innovation and Infrastructure | 9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities |
| Clean Transportation | 11. Sustainable Cities and Communities | 11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons |
| Sustainable Water and Waste Management | 6. Clean Water and sanitation | 6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally |
| | 12. Responsible consumption and production | 12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse |

## Conclusion

Jyske Bank has developed the Jyske Bank Group Green Finance Framework under which Jyske Bank intends to issue green bonds, and Jyske Realkredit intends to issue green covered bonds. Jyske Bank and Jyske Realkredit intend to use the proceeds to finance or refinance, in whole or in part, projects expected to contribute to decarbonizing the building stock in Denmark and to reducing GHG emissions in the country. Sustainalytics considers that the projects are expected to provide positive environmental impacts.

The Framework outlines a process for tracking, allocation and management of proceeds, and makes commitments for reporting on allocation and impact. Sustainalytics considers that the Jyske Bank Group Green Finance Framework is aligned with Jyske Bank's sustainability strategy and that the use of proceeds will contribute to the advancement of UN Sustainable Development Goals 6, 7, 9, 11 and 12. Additionally, Sustainalytics considers that Jyske Bank has adequate measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects.

Sustainalytics has assessed the Framework for alignment with the EU Taxonomy's criteria for Substantial Contribution (SC) to its environmental objectives and Minimum Safeguards. For more details, please see Section 1 and Appendix 1.

Based on the above, Sustainalytics is confident that Jyske Bank is well positioned to issue green bonds, and Jyske Realkredit to issue covered bonds, and that the Jyske Bank Group Green Finance Framework is robust, transparent and in alignment with the four core components of the Green Bond Principles 2021.

# Appendices

## Appendix 1: Approach to Assessing Alignment with the EU Taxonomy

Sustainalytics has assessed each of the eligible green use of proceeds criteria in the Framework against the criteria for the relevant activity in the EU Taxonomy. This appendix describes Sustainalytics' process and presents the outcome of its assessment of alignment with the Taxonomy's applicable technical screening criteria for substantial contribution (SC) to an environmental objective of the EU Taxonomy. Sustainalytics' assessment involves two steps:

**1. Mapping Framework Criteria to Activities in the EU Taxonomy**

The initial step in Sustainalytics' assessment process involves mapping each criterion in the Framework to a relevant and applicable activity in the EU Taxonomy. Note that each Framework criterion may be relevant and applicable to more than one activity in the EU Taxonomy and vice versa. Sustainalytics recognizes that some Framework criteria relate to projects that do not map well to a specific activity in the EU Taxonomy. In such cases, Sustainalytics has mapped to the activity that is most relevant with respect to the primary environmental objective established in the EU Taxonomy.

In some cases, the Framework criteria cannot be mapped to an activity in the EU Taxonomy, as some activities are not yet covered by the EU Taxonomy. In other cases, some categories which are traditionally included in green bonds and loans may not be associated with a specific EU Taxonomy activity. While recognizing that financing projects in these areas may still have environmental benefits, Sustainalytics has not assessed these criteria for alignment.

Table 2 below displays the outcome of Sustainalytics' mapping process for this report.

**2. Determining Alignment with EU Taxonomy Criteria**

The second step in Sustainalytics' process is to determine the alignment of each criterion with relevant criteria in the EU Taxonomy. Alignment with the SC criteria is usually based on the specific criteria contained in the issuer's Framework, and may in many cases also be based on management systems and processes or regulatory compliance. To assess alignment with the EU Taxonomy's Minimum Safeguards Sustainalytics has conducted an assessment of policies, management systems and processes applicable to the use of proceeds criteria, including the regulatory context in the geographical location of activities and projects. (See Section 1, above.)

Sustainalytics' detailed assessment of alignment is provided in Appendix 2.

Table 2: Framework mapping table

| Framework Category | Framework Criterion (Eligible Use of Proceeds) | EU Taxonomy Activity | Corresponding NACE Code | Environmental Objective | Refer to Table |
|---|---|---|---|---|---|
| Renewable Energy | Onshore and offshore wind energy facilities and related infrastructure | 4.3 Electricity generation from wind power | D35.11 and F42.22 | Mitigation | Table 3 |
| | Facilities producing electricity generation using solar photovoltaic technology | 4.1 Electricity generation using solar photovoltaic technology | D35.11 and F42.22 | | Table 4 |
| | Facilities producing heat/cooling using solar photovoltaic technology | 4.17 Cogeneration of heat/cool and power from solar energy | D35.30 | | Table 5 |
| | | 4.21 Production of heat/cool from solar thermal heating | D35.11 and D35.30 | | Table 6 |

| | | | | | |
|---|---|---|---|---|---|
| | Facilities producing electricity based on biomass | 4.8 Electricity generation from bioenergy | D35.11 | | Table 7 |
| | Facilities producing heat or cold based on biomass | 4.20 Cogeneration of heat/cool and power from bioenergy | D35.11 and D35.30 | | Table 8 |
| | | 4.24 Production of heat/cool from bioenergy | D35.30 | | Table 9 |
| | Facilities producing heat or cold based on geothermal energy | 4.22 Production of heat/cool from geothermal energy | D35.30 | | Table 10 |
| | Facilities producing heat or cold from waste heat | 4.25 Production of heat/cool using waste heat | D35.30 | | Table 11 |
| Energy transmission, distribution and storage | Transmission systems that transport electricity | 4.9 Transmission and distribution of electricity | D35.12 and D35.13 | Mitigation | Table 12 |
| | Facilities that store electricity and return it in the form of electricity later | 4.10 Storage of electricity | NA | | Table 13 |
| | Pipelines and associated infrastructure for distribution of heating and cooling | 4.15 District heating/cooling distribution | D35.30 | | Table 14 |
| | Infrastructure for transport and underground storage of $CO_2$ | 5.11 Transport of $CO_2$ | F42.21 and H49.50 | | Table 15 |
| | | 5.12 Underground permanent geological storage of $CO_2$ | E39.00 | | Table 16 |
| | Installation and operation of electric heat pumps | 4.16 Installation and operation of electric heat pumps | D35.30 and F43.22 | | Table 17 |
| Manufacture and production | Manufacture of hydrogen and anhydrous ammonia based on renewable energy | 3.10 Manufacture of hydrogen | C20.11 | Mitigation | Table 18 |
| | | 3.15 Manufacture of anhydrous ammonia | C20.15 | | Table 19 |
| | Manufacture of renewable energy technologies | 3.1 Manufacture of renewable energy technologies | C25, C27, C28 | | Table 20 |
| | Facilities producing biogas and/or digestate through anaerobic digestion of separately collected bio-waste or sewage sludge | 5.6 Anaerobic digestion of sewage sludge | E37.00 and F42.99 | | Table 21 |
| | | 5.7 Anaerobic digestion of bio-waste | E38.21 and F42.99 | | Table 22 |
| Green Buildings | Construction of new buildings | 7.1 Construction of new buildings | F41.1 and F41.2 | | Table 23 |

| | | | | | |
|---|---|---|---|---|---|
| | Acquisition and ownership of buildings | 7.7 Acquisition and ownership of buildings | L68 | | Table 24 |
| | Renovation of existing buildings | 7.2 Renovation of existing buildings | F41 and F43 | | Table 25 |
| | Installation, maintenance and repair of energy efficiency equipment and technologies | 7.3 Installation, maintenance and repair of energy efficiency equipment | F42, F43, M71, C16, C17, C22, C23, C25, C27, C28, S95.21, S95.22, C33.12 | | Table 26 |
| Clean Transportation | Transportation without direct emissions of greenhouse gasses – low-emission passenger cars and vans | 6.5 Transport by motorbikes, passenger cars and light commercial vehicles | H49.32, H49.39 and N77.11 | Mitigation | Table 27 |
| | Transportation that partly uses fossil fuels with direct emissions below 50g CO2e/passenger km (only until 2025) – low-emission passenger cars and vans | | | | |
| | Transportation by road, rail transport or sea and costal water transportation without direct emissions of greenhouse gasses | 6.1 Passenger interurban rail transport | H49.10, N77.39 | | Table 28 |
| | | 6.3 Urban and suburban transport, road passenger transport | H49.31, H49.3.9, N77.39 and N77.11 | | Table 29 |
| | | 6.11 Sea and coastal passenger water transport | H50.10, N77.21 and N77.34 | | Table 30 |
| | Transportation by road without direct emissions of greenhouse gasses – low-emission freight transport | 6.6 Freight transport services by road | H49.4.1, H53.10, H53.20 and N77.12 | | Table 31 |
| | Infrastructure that supports zero emissions transportation by road or public transportation or by rail | 6.14 Infrastructure for rail transport | F42.12, F42.13, M71.12, M71.20, F43.21, and H52.21 | | Table 32 |
| Sustainable water and waste management | Construction, extension, operation and renewal of water collection, treatment and supply systems | 5.1 Construction, extension and operation of water collection | E36.00 and F42.99 | Mitigation | Table 33 |
| | | 5.2 Renewal of water collection, treatment and supply systems | E36.00 and F42.99 | | Table 34 |
| | Construction, extension, operation and renewal of | 5.3 Construction, extension and operation of wastewater collection and treatment | E37.00 and F42.99 | | Table 35 |

| | | | | | |
|---|---|---|---|---|---|
| | wastewater collection and treatment | 5.4 Renewal of wastewater collection and treatment | E37.00 | | Table 36 |
| | Collection, transport and materially recovery of non-hazardous waste | 5.5 Collection and transport of non-hazardous waste in source segregated fractions | E38.11 | | Table 37 |
| | | 5.9 Material recovery from non-hazardous waste | E38.32 and F42.99 | | Table 38 |

# Appendix 2: Comprehensive EU Taxonomy Alignment Assessment

The tables below provide a detailed assessment of the alignment of the Framework criteria with the technical screening criteria for substantial contribution to an environmental objective for each relevant EU Taxonomy activity.

*Table 3*

| | | |
|---|---|---|
| **Framework Activity assessed** | Onshore and offshore wind energy facilities and related infrastructure | |
| **EU Taxonomy Activity** | 4.3 Electricity generation from wind power | |
| **Corresponding NACE Code** | D35.11 and F42.22 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | Aligned by default | Aligned |

*Table 4*

| | | |
|---|---|---|
| **Framework Activity assessed** | Facilities producing electricity generation using solar photovoltaic technology | |
| **EU Taxonomy Activity** | 4.1 Electricity generation using solar photovoltaic technology | |
| **Corresponding NACE Code** | D35.11 and F42.22 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | Aligned by default | Aligned |

*Table 5*

| | | |
|---|---|---|
| **Framework Activity assessed** | Facilities producing heat/cooling using solar photovoltaic technology | |
| **EU Taxonomy Activity** | 4.17 Cogeneration of heat/cool and power from solar energy | |
| **Corresponding NACE Code** | D35.30 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | Aligned by default. | Aligned |

*Table 6*

| | |
|---|---|
| **Framework Activity assessed** | Facilities producing heat/cooling using solar photovoltaic technology |

| | | |
|---|---|---|
| **EU Taxonomy Activity** | 4.21 Production of heat/cool from solar thermal heating | |
| **Corresponding NACE Code** | D35.11 and D35.30 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | Aligned by default. | Aligned |

*Table 7*

| | | |
|---|---|---|
| **Framework Activity assessed** | Facilities producing electricity based on biomass | |
| **EU Taxonomy Activity** | 4.8 Electricity generation from bioenergy | |
| **Corresponding NACE Code** | D35.11 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | 1. The Framework states that the agricultural biomass used in the activity complies with the criteria in Article 29, paragraphs 2 to 5, of Directive (EU) 2018/2001,[55] and that the forest biomass used in the activity complies with the criteria in Article 29, paragraphs 6 and 7, of that Directive.<br>2. The Framework states that the Framework states that the GHG emissions savings from the use of biomass are at least 80% in relation to the GHG saving methodology and the relative fossil fuel comparator in Annex VI to Directive (EU) 2018/2001.<br>3. Where the installations rely on anaerobic digestion of organic material, the Framework states that the production of the digestate meets the criteria in Sections 5.6 and criteria 1 and 2 of Section 5.7 of the Annex of the Climate Delegated Act, as applicable.<br>4. The Framework states that points 1 and 2 do not apply to electricity generation installations with a total rated thermal input below 2 MW and using gaseous biomass fuels.<br>5. The Framework states that, for electricity generation installations with a total rated thermal input from 50 to 100 MW, the activity applies high-efficiency cogeneration technology, or, for electricity-only installations, the activity meets an energy efficiency level associated with ranges in the latest relevant best available techniques (BAT) conclusions, including the BAT conclusions for large combustion plants.<br>6. The Framework states, for electricity generation installations with a total rated thermal input above 100 MW, the activity complies with one or more of the following criteria:<br>a) attains electrical efficiency of at least 36%;<br>b) applies highly efficient CHP (combined heat and power) technology as referred to in Directive 2012/27/EU;[56]<br>c) uses carbon capture and storage technology. Where the $CO_2$ that would otherwise be emitted from the electricity generation process is captured for the purpose of underground storage, the $CO_2$ is transported and stored underground in accordance with the technical screening criteria in Sections 5.11 and 5.12, respectively, of the Annex of the Climate Delegated Act. | Aligned |

[55] European Parliament, "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 – National transposition", at: https://eur-lex.europa.eu/legal-content/EN/NIM/?uri=uriserv:OJ.L_.2018.328.01.0082.01.ENG
[56] European Parliament, "Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on energy efficiency, amending Directives 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC – National transposition", at: https://eur-lex.europa.eu/legal-content/EN/NIM/?uri=celex:32012L0027

| | | |
|---|---|---|
| | Further, Sustainalytics notes that the EU Directives 2018/2001[57] and 2012/27/EU[58] have been transposed into national legislation in Denmark, where projects financed under the Framework will be located.<br><br>Based on the above, Sustainalytics considers the activity to be aligned with the SC criteria of the EU Taxonomy. | |

*Table 8*

| **Framework Activity assessed** | Facilities producing heat or cold based on biomass. | |
|---|---|---|
| **EU Taxonomy Activity** | 4.20 Cogeneration of heat/cool and power from bioenergy | |
| **Corresponding NACE Code** | D35.11 and D35.30 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | 1. The Framework states that the agricultural biomass used in the activity complies with the criteria in Article 29, paragraphs 2 to 5, of Directive (EU) 2018/2001,[59] and that the forest biomass used in the activity complies with the criteria in Article 29, paragraphs 6 and 7, of that Directive.<br>2. The Framework states that the GHG emissions savings from the use of biomass in cogeneration installations are at least 80% in relation to the GHG saving methodology and the relative fossil fuel comparator set out in Annex VI to Directive (EU) 2018/2001.<br>3. Where the installations rely on anaerobic digestion of organic material, the Framework states that the production of the digestate meets the criteria in Sections 5.6 and criteria 1 and 2 of Section 5.7 of the Annex of the Climate Delegated Act, as applicable.<br>4. The Framework states that points 1 and 2 do not apply to cogeneration installations with a total rated thermal input below 2 MW and using gaseous biomass fuels.<br><br>Further, Sustainalytics notes that the EU Directives 2018/2001[60] has been transposed into national legislation in Denmark, where projects financed under the Framework will be located.<br><br>Based on the above, Sustainalytics considers the activity to be aligned with the SC criteria of the EU Taxonomy. | Aligned |

*Table 9*

| **Framework Activity assessed** | Facilities producing heat or cold based on biomass. |
|---|---|
| **EU Taxonomy Activity** | 4.24 Production of heat/cool from bioenergy |
| **Corresponding NACE Code** | D35.30 |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** |

[57] European Parliament, "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 – National transposition", at: https://eur-lex.europa.eu/legal-content/EN/NIM/?uri=uriserv:OJ.L_.2018.328.01.0082.01.ENG
[58] European Parliament, "Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on energy efficiency, amending Directives 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC – National transposition", at: https://eur-lex.europa.eu/legal-content/EN/NIM/?uri=celex:32012L0027
[59] European Parliament, "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 – National transposition", at: https://eur-lex.europa.eu/legal-content/EN/NIM/?uri=uriserv:OJ.L_.2018.328.01.0082.01.ENG
[60] Ibid.

| | | |
|---|---|---|
| Climate Change Mitigation | 1. The Framework states that the agricultural biomass used in the activity for the production of heat and cool complies with the criteria in Article 29, paragraphs 2 to 5, of Directive (EU) 2018/2001,[61] and that the forest biomass used in the activity complies with the criteria in Article 29, paragraphs 6 and 7, of that Directive.<br>2. The Framework states that the greenhouse gas emission savings from the use of biomass are at least 80% in relation to the GHG saving methodology and the relative fossil fuel comparator set out in Annex VI to Directive (EU) 2018/2001.<br>3. Where the installations rely on anaerobic digestion of organic material, the Framework states that the production of the digestate meets the criteria in Sections 5.6 and criteria 1 and 2 of Section 5.7 of the Annex of the Climate Delegated Act, as applicable.<br>4. The Framework states that points 1 and 2 do not apply to heat generation installations with a total rated thermal input below 2 MW and using gaseous biomass fuels.<br><br>Further, Sustainalytics notes that the EU Directives 2018/2001[62] has been transposed into national legislation in Denmark, where projects financed under the Framework will be located.<br><br>Based on the above, Sustainalytics considers the activity to be aligned with the SC criteria of the EU Taxonomy. | Aligned |

*Table 10*

| | | |
|---|---|---|
| **Framework Activity assessed** | Facilities producing heat or cold based on geothermal energy. | |
| **EU Taxonomy Activity** | 4.22 Production of heat/cool from geothermal energy | |
| **Corresponding NACE Code** | D35.30 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | The Framework states that: i) the life cycle GHG emissions from the generation of heat and cool from geothermal energy are lower than 100 $gCO_2e/kWh$; ii) life cycle GHG emissions are calculated based on project-specific data, where available, using Commission Recommendation 2013/179/EU[63] or, alternatively, using ISO 14067:2018 or ISO 14064-1:2018; and iii) quantified life cycle GHG emissions are verified by an independent third party.<br><br>Based on the above, Sustainalytics considers the activity to be aligned with the SC criteria of the EU Taxonomy. | Aligned |

*Table 11*

| | | |
|---|---|---|
| **Framework Activity assessed** | Facilities producing heat or cold from waste heat. | |
| **EU Taxonomy Activity** | 4.25 Production of heat/cool using waste heat | |
| **Corresponding NACE Code** | D35.30 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |

[61] European Parliament, "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 – National transposition", at: https://eur-lex.europa.eu/legal-content/EN/NIM/?uri=uriserv:OJ.L_.2018.328.01.0082.01.ENG
[62] Ibid.
[63] European Parliament, "2013/179/EU: Commission Recommendation of 9 April 2013 on the use of common methods to measure and communicate the life cycle environmental performance of products and organisations", at: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32013H0179

| | | |
|---|---|---|
| Climate Change Mitigation | Aligned by default. | Aligned |

*Table 12*

| **Framework Activity assessed** | Transmission systems that transport electricity | |
|---|---|---|
| **EU Taxonomy Activity** | 4.9 Transmission and distribution of electricity | |
| **Corresponding NACE Code** | D35.12 and D35.13 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | The Framework states that the transmission and distribution infrastructure and equipment are in an electricity system that complies with the following: i) 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; ii) more than 67% of newly enabled generation capacity in the system is below the generation threshold value of 100 $gCO_2e/kWh$ measured on a life cycle basis in accordance with electricity generation criteria, over a rolling five-year period. The Bank has communicated to Sustainalytics that the average emissions intensity in the Danish grid is below 100 $gCO_2/kWh$, but the most recent five-year period average was not yet below 100 $gCO_2/kWh$.<br><br>The Framework states the exclusion of: i) infrastructure dedicated to creating a direct connection or expanding an existing direct connection between a substation or network and a power production plant that is more greenhouse gas intensive than 100 $gCO_2e/kWh$ measured on a life cycle basis; and ii) installation of metering infrastructure that does not meet the requirements of smart metering systems of Article 20 of Directive (EU) 2019/944.[64]<br><br>The Framework states that the activity can be one of the following:<br><br>a) construction and operation of direct connection, or expansion of existing direct connection, of low-carbon electricity generation below the threshold of 100 $gCO_2e/kWh$ measured on a life cycle basis to a substation or network;<br><br>b) construction and operation of electric vehicle (EV) charging stations and supporting electric infrastructure for the electrification of transport, subject to compliance with the technical screening criteria under the transport Section of the Annex of the Climate Delegated Act;<br><br>c) installation of transmission and distribution transformers that comply with the Tier 2 (1 July 2021) requirements set out in Annex I to the Commission Regulation (EU) No 548/2014[65] and, for medium power transformers with highest voltage for equipment not exceeding 36 kV, with AA0 level requirements on no-load losses set out in standard EN 50588-1.<br><br>d) construction, installation and operation of equipment and infrastructure where the main objective is an increase of the generation or use of renewable electricity generation;<br><br>e) installation of equipment to increase the controllability and observability of the electricity system and to enable the development and integration of renewable energy sources, including: i) sensors and measurement tools | Aligned |

[64] European Parliament, "Directive (EU) 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity and amending Directive 2012/27/EU", at: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32019L0944
[65] European Parliament, "Commission Regulation (EU) No 548/2014 of 21 May 2014 on implementing Directive 2009/125/EC of the European Parliament and of the Council with regard to small, medium and large power transformers", at: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv%3AOJ.L_.2014.152.01.0001.01.ENG

| | | |
|---|---|---|
| | (including meteorological sensors for forecasting renewable production); ii) communication and control (including advanced software and control rooms, automation of substations or feeders, and voltage control capabilities to adapt to more decentralized renewable infeed).<br>f) installation of equipment such as smart metering systems or those replacing smart metering systems in line with Article 19(6) of Directive (EU) 2019/944[66] of the European Parliament and of the Council, which meet therequirements of Article 20 of Directive (EU) 2019/944,[67] able to carry information to users for remotely acting on consumption, including customer data hubs;<br>g) construction and installation of equipment to allow for exchange of specifically renewable electricity between users;<br>h) construction and operation of interconnectors between transmission systems, provided that one of the systems is compliant.<br>The Framework states that, for the purpose of this activity, the following specifications apply:<br>a) the rolling five-year period used in determining compliance with the thresholds is based on five consecutive historical years, including the year for which the most recent data are available;<br>b) a "system" means the power control area of the transmission or distribution network where the infrastructure or equipment is installed;<br>c) transmission systems may include generation capacity connected to subordinated distribution systems;<br>d) distribution systems subordinated to a transmission system deemed to be on a trajectory to full decarbonization may also be deemed to be on a trajectory to full decarbonization;<br>e) to determine compliance, it is possible to consider a system covering multiple control areas which are interconnected and with significant energy exchanges between them, in which case the weighted average emissions factor across all included control areas is used, and individual subordinated transmission or distribution systems within that system are not required to demonstrate compliance separately;<br>f) it is possible for a system to become non-compliant after having previously been compliant. In systems that become non-compliant, no new transmission and distribution activities are compliant from that moment onward, until the system complies again with the threshold (except for those activities that are always compliant, see above). Activities in subordinated systems may still be compliant, where those subordinated systems meet the criteria of this Section;<br>g) a direct connection or expansion of an existing direct connection to production plants includes infrastructure that is indispensable to carry the associated electricity from the power generating facility to a substation or to the network.<br>Based on the above, Sustainalytics considers the activity to be aligned with the SC criteria of the EU Taxonomy. | |

*Table 13*

[66] European Parliament, "Directive (EU) 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity and amending Directive 2012/27/EU", at: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32019L0944
[67] Ibid.

| **Framework Activity assessed** | Facilities that store electricity and return it in the form of electricity later | |
|---|---|---|
| **EU Taxonomy Activity** | 4.10 Storage of electricity | |
| **Corresponding NACE Code** | NA | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | The Framework states that the financed activity is the construction and operation of electricity storage, including pumped hydropower storage. The Framework also states that 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 the Annex of the Climate Delegated Act. In case of using hydrogen as electricity storage, where hydrogen meets the technical screening criteria specified in Section 3.10 of the Annex of the Climate Delegated Act, re-electrification of hydrogen is also considered part of the activity. Sustainalytics considers the activity to be aligned with the SC criteria of the EU Taxonomy. | Aligned |

*Table 14*

| **Framework Activity assessed** | Pipelines and associated infrastructure for distribution of heating and cooling | |
|---|---|---|
| **EU Taxonomy Activity** | 4.15 District heating/cooling distribution | |
| **Corresponding NACE Code** | D35.30 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | The Framework states that for the construction and operation of pipelines and associated infrastructure for distributing heating and cooling, the system meets the definition of efficient district heating and cooling systems in Article 2, point 41, of Directive 2012/27/EU.[68]<br><br>The Framework states that for refurbishment of pipelines and associated infrastructure for distributing heating and cooling, the investment that makes the system meet the definition of efficient district heating or cooling in Article 2, point 41, of Directive 2012/27/EU[69] starts within a three-year period underpinned by a contractual obligation or an equivalent in case of operators in charge of both generation and the network.<br><br>The Framework states that the activity will meet the requirements in points (i) and (ii) of the SC requirements: i) modification to lower temperature regimes; ii) advanced pilot systems (control and energy management systems, Internet of Things).<br><br>Based on the above, Sustainalytics considers the activity to be aligned with the SC criteria of the EU Taxonomy. | Aligned |

*Table 15*

| **Framework Activity assessed** | Infrastructure for transport and underground storage of $CO_2$ |
|---|---|
| **EU Taxonomy Activity** | 5.11 Transport of $CO_2$ |

[68] European Parliament, "Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on energy efficiency, amending Directives 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC – National transposition", at: https://eur-lex.europa.eu/legal-content/EN/NIM/?uri=celex:32012L0027
[69] Ibid.

| **Corresponding NACE Code** | F42.21 and H49.50 | |
|---|---|---|
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | 1. The Framework states that the $CO_2$ transported from the installation where it is captured to the injection point does not lead to $CO_2$ leakages above 0.5% of the mass of $CO_2$ transported.<br>2. The Framework states that the $CO_2$ is delivered to a permanent $CO_2$ storage site that meets the criteria for underground geological storage of $CO_2$ set out in Section 5.12 of the Annex of the Climate Delegated Act; or to other transport modalities, which lead to permanent $CO_2$ storage site that meet those criteria.<br>3. The Framework states that appropriate leak detection systems are applied and a monitoring plan is in place, with the report verified by an independent third party. This is regulated in the Danish Act on Pipelined Transport of $CO_2$ (*Lov om rørført transport af $CO_2$ nr 612*).[70]<br>4. The Framework states that the activity may include the installation of assets that increase the flexibility and improve the management of an existing network.<br>Based on the above, Sustainalytics considers the activity to be aligned with the SC criteria of the EU Taxonomy. | Aligned |

*Table 16*

| **Framework Activity assessed** | Infrastructure for transport and underground storage of $CO_2$ | |
|---|---|---|
| **EU Taxonomy Activity** | 5.12 Underground permanent geological storage of $CO_2$ | |
| **Corresponding NACE Code** | E39.00 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | 1. The Framework states that the characterization and assessment of the potential storage complex and surrounding area, or exploration within the meaning of Article 3, point (8), of Directive 2009/31/EC[71] is carried out in order to establish whether the geological formation is suitable for use as a $CO_2$ storage site.<br>2. The Framework states that, for operation of underground geological $CO_2$ storage sites, including closure and postclosure obligations:<br>a) appropriate leakage detection systems are implemented to prevent release during operation;<br>b) a monitoring plan of the injection facilities, the storage complex and, where appropriate, the surrounding environment is in place, with regular reports checked by the competent national authority.<br>3. The Framework states that, for the exploration and operation of storage sites within the European Union, the activity complies with Directive 2009/31/EC,[72] while for the exploration and operation of storage sites in third countries, the activity complies with ISO 27914:2017 for geological storage of $CO_2$. | Aligned |

[70] Government of Denmark, "Lov om rørført transport af $CO_2$ nr 612 af 11/06/2024", at: https://www.retsinformation.dk/eli/lta/2024/612
[71] European Parliament, "Directive 2009/31/EC of the European Parliament and of the Council of 23 April 2009 on the geological storage of carbon dioxide and amending Council Directive 85/337/EEC, European Parliament and Council Directives 2000/60/EC, 2001/80/EC, 2004/35/EC, 2006/12/EC, 2008/1/EC and Regulation (EC) No 1013/2006", at: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32009L0031
[72] Ibid.

| | | |
|---|---|---|
| | Based on the above, Sustainalytics considers the activity to be aligned with the SC criteria of the EU Taxonomy. | |

*Table 17*

| **Framework Activity assessed** | Installation and operation of electric heat pumps | |
|---|---|---|
| **EU Taxonomy Activity** | 4.16 Installation and operation of electric heat pumps | |
| **Corresponding NACE Code** | D35.30 and F43.22 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | The Framework states that electric heat pumps will have a GWP up to 675.<br>The Framework states that energy efficiency requirements in the regulations implementing Directive 2009/125/EC[73] are met.<br>Based on the above, Sustainalytics has assessed this activity as aligned with the SC of the EU Taxonomy. | Aligned |

*Table 18*

| **Framework Activity assessed** | Manufacture of hydrogen and anhydrous ammonia based on renewable energy | |
|---|---|---|
| **EU Taxonomy Activity** | 3.10 Manufacture of hydrogen | |
| **Corresponding NACE Code** | C20.11 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | The Framework states that the activity complies with the life cycle GHG emissions savings requirement of 73.4% for hydrogen (resulting in life cycle GHG emissions lower than 3 $tCO_2e/tH_2$) and 70% for hydrogen-based synthetic fuels relative to a fossil fuel comparator of 94 $gCO_2e/MJ$ in analogy to the approach set out in Article 25(2) of and Annex V of Directive (EU) 2018/2001.[74]<br>The Framework states that the life cycle GHG emissions savings are calculated using the methodology referred to in Article 28(5) of Directive (EU) 2018/2001[75] or, alternatively, using ISO 14067:2018 or ISO 14064-1:2018.<br>The Framework states that the quantified life cycle GHG emission savings are verified in line with Article 30 of Directive (EU) 2018/2001[76] where applicable, or by an independent third party.<br>The Framework states that the activity is limited to manufacture of hydrogen from 100% renewable energy. | Aligned |

[73] European Parliament, "Directive 2009/125/EC of the European Parliament and of the Council of 21 October 2009 establishing a framework for the setting of ecodesign requirements for energy-related products", at: https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex%3A32009L0125
[74] European Parliament, "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 – National transposition", at: https://eur-lex.europa.eu/legal-content/EN/NIM/?uri=uriserv:OJ.L_.2018.328.01.0082.01.ENG
[75] Ibid.
[76] Ibid.

| | | |
|---|---|---|
| | Further, Sustainalytics notes that the EU Directives 2018/2001[77] has been transposed into national legislation in Denmark, where projects financed under the Framework will be located.<br><br>Based on the above, Sustainalytics considers the activity to be aligned with the SC criteria of the EU Taxonomy. | |

*Table 19*

| **Framework Activity assessed** | Manufacture of hydrogen and anhydrous ammonia based on renewable energy | |
|---|---|---|
| **EU Taxonomy Activity** | 3.15 Manufacture of anhydrous ammonia | |
| **Corresponding NACE Code** | C20.15 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | The Framework states that ammonia is produced from hydrogen that complies with the technical screening criteria set out in Section 3.10 (Manufacturing of hydrogen) of the Annex of the EU Taxonomy Climate Delegated Act. Sustainalytics considers the activity to be aligned with the SC criteria of the EU Taxonomy. | Aligned |

*Table 20*

| **Framework Activity assessed** | Manufacture of renewable energy technologies | |
|---|---|---|
| **EU Taxonomy Activity** | 3.1 Manufacture of renewable energy technologies | |
| **Corresponding NACE Code** | C25, C27, C28 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | Aligned by default. | Aligned |

*Table 21*

| **Framework Activity assessed** | Facilities producing biogas and/or digestate through anaerobic digestion of separately collected bio-waste or sewage sludge | |
|---|---|---|
| **EU Taxonomy Activity** | 5.6 Anaerobic digestion of sewage sludge | |
| **Corresponding NACE Code** | E37.00 and F42.99 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | 1. Jyske Bank has confirmed that, in accordance with the Decree on the Law on Environmental Protection (*Bekendtgørelse af lov om miljøbeskyttelse LBK nr 48*),[78] a monitoring and contingency plan is in place in order to minimize methane leakage at the facility. | Aligned |

[77] Ibid.
[78] Government of Denmark, "Bekendtgørelse af lov om miljøbeskyttelse LBK nr 48 af 12/01/2024", at: https://www.retsinformation.dk/eli/lta/2024/48

| | | |
|---|---|---|
| | 2. The Framework states that the produced biogas is used directly for the generation of electricity or heat, or upgraded to bio-methane for injection in the natural gas grid, or used as vehicle fuel or as feedstock in chemical industry.<br>Based on the above, Sustainalytics considers the activity to be aligned with the SC criteria of the EU Taxonomy. | |

*Table 22*

| **Framework Activity assessed** | Facilities producing biogas and/or digestate through anaerobic digestion of separately collected bio-waste or sewage sludge | |
|---|---|---|
| **EU Taxonomy Activity** | 5.7 Anaerobic digestion of bio-waste | |
| **Corresponding NACE Code** | E38.21 and F42.99 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | 1. Jyske Bank has confirmed that, in accordance with the Decree on the Law on Environmental Protection (*Bekendtgørelse af lov om miljøbeskyttelse LBK nr 48*),[79] a monitoring and contingency plan is in place in order to minimize methane leakage at the facility.<br>2. The Framework states that the produced biogas is used directly for the generation of electricity or heat, or upgraded to bio-methane for injection in the natural gas grid, or used as vehicle fuel or as feedstock in chemical industry.<br>3. Jyske Bank has confirmed that, in accordance with the Decree on the Law on Environmental Protection (*Bekendtgørelse af lov om miljøbeskyttelse LBK nr 48*),[80] the bio-waste that is used for anaerobic digestion is source segregated and collected separately.<br>4. The Framework states that the produced digestate is used as fertilizer or soil improver, either directly or after composting or any other treatment.<br>5. The Framework states that in the dedicated bio-waste treatment plants, the share of food and feed crops used makes up at most 10% of the input feedstock measured in weight as an annual average.<br>Based on the above, Sustainalytics considers the activity to be aligned with the SC criteria of the EU Taxonomy. | Aligned |

*Table 23*

| **Framework Activity assessed** | Construction of new buildings | |
|---|---|---|
| **EU Taxonomy Activity** | 7.1 Construction of new buildings | |
| **Corresponding NACE Code** | F41.1 and F41.2 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | 1. The Framework states that it will finance the construction of new buildings under the Framework, where the PED defining the energy performance of the buildings resulting from the construction is at least 10% lower than the | Aligned. |

[79] Ibid.
[80] Ibid.

| | | |
|---|---|---|
| | threshold set for the nearly zero-energy building (NZEB) requirements in national measures implementing Directive 2010/31/EU. The Bank has further confirmed to Sustainalytics that the energy performance of the buildings will be certified using an as-built energy performance certificate (EPC).<br>2. The Framework states that, in cases where it finances buildings larger than 5000 $m^2$, upon completion, the building resulting from the construction undergoes testing for airtightness and thermal integrity, and any deviation in the levels of performance set at the design stage or defects in the building envelope are disclosed to investors and clients. Where robust and traceable quality control processes are in place during the construction process this is acceptable as an alternative to thermal integrity testing. The Bank has communicated that all new buildings in Denmark undergo airtightness testing. If the results of the airtightness tests do not meet minimum standards, it is a requirement that a thermal integrity test is performed to find any leaks.<br>3. The Framework states that, in cases where it finances buildings larger than 5000 $m^2$, the life cycle global warming potential (GWP) of the building resulting from the construction has been calculated for each stage in the life cycle and is disclosed to investors and clients on demand.<br>Based on the above, Sustainalytics considers the activity to be aligned with the SC criteria of the EU Taxonomy. | |

*Table 24*

| **Framework Activity assessed** | Acquisition and ownership of buildings | |
|---|---|---|
| **EU Taxonomy Activity** | 7.7 Acquisition and ownership of buildings | |
| **Corresponding NACE Code** | L68 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | 1. The Framework states that for the acquisition of buildings built before 31 December 2020, the buildings will have an EPC A or be among the top 15% of the national or regional building stock expressed as operational PED and demonstrated by adequate evidence, which at least compares the performance of the relevant asset to the performance of the national or regional stock built before 31 December 2020 and at least distinguishes between residential and non-residential buildings.<br>2. The Framework states that for buildings built after 31 December 2020, the building meets the criteria specified in Section 7.1 of the Annex of the EU Taxonomy Climate Delegated Act that are relevant at the time of the acquisition.<br>3. The Framework states that, where the building is a large non-residential building (with an effective rated output for heating systems, systems for combined space heating and ventilation, air-conditioning systems or systems for combined air-conditioning and ventilation of over 290 kW), it will ensure that the building is efficiently operated through energy performance monitoring and assessment in accordance with Danish building regulations.[81]<br>Based on the above, Sustainalytics considers the activity to be aligned with the SC criteria of the EU Taxonomy. | Aligned |

*Table 25*

| **Framework Activity assessed** | Renovation of existing buildings |
|---|---|

[81] Government of Denmark, "Energiforbrug og klimapåvirkning", at: https://bygningsreglementet.dk/Tekniske-bestemmelser/11/Krav

| | | |
|---|---|---|
| **EU Taxonomy Activity** | 7.2 Renovation of existing buildings | |
| **Corresponding NACE Code** | F41 and F43 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | The Framework states that the building renovation complies with the applicable requirements for major renovations, or, alternatively, renovations will lead to a minimum 30% reduction in PED. Hence, Sustainalytics has assessed this activity as aligned with the SC of the EU Taxonomy. | Aligned |

*Table 26*

| | | |
|---|---|---|
| **Framework Activity assessed** | Installation, maintenance and repair of energy efficiency equipment and technologies | |
| **EU Taxonomy Activity** | 7.3 Installation, maintenance and repair of energy efficiency equipment | |
| **Corresponding NACE Code** | F42, F43, M71, C16, C17, C22, C23, C25, C27, C28, S95.21, S95.22, C33.12 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | The Framework states that the activity consists in financing any of the following individual measures, provided that they comply with minimum requirements set for individual components and systems in the applicable national measures implementing Directive 2010/31/EU[82] and, where applicable, are rated in the highest two populated classes of energy efficiency in accordance with Regulation (EU) 2017/1369[83] and delegated acts adopted under that regulation:<br>a) addition of insulation to existing envelope components, such as external walls (including green walls), roofs (including green roofs), lofts, basements and ground floors (including measures to ensure airtightness, measures to reduce the effects of thermal bridges and scaffolding) and products for the application of the insulation to the building envelope (including mechanical fixings and adhesive);<br>b) replacement of existing windows with new energy-efficient windows;<br>c) replacement of existing external doors with new energy-efficient doors;<br>d) installation and replacement of energy-efficient light sources;<br>e) installation, replacement, maintenance and repair of heating, ventilation and air-conditioning (HVAC) and water heating systems, including equipment related to district heating services, with highly efficient technologies;<br>f) installation of low water and energy kitchen and sanitary water fittings that comply with the technical specifications in Appendix E to the Annex of the EU Taxonomy Climate Delegated Act and, in case of shower solutions, mixer showers, shower outlets and taps, have a maximum water flow of 6 l/min or less attested by an existing label in the European Union market. | Aligned |

[82] European Parliament, "Directive 2010/31/EU of the European Parliament and of the Council of 19 May 2010 on the energy performance of buildings – National transposition", at: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32010L0031
[83] European Parliament, "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", at: https://eur-lex.europa.eu/eli/reg/2017/1369/oj

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|---|---|---|
| | Further, Sustainalytics notes that the EU Directive 2010/31/EU[84] has been transposed into national legislation in Denmark, where the Bank intends to implement the projects under this activity.<br><br>Based on the above, Sustainalytics considers the activity to be aligned with the SC criteria of the EU Taxonomy. | |

*Table 27*

| | | |
|---|---|---|
| **Framework Activity assessed** | Transportation without direct emissions of greenhouse gasses – low-emission passenger cars and vans<br><br>Transportation that partly uses fossil fuels with direct emissions below 50g $CO_2$e/passenger km (only until 2025) – low-emission passenger cars and vans | |
| **EU Taxonomy Activity** | 6.5 Transport by motorbikes, passenger cars and light commercial vehicles | |
| **Corresponding NACE Code** | H49.32, H49.39 and N77.11 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | The Framework states that for vehicles in categories M1 and N1 (subject to Regulation (EC) No 715/2007): i) until 31 December 2025, specific emissions of $CO_2$, as defined in Article 3(1), point (h), of Regulation (EU) 2019/631, are lower than 50 $gCO_2$/km (low- and zero-emission light-duty vehicles); and ii) from 1 January 2026, specific emissions of $CO_2$, as defined in Article 3(1), point (h), of Regulation (EU) 2019/631, are zero. Hence, Sustainalytics considers the activity to be aligned with the SC criteria of the EU Taxonomy. | Aligned |

*Table 28*

| | | |
|---|---|---|
| **Framework Activity assessed** | Transportation by road, rail transport or sea and costal water transportation without direct emissions of greenhouse gasses | |
| **EU Taxonomy Activity** | 6.1 Passenger interurban rail transport | |
| **Corresponding NACE Code** | H49.10, N77.39 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | The Framework states that the trains and passenger coaches financed have zero direct (tailpipe) $CO_2$ emissions. Hence, Sustainalytics considers the activity to be aligned with the SC criteria of the EU Taxonomy. | Aligned |

*Table 29*

| | | |
|---|---|---|
| **Framework Activity assessed** | Transportation by road, rail transport or sea and costal water transportation without direct emissions of greenhouse gasses | |
| **EU Taxonomy Activity** | 6.3 Urban and suburban transport, road passenger transport | |
| **Corresponding NACE Code** | H49.31, H49.3.9, N77.39 and N77.11 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |

[84] European Parliament, "Directive 2010/31/EU of the European Parliament and of the Council of 19 May 2010 on the energy performance of buildings – National transposition", at: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32010L0031

| | | |
|---|---|---|
| Climate Change Mitigation | Jyske Bank has confirmed that the activity provides urban or suburban passenger transport and its direct (tailpipe) $CO_2$ emissions are zero. Hence, Sustainalytics considers the activity to be aligned with the SC criteria of the EU Taxonomy. | Aligned |

*Table 30*

| | | |
|---|---|---|
| **Framework Activity assessed** | Transportation by road, rail transport or sea and costal water transportation without direct emissions of greenhouse gasses | |
| **EU Taxonomy Activity** | 6.11 Sea and coastal passenger water transport | |
| **Corresponding NACE Code** | H50.10, N77.21 and N77.34 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | Jyske Bank has confirmed that the activity complies with the following criterion:<br>a) the vessels have zero direct (tailpipe) $CO_2$ emissions;<br>Hence, Sustainalytics considers the activity to be aligned with the SC criteria of the EU Taxonomy. | Aligned |

*Table 31*

| | | |
|---|---|---|
| **Framework Activity assessed** | Transportation by road without direct emissions of greenhouse gasses – low-emission freight transport | |
| **EU Taxonomy Activity** | 6.6 Freight transport services by road | |
| **Corresponding NACE Code** | H49.4.1, H53.10, H53.20 and N77.12 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | Financing under the Jyske Bank Group Green Finance Framework includes zero-emission freight road transport vehicles. The Framework states that vehicles dedicated to the transport of fossil fuels will be excluded under the Framework. Hence, Sustainalytics considers the activity to be aligned with the SC criteria under the EU Taxonomy. | Aligned |

*Table 32*

| | | |
|---|---|---|
| **Framework Activity assessed** | Infrastructure that supports zero emissions transportation by road or public transportation or by rail | |
| **EU Taxonomy Activity** | 6.14 Infrastructure for rail transport | |
| **Corresponding NACE Code** | F42.12, F42.13, M71.12, M71.20, F43.21, and H52.21 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | The Framework states that the activity complies with one of the following criteria:<br>a) the infrastructure (as defined in Annex II to Directive (EU) 2016/797) is either:<br>i. electrified trackside infrastructure and associated subsystems: infrastructure, energy, on-board control-command and signaling, and trackside control-command and signaling subsystems as defined in Annex II to Directive (EU)2016/797; | Aligned |

| | | |
|---|---|---|
| | ii. new and existing trackside infrastructure and associated subsystems where there is a plan for electrification as regards line tracks, and, to the extent necessary for electric train operations, as regards sidings, or where the infrastructure will be fit for use by zero tailpipe $CO_2$ emission trains within 10 years from the beginning of the activity: infrastructure, energy, on-board control-command and signaling, and trackside control-command and signaling subsystems as defined in Annex II to Directive (EU)2016/797;<br>iii. until 2030, existing trackside infrastructure and associated subsystems that are not part of the TEN-T network and its indicative extensions to third countries, nor any nationally, supranationally or internationally defined network of major rail lines: infrastructure, energy, on-board control-command and signaling, and trackside control-command and signaling subsystems as defined in Annex II.2 to Directive (EU) 2016/797;<br>b) the infrastructure and installations are dedicated to transshipping freight between the modes: terminal infrastructure and superstructures for loading, unloading and transshipment of goods;<br>c) infrastructure and installations are dedicated to the transfer of passengers from rail to rail or from other modes to rail;<br>d) digital tools enable an increase in efficiency, capacity or energy saving.<br>The Framework states that the infrastructure is not dedicated to the transport or storage of fossil fuels.<br>Based on the above, Sustainalytics considers the activity to be aligned with the SC criteria under the EU Taxonomy. | |

*Table 33*

| **Framework Activity assessed** | Construction, extension, operation and renewal of water collection, treatment and supply systems | |
|---|---|---|
| **EU Taxonomy Activity** | 5.1 Construction, extension and operation of water collection | |
| **Corresponding NACE Code** | E36.00 and F42.99 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | The Framework states that the activity is regulated under the Danish Environmental Protection Act, and that the water supply system complies with one of the following criteria:<br>a) the net average energy consumption for abstraction and treatment is up to 0.5 kWh per cubic meter produced water supply. Net energy consumption may take into account measures decreasing energy consumption, such as source control (pollutant load inputs), and, as appropriate, energy generation (such as hydraulic, solar and wind energy);<br>b) the leakage level is either calculated using the Infrastructure Leakage Index (ILI) rating method and the threshold value is up to 1.5 or calculated using another appropriate method and the threshold value is established in accordance with Article 4 of Directive (EU) 2020/2184. That calculation is to be applied across the extent of the water supply (distribution) network where the works are carried out, i.e. at water supply zone level, district metered area(s) (DMAs) or pressure managed area(s) (PMAs).<br>Based on the above, Sustainalytics considers the activity to be aligned with the SC criteria under the EU Taxonomy. | Aligned |

*Table 34*

| **Framework Activity assessed** | Construction, extension, operation and renewal of water collection, treatment and supply systems | |
|---|---|---|
| **EU Taxonomy Activity** | 5.2 Renewal of water collection, treatment and supply systems | |
| **Corresponding NACE Code** | E36.00 and F42.99 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | The Framework states that the renewal of the water supply system leads to improved energy efficiency in one of the following ways:<br>a) by decreasing the net average energy consumption of the system by at least 20% compared to own baseline performance averaged for three years, including abstraction and treatment, measured in kWh per cubic meter produced water supply;<br>b) by closing the gap by at least 20% either between the current leakage level averaged over three years, calculated using the Infrastructure Leakage Index (ILI) rating method and an ILI of 1.5207, or between the current leakage level averaged over three years, calculated using another appropriate method, and the threshold value established in accordance with Article 4 of Directive (EU) 2020/2184. The current leakage level averaged over three years is calculated across the extent of the water supply (distribution) network where the works are carried out, i.e. for the renewed water supply (distribution) network at district metered area(s) (DMAs) or pressure managed area(s) (PMAs).<br>Based on the above, Sustainalytics considers the activity to be aligned with the SC criteria under the EU Taxonomy. | Aligned |

*Table 35*

| **Framework Activity assessed** | Construction, extension, operation and renewal of wastewater collection and treatment | |
|---|---|---|
| **EU Taxonomy Activity** | 5.3 Construction, extension and operation of wastewater collection and treatment | |
| **Corresponding NACE Code** | E37.00 and F42.99 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | 1. The Framework states that the net energy consumption of the wastewater treatment plant equals to or is lower than:<br>a. 35 kWh per population equivalent (p.e.) per annum for treatment plant capacity below 10,000 p.e.;<br>b. 25 kWh/p.e. per annum for treatment plant capacity between 10,000 and 100 000 p.e.;<br>c. 20 kWh/p.e. per annum for treatment plant capacity above 100,000 p.e.<br>Net energy consumption of the operation of the wastewater treatment plant may take into account measures decreasing energy consumption relating to source control (reduction of storm water or pollutant load inputs), and, as appropriate, energy generation within the system (such as hydraulic, solar, thermal and wind energy).<br>2. The Framework states that, for the construction and extension of a wastewater treatment plant or a waste water treatment plant with a collection system, which are substituting more GHG-intensive treatment systems (such as | Aligned |

| | | |
|---|---|---|
| | septic tanks, anaerobic lagoons), an assessment of the direct GHG emissions is performed. The results are disclosed to investors and clients on demand.<br>Based on the above, Sustainalytics considers the activity to be aligned with the SC criteria under the EU Taxonomy. | |

*Table 36*

| **Framework Activity assessed** | Construction, extension, operation and renewal of wastewater collection and treatment | |
|---|---|---|
| **EU Taxonomy Activity** | 5.4 Renewal of wastewater collection and treatment | |
| **Corresponding NACE Code** | E37.00 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | 1) The Framework states that the renewal of a collection system improves energy efficiency by decreasing the average energy consumption by 20% compared to own baseline performance averaged over three years, demonstrated on an annual basis. That decrease of energy consumption can be accounted for at the level of the project (i.e. the collection system renewal) or, across the downstream wastewater agglomeration (i.e. including the downstream collection system, treatment plant or discharge of waste water).<br>2) The Framework states that the renewal of a wastewater treatment plant improves energy efficiency by decreasing the average energy consumption of the system by at least 20% compared to own baseline performance averaged over three years, demonstrated on an annual basis.<br>3) The Framework states that, for the purposes of points 1 and 2, the net energy consumption of the system is calculated in kWh per population equivalent per annum of the wastewater collected or effluent treated, taking into account measures decreasing energy consumption relating to source control (reduction of storm water or pollutant load inputs) and, as appropriate, energy generation within the system (such as hydraulic, solar, thermal and wind energy).<br>4) The Framework states that, for the purpose of points 1 and 2, the operator demonstrates that there are no material changes relating to external conditions, including modifications to discharge authorization(s) or changes in load to the agglomeration that would lead to a reduction of energy consumption, independent of efficiency measures taken.<br>Based on the above, Sustainalytics considers the activity to be aligned with the SC criteria under the EU Taxonomy. | Aligned |

*Table 37*

| **Framework Activity assessed** | Collection, transport and materially recovery of non-hazardous waste |
|---|---|
| **EU Taxonomy Activity** | 5.5 Collection and transport of non-hazardous waste in source segregated fractions |
| **Corresponding NACE Code** | E38.11 |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** |

| | | |
|---|---|---|
| Climate Change Mitigation | The Framework states that all separately collected and transported non-hazardous waste segregated at source is intended for preparation for reuse or recycling operations. Hence, Sustainalytics considers the activity to be aligned with the SC criteria under the EU Taxonomy. | Aligned |

*Table 38*

| **Framework Activity assessed** | Collection, transport and materially recovery of non-hazardous waste | |
|---|---|---|
| **EU Taxonomy Activity** | 5.9 Material recovery from non-hazardous waste | |
| **Corresponding NACE Code** | E38.32 and F42.99 | |
| ***Applicable SC Criteria*** | ***Alignment Assessment*** | |
| Climate Change Mitigation | The Framework states that the activity converts at least 50% (in weight) of the processed separately collected non-hazardous waste into secondary raw materials that are suitable for the substitution of virgin materials in production processes. Hence, Sustainalytics considers the activity to be aligned with the SC criteria under the EU Taxonomy. | Aligned |

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