

# Climate and Sustainable Finance Inclusion Criteria

This document outlines the eligibility criteria (the ‘Criteria’) for RBS Group’s (“RBS”) lending and wider financing of assets, activities and companies to be included under RBS’s current Climate and Sustainable Finance Target.

These Criteria are currently focused on supporting a transition towards a low-carbon, climate resilient economy. They are in line with the eligibility criteria of the ICMA Green Bond Principles, Loan Markets Association (“LMA”) Green Loan Principles, and relevant transactions (that include a specific carbon or climate related metric) under the LMA’s Sustainability Linked Loan Principles as well as the EU Taxonomy for Sustainable Finance and the EU Green Bond Standard. They will evolve in line with these external criteria and over time.

Criteria category	Criteria description	United Nations Sustainable Development Goals
<b>Renewable Energy</b>	<ul style="list-style-type: none"> <li>• Generation of energy from renewable sources: including, but not limited to, wind, solar, biogas, biomass, geothermal, waste to energy, hydroelectric, wave &amp; tidal.</li> <li>• Manufacture of components of renewable energy technology: including, but not limited to, wind turbines, solar panels.</li> <li>• Electricity transmission and distribution grids or projects, including, but not limited to cables, storage units and interconnectors.</li> <li>• Renewable energy consultancy and sector groups.</li> </ul>	7: Affordable and Clean Energy 9: Industry, innovation and infrastructure 13: Climate Action
<b>Low Carbon &amp; offsetting technology</b>	<ul style="list-style-type: none"> <li>• Low carbon energy sources: including, but not limited to, alternative low carbon fuels (hydrogen), nuclear, anaerobic digestion, energy from waste.</li> <li>• Technologies that reduce carbon emission: including, but not limited to carbon capture &amp; storage, transportation, carbon management.</li> </ul>	7: Affordable and Clean Energy 9: Industry, innovation and infrastructure 13: Climate Action
<b>Energy Efficiency</b>	<ul style="list-style-type: none"> <li>• Measures which reduce energy consumption: including, but not limited to, retrofitting/improving/upgrading existing assets, as well as of new technology development and manufacture.</li> </ul>	7: Affordable and Clean Energy 9: Industry, innovation and infrastructure 13: Climate Action
<b>Built environment (excluding mortgage lending*)</b>	<ul style="list-style-type: none"> <li>• Development of new or renovation of existing buildings to improve overall building stock. These buildings must possess specific recognised environmental certifications.</li> <li>• Retrofits for residential, commercial and public buildings: including, but not limited to, onsite renewable energy generation, insulation of walls and roofs, LED lighting, replacement of boilers, implement energy management systems, refurbishment of heating, ventilation and air conditioning systems.</li> <li>• Maximises environmental net gains by promoting biodiversity and nature-based solutions.</li> </ul>	7: Affordable and Clean Energy 9: Industry, innovation and infrastructure 11: Sustainable Cities and Communities 13: Climate Action

\*relevant mortgage lending to be included in future Criteria

Criteria category	Criteria description	United Nations Sustainable Development Goals
<b>Sustainable Transport</b>	<ul style="list-style-type: none"> <li>• Low carbon transportation: including, but not limited to, hybrid/ electric/alternatively fuelled cars, buses, trucks, trains, aviation, shipping, inland freight water transportation etc.</li> <li>• Development, operation and upgrade of low carbon transportation infrastructure.</li> <li>• Mobility as a service: transportation systems which contribute to reducing the circulation of cars.</li> <li>• Transportation infrastructure manufacturers of components above.</li> </ul>	9: Industry, innovation and infrastructure 11: Sustainable Cities and Communities 13: Climate Action
<b>Water &amp; Waste Management</b>	<ul style="list-style-type: none"> <li>• Water collection, treatment, recycling, re-use, upgrades, technologies and related infrastructure: including, but not limited to, anaerobic digestion of sewage, sludge and bio-waste.</li> <li>• Non-conventional waste management, disposal and circular economy activities: including, but not limited to, source reduction, in-process recycling, reuse, resource recovery, and treatment.</li> </ul>	6: Clean Water and Sanitation 12: Responsible Consumption and Production 13: Climate Action
<b>Environment</b>	<ul style="list-style-type: none"> <li>• Environmental consultancy, groups and services.</li> <li>• Environmental monitoring, instrumentation and analysis.</li> <li>• Air pollution control.</li> <li>• Maximises environmental net gains by promoting biodiversity and nature-based solutions: including, but not limited to, afforestation and growing specific crops for rehabilitation.</li> </ul>	13: Climate Action 15: Life on land
<b>Information Technology</b>	<ul style="list-style-type: none"> <li>• Activities that facilitate and develop data-driven solutions for GHG emissions reduction.</li> </ul>	13: Climate Action

## Notes

- The Target will include any general-purpose lending or wider financing to a customer who can evidence (to RBS's satisfaction) 50% or more revenues from the categories and sectors outlined above typically, but not exclusively, as publicly reported.
- The Criteria are also subject to RBS's environmental, social & ethical (ESE) risk framework.

CONTACT: [sustainable.banking@rbs.com](mailto:sustainable.banking@rbs.com)

These Criteria have been prepared by RBS Group plc and its subsidiaries ("RBS") and are provided for information purposes only and may be subsequently amended, superseded or replaced, no reliance should be placed on any information contained herein. This Criteria shall not constitute an underwriting commitment, an offer of financing, an offer to sell, or the solicitation of an offer to buy any financial instrument that may reference these Criteria, which shall be subject to RBS's internal approvals. No transaction or service related thereto is contemplated without RBS's subsequent formal agreement.

The Royal Bank of Scotland is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Financial Services Register number is 114724).

The Royal Bank of Scotland plc. Registered in Scotland No 83026. Registered Office: 36 St Andrew Square, Edinburgh EH2 2YB