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Green Financing Framework

Andbank Group

Document prepared with the collaboration of



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Disclaimer

This *Green Bond Framework* (hereinafter, the "**Framework**") has been prepared by Andorra Banc Agrícola Reig, S.A. as parent of the Andbank Group (hereinafter, the "**Entity**" or the "**Andbank Group**", respectively) for the sole purpose of recording the guidance that the Entity and, where applicable, the Andbank Group applies in relation to the issuance of green financing instruments and the consequent application to its portfolio of associated financial transactions. This document is for information purposes only, is non-binding and should not be construed as an offer of securities, investment recommendation or legal, financial or technical advice.

The information contained in this Framework is provided as of the date of its publication and is subject to change without notice. The Andbank Group undertakes no obligation to update or revise this Framework or its contents, including in the event of new information, project developments or regulatory changes. Nothing in this Framework shall be deemed to create any contractual relationship, rights or legal obligations of any kind.

This Framework contains forward-looking statements that constitute forward-looking statements. These statements are subject to a number of risk factors and uncertainties - including, among others, regulatory changes, market conditions or availability of eligible transactions - that could cause actual results to differ materially from those expected. In no event should these statements be construed as guarantees of performance or achievement of results.

This Framework has not been reviewed or approved by any supervisory or regulatory authority, including the AFA - *Autoritat Financera Andorrana* -, Comisión Nacional del Mercado de Valores (CNMV) or other equivalent authorities in jurisdictions outside the European Economic Area. The Framework has been drafted in accordance with the *Green Bond Principles* in force at the time of its publication, notwithstanding that future issues may be subject to additional requirements under new standards or regulations in other jurisdictions.

This Framework does not constitute or form part of an offer or solicitation to buy, sell, subscribe or deal in securities, nor should it be relied upon as a basis for making investment decisions. Any decision to invest in financial instruments issued by the Entity or, as the case may be, Andbank Group company must be based solely on the specific legal documentation prepared and published for that purpose (e.g. a prospectus approved by the competent authority, where applicable).

In addition, the Andbank Group has obtained an independent external review (*Second Party Opinion* - SPO) in order to assess the alignment of this Framework with the *Green Bond Principles* (hereinafter the "**GBP**") established by the International Capital Markets Association (ICMA). The provision of such an opinion should not be construed as an investment recommendation, nor as a guarantee of continued alignment with current international standards or taxonomies.

1. Andbank and its commitment to sustainability

The Entity is a financial institution specialising in private banking and wealth management with a track record of more than 90 years and a solid international presence. Founded in 1930 and headquartered in Andorra, its group currently operates in different jurisdictions, which allows it - within the framework of the corresponding applicable regulations - to offer a global service. Its family banking model, independent and focused on excellence, has consolidated it as Andorra's leading bank and a benchmark in the private banking segment at international level.

A very significant part of the assets managed by the Andbank Group are located outside Andorra, reflecting its capacity to offer solutions adapted to different jurisdictions. The Entity maintains sustained levels of solvency, liquidity and profitability comfortably above the minimum required by regulations, consolidating its position as a robust and resilient bank.

The Entity's corporate culture is guided by values such as specialisation, innovation, social responsibility, service excellence and a global vision that drives the integration of sustainability into its business model. This vision is aligned with the Andbank Group's desire to progressively integrate environmental, social and governance (ESG) criteria into its strategic processes and decisions, in line with Andbank Spain's sustainability action plan (the "**Action Plan**").

The Action Plan lays the foundations for the integration of ESG factors in both banking and traditional asset management, in response to growing regulatory expectations and the conviction that long-term value creation requires a more responsible financial approach based on a broader risk analysis. In this area, Andbank Wealth Management, SGIIC, S.A.U. ("**AWM**"), the management company of the Andbank Group in Spain, has adhered to the Principles for Responsible Investment (PRI) promoted by the United Nations, and has begun to systematically integrate ESG indicators in its product analysis, advice and asset selection.

The decision to structure this Framework responds to the Andbank Group's desire to consolidate a strategic focus on sustainability also in the area of financing. This Framework will enable it to channel resources towards activities aligned with its responsible business model, generate reputational value with its stakeholders, and facilitate progressive alignment with European regulatory frameworks and the expectations of international financial markets in ESG matters. This initiative also responds to the growing interest of institutional investors in financial products with a positive environmental impact and enables the Andbank Group to offer a value proposition in line with its business profile and its specialisation in private banking.

This Framework is designed to apply to any financial instrument issued by the Andbank Group that is labelled as green, including bonds, loans, commercial paper or equivalent, provided that they comply with the principles and criteria set out herein.

The Framework is aligned with ICMA's *Green Bond Principles* (version 2021), which were the latest version in force at the time of drafting, and contributes to the fulfilment of global

environmental objectives, including the Sustainable Development Goals (SDGs) and the European Green Deal, to the extent that the activity is articulated within the European Economic Area.

2. Green funding framework

2.1. Use of Proceeds

The Andbank Group undertakes to use its best efforts to allocate an amount equivalent to the net proceeds from the issuance of green financing instruments to the financing or refinancing, in whole or in part, of eligible green financing transactions, in accordance with the criteria set out in this Framework.

Earmarked funding will be considered as green provided that the Entity or, as applicable, Andbank Group company confirms (see section 2.2) that the use of proceeds complies with the eligibility criteria set out in this Framework, thus ensuring adequate environmental integrity of the instrument. In such cases, the funding may be considered fully green, provided that the nature of the activity carried out by the Entity is fully aligned with the technical criteria defined in this section and clearly contributes to the environmental objectives pursued.

In line with best market practice and GBP recommendations, the Andbank Group establishes the following time periods for the allocation of proceeds and the inclusion of existing operations:

- Retrospection period: operations already financed in the 12 months prior to the issuance of the green financial instrument may be included as eligible, provided that they comply with the eligibility criteria set out in the Framework.
- Allocation period: funds raised must be allocated to eligible green operations no later than 24 months from the date of issue.

The funds are not intended to be used for refinancing transactions, however, the Entity or Andbank Group company considers that in the event that transactions are submitted in this respect, they will in no case account for more than 10% of the related eligible assets.





In addition, in order to ensure the consistency of the Framework with the applicable sustainability principles, the Andbank Group establishes a number of activities excluded from funding, which are also set out in this Framework. The net proceeds from the issuance of green financial instruments shall not be allocated, directly or indirectly, to any business activity or asset that falls within the categories defined as excluded activities in Annex 1 (the "**Excluded Activity(ies)**"). In the event that an asset no longer meets the eligibility criteria due to its involvement in an Excluded Activity, it shall be removed from the eligible portfolio.

The net proceeds from the issuance of green financial instruments will be used to finance or refinance financial operations preferably located in Spain and Andorra, in line with the Andbank Group's operational presence in these countries. All operations must comply with the eligibility criteria set out in this Framework and be aligned with the environmental and sustainability principles that guide the Andbank Group's green finance strategy.

This section details the activities that may be financed with the funds obtained and the technical criteria that will be checked to prove that the activity is considered environmentally positive. It also sets out its alignment with the SDGs, given that it is an international benchmark and a relevant reference for the Andbank Group. The activities are grouped into the following three priority categories:

Clean transport

The clean transport category includes the financing and/or refinancing of projects aimed at decarbonising the mobility of people and goods, both at urban and interurban level, through the promotion of zero emission modes of transport, the improvement of associated infrastructures and the promotion of sustainable and multimodal means of transport.

Subcategories	Technical eligibility criteria	SDGs
Urban, inter-city and rail public transport	<p>Manufacture, purchase, lease or use of urban and interurban public transport fleets without direct emissions, including electric buses, electric trains, trams, trolleybuses, metros or electric urban ferries or on a specific basis:</p> <ul style="list-style-type: none"> Land transport: vehicles with 0 gCO₂/km. Rail transport: Trains and wagons with 0 direct CO₂ emissions, or dual mode only if there is no electrification. Maritime transport: Ferries and other sea or inland waterway vehicles 0 gCO₂/km. Vehicles of any type of transport, whether or not they are 0 gCO₂/km, provided that they meet the requirements set out in the EU taxonomy of environmentally sustainable activities in force at any given time. 	<div>7 AFFORDABLE AND CLEAN ENERGY </div> <div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE </div> <div>11 SUSTAINABLE CITIES AND COMMUNITIES </div> <div>13 CLIMATE ACTION </div>
Individual and freight transport	<ul style="list-style-type: none"> Manufacture, purchase, lease or use of individual or commercial vehicles with 0 gCO₂/km, including cars, motorbikes, vans, trucks, tricycles, as well as river or sea freight vehicles. 	

Subcategories	Technical eligibility criteria	SDGs
	<ul style="list-style-type: none"> Manufacture, purchase, lease or use of other vehicles of any type of transport mode, whether or not they are 0 gCO₂/km, provided that they meet the requirements set out in the EU taxonomy of environmentally sustainable activities in force at any given time. Shared mobility services using electric vehicles and other vehicles of any propulsion type with 0 gCO₂/km are also included. 	
Sustainable mobility infrastructure	<ul style="list-style-type: none"> Construction, renovation, acquisition, installation of infrastructure associated with zero-emission mobility. Includes electric and other type of charging stations, electrified rail infrastructure, maritime infrastructure with electrical connection in port, as well as infrastructure for active transport (cycle lanes, pedestrian zones, etc.). Technical criteria: <ul style="list-style-type: none"> Infrastructure must be exclusively associated with GHG-free or electrified vehicles or modes of transport. It also includes the construction, renovation, acquisition and installation of transport infrastructure, provided that they meet the requirements set out in the EU taxonomy of environmentally sustainable activities in force at any given time. 	

Renewable energies

The renewable energy category comprises the financing and/or refinancing of projects aimed at the generation, transmission, storage and efficiency improvement in the use of clean, non-fossil energy, which contribute to the energy transition and climate change mitigation.


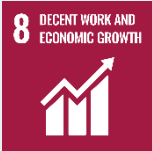



Subcategory	Technical eligibility criteria	SDGs
Electricity generation from renewable sources	<ul style="list-style-type: none"> Includes the acquisition, construction, installation, refurbishment or upgrading of facilities for the generation of electricity from renewable energy sources: <ul style="list-style-type: none"> Photovoltaic solar energy Wind energy Hydroelectric power: <ul style="list-style-type: none"> Life cycle GHG emissions from electricity generation should be less than 100 gCO₂e/kWh. Geothermal energy <ul style="list-style-type: none"> Life cycle GHG emissions from electricity generation should be less than 100 gCO₂e/kWh. It also includes the acquisition, construction, installation, rehabilitation or improvement of electricity generation facilities provided that they meet the requirements set out in the EU taxonomy of environmentally sustainable activities in force at any given time. 	<div>7 AFFORDABLE AND CLEAN ENERGY</div> <div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div> <div>13 CLIMATE ACTION</div>
Hydrogen / ammonia production	<ul style="list-style-type: none"> Manufacture of hydrogen or anhydrous ammonia provided that they meet the requirements set out in the EU taxonomy of environmentally sustainable activities in force at any given time. Manufacture of equipment for the production and use of hydrogen provided that they meet the requirements set out in the EU taxonomy of environmentally sustainable activities in force at any given time. 	

Heat/Cool and/or CHP production from renewable sources	<ul style="list-style-type: none"> ▪ Includes the acquisition, construction, installation, renovation or upgrading of systems intended for: <ul style="list-style-type: none"> ○ The generation of heat and/or cooling from renewable energy sources. ○ Combined heat and power (CHP) from renewable energy sources. <p>Eligible technologies include, among others:</p> <ul style="list-style-type: none"> ▪ Solar energy ▪ Geothermal energy: <ul style="list-style-type: none"> ○ Life cycle GHG emissions from electricity generation should be below 100 gCO₂e/kWh. ▪ It also includes the purchase, construction, installation, refurbishment or upgrading of other heating/cooling systems, provided that they meet the requirements set out in the EU taxonomy of environmentally sustainable activities in force at any given time. 	
Electrical energy storage	<ul style="list-style-type: none"> ▪ Includes the construction, purchase, installation or upgrading of electricity storage systems linked to 100% renewable electricity generation, such as batteries or pumped hydroelectric storage systems. 	
Thermal energy storage	<ul style="list-style-type: none"> ▪ Includes the construction, acquisition, installation or upgrading of thermal energy storage facilities, such as underground (UTES) or aquifer (ATES) systems, linked to 100% renewable energy generation. 	
Chemical energy storage	<ul style="list-style-type: none"> ▪ It includes the construction, acquisition, installation or upgrading of energy storage facilities of any kind as long, 	

	provided that they meet the requirements set out in the EU taxonomy of environmentally sustainable activities in force at any given time.	
Renewable energy transmission and distribution	<ul style="list-style-type: none"> Includes the construction, acquisition, installation or upgrading of energy transmission and distribution facilities provided that it meets one of the following criteria: <ul style="list-style-type: none"> More than 67 % of the newly activated generation capacity, over a successive five-year period, in the system is below the generation threshold value of 100 gCO₂e/kWh. The average emissions factor of the system network, calculated as the total annual emissions from power generation connected to the system, divided by the total annual net electricity production in that system, is below the threshold value of 100 gCO₂e/kWh, measured on a life-cycle basis in accordance with the criteria for electricity generation, over a rolling five-year period. Also construction, acquisition, installation or improvement of renewable energy transmission and distribution infrastructure, provided that they meet the requirements set out in the EU taxonomy of environmentally sustainable activities in force at any given time. 	

Green buildings

The green buildings category covers the financing and/or refinancing of projects related to the construction, acquisition or renovation of residential or commercial buildings, as well as premises and individual dwellings, which meet high energy efficiency standards and/or have recognised environmental certifications and are collectively referred to as buildings.

Subcategory	Technical eligibility criteria	SDGs
Construction and acquisition of new buildings	<ul style="list-style-type: none"> Buildings with Energy Performance Certificate (EPC) A or B in primary energy consumption or CO₂ emissions. Buildings with internationally recognised certificates of environmental sustainability: <ul style="list-style-type: none"> LEED: <i>Gold</i> or higher BREEAM: <i>Excellent</i> or higher 	 
Renovation of buildings	<ul style="list-style-type: none"> Projects that achieve a minimum 30% reduction in primary energy demand compared to the pre-intervention state or, alternatively, that the building gets an improvement of at least two letters thanks to the financed reform. 	 
Energy efficiency and/or renewable energy technologies	<ul style="list-style-type: none"> Installation, maintenance and repair of technologies and instruments necessary for the management of projects to improve energy efficiency and/or the use of renewable energies in residential, commercial or industrial buildings. 	

2.2. Process for Operations Evaluation and Selection

The selection of eligible green operations is part of the Andbank Group's commitment to environmental sustainability, climate change mitigation and, as far as possible, the integration of ESG factors into its business model. This orientation is also included in the Action Plan that the Entity assumes in this regard, initiated in 2022 and aligned with the Bank of Spain's supervisory expectations. AWM has also signed up to the Principles for Responsible Investment (PRI) as a signalling element of its commitments and alignment with industry practices in this regard.

Operations financed under this Framework shall make a sufficient contribution to the **"Mitigation of climate change"** objective.

Operations will be selected on the basis of their ability to meet the technical criteria defined in section 2.1 of this Framework, structured by category (clean transport, renewable energy and green buildings). To the extent possible, these criteria will be aligned with international standards and the SDGs.

The process of **assessing and approving green operations** under this Framework will be structured in several stages, combining the participation of the business units with the supervision of an internal committee of the Entity created ad hoc or, alternatively, through the assumption of ESG competencies by an internal committee of the Entity (the "**ESG Committee**"). This will ensure the traceability of decisions on the record, their consistency with the sustainability objective set out in this Framework and the sufficient technical quality of the transactions included. The process is planned to follow the following steps:

- Identification of financial operations: The Andbank Group's business units in Spain or Andorra, depending on the operation in question, will be primarily responsible for identifying those operations that, in accordance with the provisions of section 2.1 of this Framework, may be considered eligible. This phase involves an initial identification of the transactions by commercial or investment staff, based on the categories defined and the preliminary documentation available.
- Preliminary technical review: Once identified, operations will be subject to a centralised technical review by staff managing sustainability-related aspects, which will verify, using standardised criteria, compliance with minimum technical thresholds and the correct allocation of the use of proceeds. This review may be carried out by means of a reasoned sample selection, especially in portfolios with multiple operations, based on criteria of sectoral concentration, volume of funding or potential environmental impact. The sample may be defined by the risk or compliance area, with the possibility of review by another department, if deemed necessary.
- Evaluation and approval by the ESG Committee, based on a prior report prepared by the working group that is set up, which may include representatives from different departments of the Entity, including members of Business, Risks, Compliance, Treasury, ESG, Product and any others that may be necessary. Where necessary, members from other departments may be included in the ESG Committee as deemed appropriate. The ESG Committee shall be responsible for:
 - Check that supporting documentation is sufficient and consistent with the Framework criteria.
 - Examine the alignment of the operation with the Entity's strategic sustainability objectives, technical eligibility criteria and non-exclusion.
 - Adopt the decision on the inclusion in the set of green operations or possible exclusion (if applicable).
 - Document decisions for future internal audits or external reviews (such as SPO).

All decisions of the ESG Committee shall be recorded in minutes and supporting documentation shall be maintained in accordance with the Entity's internal protocols.

All eligible assets will be subject to a pre-assessment as part of the Entity's normal credit and financial analysis processes. This assessment includes:

- Review of applicable legal and regulatory compliance.
- Verification of respect for human rights, labour standards and environmental criteria.
- Verification of the absence of sanctions or signs of money laundering or terrorist financing.

In addition, external data sources (e.g. Sustainalytics, MSCI ESG, RepRisk) may be used to supplement the available information and strengthen the due diligence process to identify cases with relevant ESG controversies.

In order to ensure the transparency and credibility of the process, the Andbank Group has sought an **independent external review** (SPO) by a specialised provider (see 3), which has assessed the alignment of the Framework with the *Green Bond Principles*.

2.3. Management of Proceeds

Each transaction approved under this Framework shall be recorded in the Entity's systems. In addition, the Entity shall review, when required and at least annually, that the funds raised through the issuance of green financial instruments follow the criteria set out in this Framework until the funds obtained have been fully allocated. The issuance and allocation of proceeds from green financial instruments shall preferably be considered assets located in Spain and Andorra.

The Entity shall implement the technical criteria defined in section 2.1 and section 4 for the appropriate identification and analysis of sustainable operations to be approved by the ESG Committee, and which allow compliance with the standards indicated in this Framework.

These standards, among others and in addition to the above, will be based on:

- The recording of eligible transactions in the Entity's systems, mainly identified by the business units.
- The monitoring and review, on an annual basis, of eligible operations to be approved by the ESG Committee for the purpose of verifying alignment with the requirements of this Framework.

In the event of non-compliance with the eligibility criteria of the assets based on this Framework (i.e. due to sale, securitisation or loss of ESG status), leading to the categorisation of the transaction as ineligible, the Entity undertakes to take the appropriate actions to comply with the criteria defined in this Framework through other transactions, without establishing a specific deadline for this purpose. To this

end, the Entity may request the prior issuance of an internal report or an external expert report in the ESG-Sustainability field.

In the event that the proceeds from the issuance of green instruments cannot be immediately allocated to other eligible operations, the Entity shall temporarily invest the funds derived from the green financial instruments in low-risk liquid assets in the money market, as it shall do with the provisions derived from non-compliance with eligibility criteria until their reallocation. To the extent possible, the use of green financial accounts or products (e.g. deposits or ESG funds) will be considered.

- Monitoring of any other aspects in relation to this Framework.

For information purposes only, it is indicated that the Andbank Group in Spain has at the date of issue of this Framework an internal system for adequate identification and analysis of green operations, especially focused on green mortgage operations and financing of renewable energy, transport and building operations, guaranteeing adequate traceability from the outset.

If an asset is found to no longer comply with the requirements (e.g. due to change of use, emergence of disputes or revision of technical criteria), it will be removed from the portfolio of eligible projects. The corresponding funds will be reallocated as soon as possible to other eligible assets or projects, while ensuring full compliance with the criteria defined in the Framework.

This process will include:

- Identification of non-compliance through periodic reviews.
- Withdrawal of the ineligible asset.
- Supporting documentation of the reason for non-compliance.
- Transparent reallocation, within a maximum of 12 months, of funds to another project that meets previously established technical and environmental criteria.

2.4. Reporting and transparency

Allocation report

The Andbank Group undertakes to report annually, and until the full registration of funds linked to the issues made under this Framework, on the allocation of the net proceeds raised under this Framework from its green bond issues. This information will be published in a specific report linked to each green issue associated with this Framework and will be available on its corporate website www.andbank.com.

In particular, the following information shall be included, presented in aggregated form and broken down by eligible category, as defined in the "Use of Proceeds" section of this Framework:

- Total amount allocated to eligible green operations.
- Amount not yet allocated and, if applicable, explanation of its financial management until final implementation (e.g. deposit in liquid and low-risk financial instruments).
- Total number of operations financed.
- Amount and percentage of new financing versus refinancing.

The first allocation report will be published no later than 12 months after issuance, and will be updated annually for as long as there are funds pending allocation.

Impact reporting

The Andbank Group also commits, where feasible and relevant, to report in aggregate on the estimated environmental impact of the activities financed by the allocated funds.

Key environmental performance indicators will be selected according to the nature of each category, and may include, among others:

- Tons of CO₂ equivalent avoided.
- Megawatts (MW) of installed capacity from renewable sources.
- Estimated improvement in energy consumption (in kWh/year) as a result of retrofitting or refurbishment of existing buildings or infrastructure.
- Number of green vehicles financed (by technology type) and number of supporting infrastructures developed, such as electric charging points, maintenance stations or smart parking systems.

The selection of key indicators and, where appropriate, the methodologies used for their estimation will be detailed in the report itself or in its annex, taking as a reference good market practices and guides such as the *Handbook Harmonized Framework for Impact Reporting* and the *Green Sector specific documents* published by [ICMA](#).

The Group will make its best efforts to expand and improve its impact monitoring system as its Sustainability Framework and data availability evolves.

3. Verification

In order to reinforce the transparency and credibility of this Framework, the Andbank Group has obtained an independent external opinion (SPO) issued by Sustainable Fitch, an entity specialised in the assessment of sustainable financing frameworks.

The SPO issued by Sustainable Fitch assesses the alignment of this Framework with ICMA's *Green Bond Principles* (version 2021).

The Framework may be reviewed periodically by the Andbank Group, in particular with regard to its alignment with future updates of the relevant principles, with the objective of maintaining its alignment with best market practice. Updates that are not merely minor shall be subject to prior approval by the SPO's qualified provider. Any updated version of the Framework will be published on the Andbank Group's corporate website and will replace this document. Updated versions shall only apply to issuances made after their publication, unless expressly stated otherwise.

4. Annex I. Exclusions

In line with its responsible banking model and in order to ensure a minimum basis of consistency with its ESG strategy, the Andbank Group will not allocate the net proceeds from the issuance of green bonds to the financing or refinancing of activities that:

- Are directly linked to significant disputes related to human rights, abusive labour practices or corruption.
- They do not comply with anti-money laundering, anti-terrorist financing or tax transparency regulations.
- Are subject to sanctions imposed by the European Union, the United Nations or other recognised multilateral bodies.
- Involve the production or marketing of controversial weapons, including anti-personnel mines, chemical or biological weapons, and cluster munitions.
- Engage in activities that are clearly incompatible with the principles of this Framework, such as gambling, betting or adult entertainment.

These general exclusions do not reflect a broad sectoral restrictive policy, but a basic commitment to reputational integrity and consistency with the Group's core values.

In addition, in order to reinforce the environmental integrity of the Framework, the Andbank Group sets out the following specific exclusions per project category:

- **Clean transport**

Operations linked to the following shall not be considered eligible:

- Efficiency improvements applied to vehicles with conventional internal combustion engines only.
- New construction or rehabilitation of road infrastructure favouring private road traffic or parking, such as motorways, bridges or car parks.
- Freight vehicles designed for the transport of fossil fuels, even if they incorporate blending with zero-emission alternative fuels.
- Transport systems or logistic networks for the transfer of oil, gas or other fossil fuels.
- Rail or inland waterway infrastructure where the transport activity is predominantly fossil fuel based, measured in tonne-kilometres travelled.

- **Renewable energies**

Operations will not be considered eligible if:

- Apply renewable technologies in industrial processes directly linked to the extraction, transformation or use of fossil fuels.
- Are intended for transmission or distribution networks built to connect exclusively to fossil fuel-based generation facilities.
- Use clean technologies as a vector of efficiency within the fossil industry, without clearly contributing to its decarbonisation or progressive abandonment.

▪ **Green buildings**

Operations will not be considered eligible if:

- Drive energy efficiency in carbon-intensive processes in heavy industries, without a clear decarbonisation plan.
- Involve upgrading appliances, equipment or air-conditioning systems that rely mainly on fossil fuels, unless there is a switch to cleaner sources.
- Include combined heat and power systems or heating plants based on coal, gas or oil, even if they are presented as efficient solutions.
- Are intended to prolong the use of building infrastructure or facilities whose design, use or materials are incompatible with minimum energy efficiency or carbon footprint standards.

The Andbank Group may review and update both the set of general and category-specific exclusions based on developments in its Framework, the regulatory environment and best practices in the sustainable financial sector.