HSBC's Eligible Criteria for Green Activities

This document sets out HSBC's eligibility criteria (the "**Eligible Criteria**"), for financing projects to be classified as "green" lending ("**Green Activities**") and outlines HSBC's methods of project assessment.

HSBC may require additional information to support selection and verification of Green Activities. Each request will be considered on a case-by-case basis and subject to HSBC discretion.

Green lending may be used to refinance existing facilities, where the original transaction or underlying asset can be evidenced as meeting the Eligible Criteria.

All loans are subject to status. Terms and conditions apply.

External Review:

This Framework was developed by HSBC with support from Morningstar Sustainalytics. Morningstar Sustainalytics is a leading ESG data, research, and ratings firm that supports investors around the world with the development and implementation of responsible investment strategies. For more than 30 years, the firm has been at the forefront of developing high-quality, innovative solutions to meet the evolving needs of global investors. Today, Morningstar Sustainalytics works with hundreds of the world's leading asset managers and pension funds who incorporate ESG information and assessments into their investment processes. The firm also works with hundreds of companies and their financial intermediaries to help them consider material sustainability factors in policies, practices, and capital projects.

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Method of assessing supporting information

HSBC has voluntarily aligned our green lending proposition to the Loan Market Association's Green Loan Principles 2023[1] (the "**GLP**"), which aim to facilitate and support environmentally sustainable economic activity. Evidence provided to HSBC in relation to satisfaction of Eligible Criteria and Green Loan Principles, will be required in a form and substance satisfactory to HSBC, and where relevant assessed by a reputable third party.

In addition to projects meeting all national and international law regulations and standards HSBC would expect to see evidence (requirements may vary on a case-by-case basis depending on the size and scope of green project) of the Borrower's adherence to the GLP's. The LMA principles are designed to provide a framework to all market participants to enable the understanding of the characteristics of green lending based around the below four core components:

1. **Use of Proceeds**
    a. Borrower should outline what the intended use of proceeds will be, which should align to a sub-category in HSBCs Eligible Green Activities outlined in this document**.**
2. **Process for Project Evaluation and Selection**
    a. Evidence of the Borrower's Environmental and/or Sustainability policies and procedures and in relation to the green project.
3. **Management of Proceeds**
    a. Evidence of the Borrower's management of proceeds including information on tracking systems that ensures proceeds are tracked by the borrower in an appropriate and transparent manner.
4. **Reporting**
    a. Compliance Report from the Borrower on an annual basis, or until the loan is fully drawn. The Compliance Report should include details of Green Projects which the loan has been allocated to, and the amount allocated, along with the expected environmental impact. The GLP recommend using qualitative indicators in reports, and, where feasible, quantitative performance indicators together with disclosure of the underlying methodology and assumptions.
    b. Borrowers should keep readily available up-to-date information on the use of proceeds, which can be assessed at annual review if necessary, and thereafter in the event of material developments.

[1] GLP 2023: https://www.lsta.org/content/green-loan-principles/

Additional considerations/ Evidence

Based on the nature of the project, HSBC would require one, or more of the following as evidence:

- **Renewable Energy**: BREEAM Infrastructure[2] certification (Good and above) as additional evidence, or any other Civil Engineering label of equivalent standard (optional).

- **Climate change adaption**: Climate Change Risk / Vulnerability Assessment by issuer / third-party to determine the needed enhancements for climate change adaptation and resilience purpose.

- **Eco-Efficiency**:
  a. Evidence project has met Regional, National, or Internationally recognised eco-label or environmental certification (applicable to development of environmentally friendlier products).
  b. Lifecycle assessment report to demonstrate quantifiable improvements related to, for example, recyclability or the use of recycled or plant-based inputs.

- **Green buildings**: Evidence project has met Regional, National, or Internationally recognised standards or certifications such as EPC label A and B in England, Scotland (please refer to footnote 15 for Scottish EPC criteria) and Wales; LEED (Gold or above); Modular construction with LEED Gold or above certification or other green building certifications listed in this document; BREEAM (Excellent or above); EDGE; Office buildings with NABERS UK 5 Stars or above; or Residential buildings with Home Quality Mark certification of 4 Stars or above. The bank may consider other additional equivalent internationally recognised certification schemes on a discretional basis.

- **Energy Efficiency**: Evidence relating to (clean) energy efficiency & production / low environmental impact provided in:
  a. Planning permission submission (if required); and/or
  b. A report by engineers; and/or
  c. Pre-Standard / Certification assessment report.

- **Other Categories**: Copies of back up/supplier invoices and where relevant proof of payment directly relating to the assets (and agreed qualifying costs).

- **Pure Play Green**: Where a business derives 90% or more of revenues from activities in Eligible Sectors it is considered as 'Pure-Play Green' and is eligible for green financing. In these instances, Use of Proceeds can be used by the business for general purposes, so long as this financing does not fund expansion into activities falling outside the Eligible Sectors.

[2] Please find more information about BREEAM Infrastructure here: https://bregroup.com/products/ceequal/

HSBCs Eligible Green Activities

Eligible Green Projects		Description	Sub-Category Eligibility Guidance	Exclusion Criteria
Category	Sub-category			
1. Renewable Energy[3]	Solar: Conversion of energy from sunlight into electricity, either directly using solar photovoltaics, indirectly using concentrated solar power (CSP), or a combination.			• Application of technology in the fossil • l-fuel industry
	i. Photovoltaics (PV)	Solar radiation emitted from the sun is used to generate electricity through a PV system.		
	ii. Concentrated Solar Heat and Power (CSP) and Solar Thermal	A solar water heating system uses solar collectors, normally mounted on a roof, to capture the energy released by the sun to heat water for domestic and industrial uses.	CSP and Solar thermal plants with a large majority of electricity (>85%) _generated from the facility being derived from solar energy sources.	
	1. Wind (onshore /offshore): Use of air flow through wind turbines to provide the mechanical power to turn electric generators.		For marine renewables used for heating and cooling, the fossil fuel back up is limited to power monitoring, operating and maintenance equipment, as well as resilience and protection measures, and restart capabilities.	• Application of technology in the fossil-fuel industry
	2. Hydropower	Produced when the kinetic energy of flowing water is converted into electricity by a turbine connected to an electricity generator.	Run-of-river hydropower projects without artificial reservoir or low storage capacity. For hydropower facilities that became operational before the end of 2022, lifecycle carbon intensity[4] is less than 100gCO_2e/kWh or power density is greater than 5W/m2.	• Application of technology in the fossil-fuel industry

[3] Including land purchased for the sole purpose of developing a renewable energy project on the site.

[4] As per the Climate Bonds Initiative's hydropower criteria, lifecycle emissions include reservoir emissions from the modification of the natural carbon cycle in the catchment, production, and transportation of materials; construction of dams, facilities and transmission lines; and operational emissions, such as energy used in pumping systems and buildings. Please find more information here: https://www.climatebonds.net/files/files/Hydro-Background-Paper-Mar%202021-release3%281%29.pdf

Eligible Green Projects		Description	Sub-Category Eligibility Guidance	Exclusion Criteria
Category	Sub-category			
			For new hydropower facilities, lifecycle carbon intensity[5] is less than 50 gCO_2e/kWh or power density is greater than 10 W/m^2. All new hydropower projects, regardless of the size, have a completed environmental and social impact assessment and not be the subject of any legal proceedings against the project.	
	3. Energy from Waste:	Energy recovered from waste (e.g., municipal solid waste, compost).	Municipal solid waste where majority of recyclables are segregated before energy conversion	• Application of technology in the fossil-fuel industry • Plastics, rubber, tire-derived fuels for energy or fuel conversion
	i. Anaerobic digestion.	Harnessing of natural biological processes to use available biomass (e.g., food wastes, animal slurries[6] and waste crop feedstocks) to produce renewable methane, which can then be used to produce electricity, heat or upgraded for vehicle fuel and injection to gas grid.		• Application of technology in the fossil-fuel industry
	ii. Combustion.	Residual biomass waste burns at 850°C and the energy recovered as electricity or heat. This can include combined heat and power (CHP) plants, and biomass boilers.	Cogeneration and Combined Heat & Power (CHP) plants powered by concentrated solar-thermal power (CSP), solar thermal or biomass waste	• Cogeneration and CHP plants powered by coal, oil, or natural gas
	iii. Gasification and pyrolysis.	Fuel is heated with little or no oxygen to produce "syngas" which can be used to generate energy or as a feedstock for producing biogas, biomethane, biofuels, or green hydrogen.	Green hydrogen production is based on electrolysis powered by renewable energy Landfill gas capture is from closed or decommissioned landfill with	• Plastics, rubber, tire-derived fuels for energy or fuel conversion • Landfill gas capture for flaring

[5] Ibid.

[6] Sustainalytics considers the use of animal slurries from day-to-day operations of existing facilities for energy generation as providing positive impacts in the short term while noting the significant carbon and water footprint of large- and mid-scale livestock farming.

Eligible Green Projects		Description	Sub-Category Eligibility Guidance	Exclusion Criteria
Category	Sub-category			
		Commonly eligible waste feedstock includes: (a) Sewage, manure[6], wastewater; (b) Landfill gas capture (c) Forestry or agricultural residues, including sugar cane bagasse, wood pellets, sawdust subject to recognised industry certifications; (e) Municipal solid waste	gas capture efficiency of at least 75%; Municipal solid waste with the majority of recyclables, especially plastics and metals, being segregated.	• Wastewater from fossil fuel operations
	4. Geothermal:	Geothermal technology harnesses energy to provide surface heating (and cooling) and steam-gene rated power.	Geothermal projects with direct emissions of 100 gCO2/kWh or less.	• Application of technology in the fossil-fuel industry
	i. Production of heat through geothermal.	These plants use very hot steam and water resources. The steam is used to turn turbines which drive generators to produce electricity.	Heat from geothermal facilities with direct emissions of 100 gCO2/kWh or less	
	ii. District & Commercial Heating Plants.	Depending on the temperature achieved in the geothermal reservoir, the water extracted can be used to provide heat through a district heating network or connected to other large heat load.	Distribution network powered by at least 50% of renewable energy and/or waste heat Electric powered cooling and heating systems	• Projects with waste heat from fossil fuel operations
	5. Electric Heat Pumps:	Extracting heat from a natural source and concentrating it to obtain a higher temperature. This gathered heat is usually then applied to water for space heating and hot water.		• Absorption heat pumps driven by fossil fuels, such as natural gas or propane
	i. Ground Source Heat Pumps.	Obtain their heat energy through pipes buried in the ground.		
	ii. Air Source Heat Pumps.	Obtain their heat from the ambient air, using a fan unit located outside the building. The pump converts heat from the air into more useful energy through a heat exchanger similar to ground source heat pumps.		
	iii. Water Source Heat Pumps.	Utilise the heat from a pond, lake, river, stream, or other body of water to provide heating for nearby homes.		

Eligible Green Projects		Description	Sub-Category Eligibility Guidance	Exclusion Criteria
Category	Sub-category			
	6. Transmission and Distribution Lines	Connecting renewable energy to the grid.	Facilitating the integration of at least 90% electricity from renewable sources into the grid.[7] OR The system is the interconnected European system, i.e., the interconnected control areas of Member States, Norway, Switzerland and the United Kingdom, and its subordinated systems[8] OR Distributed assets dedicated to reducing curtailment of renewable energy into the grid	• Transmission and Distribution infrastructure dedicated to connecting fossil fuel power plants or new nuclear power plants. • 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
	7. Manufacture of components which directly support the technologies listed, and Research & Development with a reasonable prospect of successful commercialization.			
2. Energy Efficiency.	**1.** Energy Storage (Mechanical, Thermal, Battery **2.** Energy Storage System, Other)	Capture of energy produced by various sources and storing it for discharge when required.	Energy storage is connected to 1) renewables (including batteries connected to solar PVs) or 2) transmission grid.[9] Hydrogen storage assets subject to a full environmental and social impact analysis by a credible body.	• Power-to-gas where CO2 is sourced from fossil fuel operations. •

[7] If the grid is less than 90% but the percentage of renewables is expected to increase, a pro-rata approach will be applied to determine the green allocation to grid development or maintenance.

[8] Sustainalytics considers the expansion and maintenance of resilient electricity grids broadly to be supportive of positive environmental outcomes and recognizes HSBC's intent to largely align with the EU Taxonomy. Nevertheless, it has become common practice in the market to finance transmission and distribution of assets employed predominantly to transmit or enable the use of renewable energy.

[9] Grid according to definition outlined under Renewable Energy – Transmission and Distribution lines.

Eligible Green Projects		Description	Sub-Category Eligibility Guidance	Exclusion Criteria
Category	Sub-category			
			Power-to-hydrogen systems based on water electrolysis powered by renewables.	
	3. District Heating: i. heat networks	Generation of heat in a centralised location and distribution it amongst multiple different buildings.	Projects involving the installation of a distribution network are eligible so long as the network is >50% powered by renewables and/or waste heat. Projects involving the generation of heating/cooling and transmission & distribution should be 100% powered by renewables and/or waste heat.	• Fossil fuel-based district heating networks • Projects with waste heat from fossil fuel operations • Oil or gas-fired boilers, cogeneration, or CHP units
	3. Smart Grids technologies, which include a variety of operational and energy measures	Development, manufacture, installation of technologies and equipment that enable more efficient T&D or end-user management	Examples include: • Communications and sensor technologies • Advanced smart meters • Monitoring and control automation devices • Big data and computing platforms	• Energy efficiency application to transmission lines connected or dedicated to fossil fuel power
	4. Flywheels (fitted or retrofitted to electric vehicles).	A motor is used to accelerate a large rotating mass, in this case the flywheel, and by keeping the rotating body at a constant speed energy is stored in the flywheel.	Installation of flywheels for energy storage in electric vehicles.	
	5. Development, manufacture, installation, upgrade and maintenance of energy efficient technologies products or equipment	Upgrades, modifications, services, and improvements to industrial and manufacturing processes that result in an increase in energy efficiency. Product design, redesign addition and modification of features that have the specific purpose of increasing energy efficiency. Manufacture and provision of technologies, equipment and software specifically	Examples of energy efficient technologies include: • Building Management Systems, • High efficiency windows and doors • Insulation products with low thermal conductivity • Heat metering and thermostatic controls • Energy-efficient HVAC systems	• Energy-efficient technologies designed or intended for processes that are inherently carbon intensive, primarily driven or powered by fossil fuels. • Improvement activities that result in the lock-in of fossil fuel technologies. • Oil or gas-fired boilers, cogeneration, or CHP units

Eligible Green Projects		Description	Sub-Category Eligibility Guidance	Exclusion Criteria
Category	Sub-category			
		designed to enable improvement in energy and resource efficiency such as demand management technologies.	• Free cooling or high-efficiency mechanical cooling • Hardware and software applications aimed at reducing power consumption: power savings features, servers' virtualization, remote and data management applications, Machine learning and Ai applications. • Hardware systems and software applications aimed at reducing power consumption, such as artificial intelligence applications	
	6. LED Lighting a. Building lighting b. Street lighting c. Mobile (site) lighting.	Utilization of energy efficient LED lighting.		
	7. Manufacture of components which directly support the technologies listed, and Research & Development with a reasonable prospect of successful commercialization.			
5. Pollution prevention and control.	**1.** Reduction of air emissions and greenhouse gas control.	Measures that minimize the release of pollutants and greenhouse gases into the atmosphere from point sources or systems and components.	Expenditures and activities related to reducing air emissions including:[10] • Installation of sensors to monitor emissions explicitly intended to analyse and collect GHG emissions.	• Fossil fuel-based projects (including, for example, carbon capture and storage from fossil-fuel power generation) and fossil fuel-powered technologies or assets.

[10] The examples provided in this category cover a wide range of expenditures, demonstrating the various types that can contribute to the overarching goal of reducing air emissions. These examples serve as illustrative types of expenditures that can be considered in this context. The main objective of these activities is to minimize and mitigate the release of air emissions.

Eligible Green Projects		Description	Sub-Category Eligibility Guidance	Exclusion Criteria
Category	Sub-category			
			• Installation of smokestack scrubbers, or process upgrades. • R&D for BECCS and Direct Air Capture.	• R&D for carbon capture applied to hard-to-abate industrial activities. • CCU intended for enhanced oil recovery
	2. Soil remediation.	A process used to treat soils contaminated by pollutants, including heavy metals, by removing and converting them into less harmful products.		• Soil remediation related to the contamination or negative environmental externality from the borrower's own activities.
	3. Manufacture of components which directly support the technologies listed, and Research & Development with a reasonable prospect of successful commercialization.			
6. Environmentally sustainable management of living natural resources and land use.	**1.** Environmentally Sustainable agriculture	Practices and resources used to meet society's food and textile needs in the present without compromising the ability of future generations to meet their own needs	• Projects must be certified with the EU Organic label, EU Ecolabel, USDA Organic label, Aquaculture Stewardship Counsel label, Marine Stewardship Counsel label, Global Sustainable Seafood Initiative, Best Aquaculture Practice (2 stars or higher), Rainforest Alliance Certified, UTZ Certified or Leaf Marque[11]. • Integrated cropland-livestock-forestry-systems for smallholders and agroforestry systems with sustainable forest management plan in place	• Genetically modified organisms and crops • Manufacture, purchase or distribution of inorganic, synthetic fertilizers, pesticides, or herbicides • Financing of equipment that run directly on fossil fuels such as those powered by diesel. • Projects are ineligible if they use equipment and technology for purposes other than explicitly for resource efficiency.

[11] Leaf Marque note for HSBC Green Lending borrowers: Natural ecosystems (such as forests and protected areas) must not have been converted into agricultural use since 1st January 2010, nor does the business have any plans to convert land in this manner. Secondly, protected areas must not have been brought into solely agricultural use by the business since it's designation as a protected area, nor does the business have any plans to convert the land in this manner.

Eligible Green Projects		Description	Sub-Category Eligibility Guidance	Exclusion Criteria
Category	Sub-category			
	2. Climate smart agriculture[12].	Approach that helps to guide actions needed to transform and reorient agricultural systems to effectively support development and ensure food security in a changing climate. CSA aims to tackle three main objectives: sustainably increasing agricultural productivity and incomes; adapting and building resilience to climate change; and reducing and/or removing greenhouse gas emissions, where possible.		
	3. Precision agriculture[13].	Farming practices using information and communications technology in farming for the explicit purpose of using water, soil and energy resources more efficiently.		
	4. Hydroponics / Aquaponics.	Organic cultivation of plants (hydroponics) or plants and animals together (aquaponics) in a re-circulating closed system (water tank), using water instead of potting mixes.	• Projects must be certified with the Aquaculture Stewardship Counsel label, Global Sustainable Seafood Initiative, Best Aquaculture Practice (2 stars or higher), or Marine Stewardship Counsel label. • Hydroponics will be coupled with the implementation of strong energy efficiency measures and renewable energy procurement.	
	5. Climate smart forestry[14]	Approach to increase the climate benefits from forests and the forest sector, in a way that creates synergies with other needs related to forests:	• Projects are eligible if they are certified as or with the Forest Stewardship Council (FSC) or the Programme for the	

[12] Source: Food and Agriculture Organization of the United Nations: http://www.fao.org/climate-smart-agriculture/en/
[13] Source : AHDB : https://cereals.ahdb.org.uk/
[14] Source: The European Forest Institute: https://www.efi.int/articles/climate-smart-forestry

Eligible Green Projects		Description	Sub-Category Eligibility Guidance	Exclusion Criteria
Category	Sub-category			
		• Reducing and/or removing greenhouse gas emissions to mitigate climate change. • Adapting forest management to build resilient forests. • Active forest management aiming to sustainably increase productivity and provide all benefits that forests can provide.	Endorsement of Forest Certification (PEFC)	
	6. Manufacture of components which directly support the technologies listed, and Research & Development with a reasonable prospect of successful commercialization.			
7. Terrestrial and aquatic biodiversity conservation.	**1.** Conservation projects.	Includes restoration, rehabilitation or conservation projects to maintain terrestrial, natural landscapes and urban areas, marine and freshwater ecosystems and biodiversity. Examples include, but are not limited to: living wall, wild gardens, green roofs, tree plantation and wood debris habitat creation, riverine habitat creation, bumblebee habitat creation.	Reforestation and afforestation projects use tree species that are well-adapted to site conditions and have sustainable forest management plan in place	
	2. Manufacture of components which directly support the technologies listed, and Research & Development with a reasonable prospect of successful commercialization.			
8. Clean transportation (both public and private).	**1.** Battery electric zero direct emissions vehicles.	Type of electric vehicle that uses chemical energy stored in rechargeable battery packs; use electric motors and motor controllers instead of internal combustion engines for propulsion.	Projects eligible with zero direct emissions vehicles including road and non-road vehicles (electric tractors, crane etc.)	• Freight trucks or tank containers dedicated to the transportation of fossil fuels or fossil fuels blended with alternative fuels. • Rail lines and operations where fossil fuels account for more than 50% of freight (by tonne-km) • Systems and infrastructure used for the transportation of fossil fuels
	2. Hybrid electric vehicles with plug-in.	Vehicles using both electric motors and internal combustion engines.	• Projects are eligible where the direct emissions threshold of the hybrid vehicles is 75gCO02e/km for passenger cars.	
	3. Rail – freight.	A means of transport of goods on vehicles which run on tracks (rails or railroads).	• Freight rail systems are eligible with direct emissions threshold of 25 gCO_2/tonne-km or less.	

Eligible Green Projects		Description	Sub-Category Eligibility Guidance	Exclusion Criteria
Category	Sub-category			
	4. Rail – passenger.	A means of transport of people on vehicles which run on tracks (rails or railroads).	• Passenger rail systems are eligible with direct emissions threshold of 50 gCO_2/passenger-km or less.	
	5. Transport powered by alternative sources of fuel.	Transport powered by hydrogen and fuel cell).	• Green Hydrogen must be produced with power generated with emissions below 100gCO_2e/kWh to be eligible.	
	6. Non-motorised.	Includes bicycling, and variants such as small-wheeled transport (cycle rickshaws and push scooters).		
	7. Infrastructure for clean energy vehicles and reduction of harmful emissions, including charging stations.			
	8. Manufacture of components which directly support the technologies listed, and Research & Development with a reasonable prospect of successful commercialization.			
9. Sustainable water and wastewater management.	**1.** Wastewater treatment.	Process of planning, developing, distributing and managing the optimum use of water resources; and converting wastewater into an effluent that can be returned to the water cycle with minimum impact on the environment.		• Wastewater treatment projects related to fossil fuel production. • Integrated water and power plants (IWPP) that are powered by fossil fuels. • Projects are ineligible if they involve the distribution of drinking water without measurable improvements to water quality, water efficiency, or climate change resilience.
	2. Water treatment.			
	3. Sustainable infrastructure for clean / drinking water.			
	4. Urban draining systems & river training.			
	5. Manufacture of components which directly support the technologies listed, and Research & Development with a reasonable prospect of successful commercialization.			
10. Waste Management.	**1.** Waste prevention, reduction, and recycling.	Collection and transportation for recycling and/or composting of waste materials.	• Segregation of recyclables at source • Vehicles used in the transport of waste must meet relevant criteria under clean transportation.	• For product reuse projects, refurbishment, reconditioning and/or repair of products specialized for use in the extraction of fossil fuels or
	2. Energy / emission-efficient waste to energy (see category Renewable Energy / Energy from Waste).			

Eligible Green Projects		Description	Sub-Category Eligibility Guidance	Exclusion Criteria
Category	Sub-category			
	3. Products from waste and remanufacturing and associated environmental monitoring.			that inherently rely on fossil fuels. • Chemical recycling of plastic • E-waste recycling without robust waste management processes to mitigate associated risks. • Landfill gas capture for flaring • Gas capture projects based on active landfills. • Fossil fuel and coal fire related projects
	4. Manufacture of components which directly support the technologies listed, and Research & Development with a reasonable prospect of successful commercialization.			
11. Climate change adaptation	1. Installation of systems and technologies to infrastructure, buildings, and other real assets to protect against increased climate risks.		Climate change adaptation infrastructure projects will be supported by a vulnerability assessment and adaptation plan.	
	2. Climate change monitoring technologies such as climate observation, information support systems.			
	3. Manufacture of components which directly support the technologies listed, and Research & Development with a reasonable prospect of successful commercialization.			
	4. Flooding mitigation e.g., flood defence systems, porous pavements.			
12. Eco-efficient and/or circular economy	**1.** Development, manufacture, and distribution of environmentally friendlier products.	Products must demonstrate a substantial reduction of life cycle emissions relative to comparable fossil fuel-based products.	• Production of new resource-efficient/low-carbon products must be RSB-certified (in case of bio-based materials) • Procurement of bio-based raw materials (excluding bio-based plastics) as an input is subject to sustainable sourcing. • Production of aluminium-based consumer/end product where 90% or more of input is scrap/recycled aluminium. • Life cycle assessment report to demonstrate quantifiable improvements related to, for example, recyclability or the	• Projects are ineligible where products are made entirely from virgin petroleum-based plastic and for products which are not generally recyclable.
	2. Development, manufacture, and distribution of resource-efficient packaging / distribution.	Packaging must demonstrate a substantial reduction of life cycle emissions relative to comparable fossil fuel-based products. 90% or more of inputs must be recycled or renewable; must not be intended for single use; and must be recyclable.		

Eligible Green Projects		Description	Sub-Category Eligibility Guidance	Exclusion Criteria
Category	Sub-category			
			use of recycled or plant-based inputs.	
	3. Manufacture of components which directly support the technologies listed above, and Research & Development with a reasonable prospect of successful commercialization.			
13. Green buildings.	**1.** Refurbishment.	A range of improvements at sites in relation to property and associated infrastructure.	Refurbishment activities that result in a minimum 30% improvement in energy efficiency, emissions savings, or primary energy demand. Building refurbishment that results in achieving a defined level of certification or EPC label (as defined below).[15]	
	2. Development / Build.	Development or acquisition of residential and commercial buildings	New, existing, or refurbished buildings that have received or are expected to receive one of the following: • Buildings meeting EPC label A and B in England, Scotland[16] and Wales. • LEED 'Gold' or above • Modular construction[17] with LEED 'Gold' or above certification or other green building certifications listed in this document. • BREEAM 'Excellent' or above • EDGE	
	3. Development/redevelopment of stadiums/arenas.			

[15] If the building has achieved a credible level of certification or EPC rating as defined below, any energy efficiency improvement is considered eligible.
[16] Non-residential buildings in Scotland are eligible at an EPC rating of C or above.
[17] Modular construction may be eligible on a case-by case basis where there is third-party or formal evidence on the quantification of efficiencies leading to a considerable energy efficiency improvement of >30%.

Eligible Green Projects		Description	Sub-Category Eligibility Guidance	Exclusion Criteria
Category	Sub-category			
			• Office buildings with NABERS UK 5 Stars or above • Residential buildings with Home Quality Mark certification of 4 Stars or above Buildings among the top 15% energy-performing buildings in the relevant area based on emissions intensity performance or primary energy demand (PED) The Primary Energy Demand (PED), defining the energy performance of the building resulting from the construction, is at least 10% lower than the threshold set for the nearly zero-energy building (NZEB) requirements in national measures implementing Directive 2010/31/EU of the European Parliament and of the Council. Buildings that comply with the regional proxy as determined by the Climate Bonds Initiative (CBI)	
	4. Manufacture of components which directly support the technologies listed, and Research & Development with a reasonable prospect of successful commercialization.			

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