الصندوق العربي للطاقة
The Arab Energy Fund
A Multilateral Impact Institution

Green Bond Report

September 2025

Contents

To Our Green Bond Investors

Reflecting the region's shifting energy landscape, The Arab Petroleum Investments Corporation ("APICORP") rebranded itself as The Arab Energy Fund (The Fund) in 2023. This strategic move underscores our commitment to energy security and sustainability.

An integral part of the aims of The Fund is to support green projects in renewable technologies, waste management, waste to energy, and other eligible categories. The rebranding marks a significant step in positioning The Arab Energy Fund as a key player in the region's evolving energy finance landscape.

In line with its sustainable financing strategy, The Arab Energy Fund successfully issued its second green bond in April 2024. This issuance was designed to channel funds into eligible green projects across the MENA region. The bond attracted strong investor interest, reflecting confidence in The Arab Energy Fund's commitment to sustainability and its role in financing green energy and circularity solutions. The proceeds from the green bond are expected to support a diverse portfolio of projects, including large-scale solar farms, wind energy initiatives, and sustainable transport systems.

Looking ahead to 2025, The Fund has outlined an ambitious green financing pipeline of approximately $1 billion. This capital will be allocated to sustainable projects, covering renewable energy developments, energy storage solutions, and eco-friendly industrial advancements.

As the green finance landscape continues to evolve, institutions like The Arab Energy Fund are at the forefront of fostering a more sustainable and resilient energy ecosystem. With strong momentum in 2024 and a promising pipeline for 2025, The Arab Energy Fund and similar organizations are paving the way for a greener and more sustainable future.

By the end of 2024, The Fund had issued two Green Bonds, identified by unique International Securities Identification Numbers (ISINs):

- Green Bond 1: Issued on September 29, 2021 (ISIN: XS2389123931)
- Green Bond 2: Issued on April 25, 2024 (ISIN: XS2706264244)

To ensure standardized and transparent reporting, the 2024 year-end report will disclose data for Green Bond 1, covering a 15-month period from the end of the timeframe cited in the previous October 2023 report* through the end of 2024. Additionally, the report will include initial data from Green Bond 2, covering the first nine months following its issuance. In the 2025 Green Bond report, which will be issued in 2026, a consolidated impact report will provide a full 12-month disclosure for both Green Bond 1 and Green Bond 2.

The Arab Energy Fund remains committed to transparency and accuracy in all disclosures. Any amendments to this disclaimer, in alignment with regulatory or reporting standards, will be duly announced.

We are delighted to present the third edition of The Arab Energy Fund's Green Financing Report, showcasing our progress in advancing green investments across the MENA region over the past year. More importantly, this edition highlights the measurable impact of our projects and investments.

We extend our sincere gratitude to you, our valued partners, for your collaboration and commitment to driving energy sustainability in our region. Your continued support is critical and appreciated.

Khalid Al-Ruwaigh
Chief Executive Officer

* The October 2023 Green bond report reflected the Green Bond allocation data as of September 2023.

About the Report

This report, titled The Arab Energy Fund's 2024 Green Bond Report, has been reviewed and approved by the Sustainability Committee* and the CEO as of 07 September 2025.

The Arab Energy Fund, under the delegated authority of its Board of Directors, is responsible for preparing this report. This includes defining the criteria used in the Green Bond Framework and verifying the Allocation of Proceeds statement against those criteria for the September 2021 Green Bond issuance (Green Bond 1). Although this report covers a 15-month period ending December 31, 2024, the reported impact data is calculated based on a 12-month period to maintain consistency with standard annual impact reporting.

Moving forward, The Arab Energy Fund will align all future impact disclosures with the calendar year ending December 31 to ensure comparability over time. We also include initial data from our second Green bond issued in April 2024. We affirm that the information presented in this report is accurate and adheres to the principles outlined in our 2021 Green Bond Framework, as well as our 2023 Green Finance Framework for the second issuance.

As stipulated in our Green Finance Framework, the Green Financing Committee, which has been recently renamed to the Sustainability Committee, oversees the Project Evaluation and Selection Process, Management of Proceeds, and Reporting (details available in Appendix A and B of this report).

To enhance credibility, PwC has been engaged to provide independent third-party limited assurance on specific data points highlighted on page 9 with the "AS" symbol. The limited assurance report can be found on page 19. Please note that the scope of PwC's assurance engagement did not include green impact estimates.

* The Sustainability Committee has been renamed, and was formerly referred to as the Green Bond Committee.

Our Green Bond Impact

Green Bond Fact Sheet

By the end of December 2024, The Arab Energy Fund's green assets allocated to the Green Bond issued in September 2021 (ISIN: XS2389123931) amounted to USD 750 Mn, achieving full allocation.

The assets are distributed across 15 projects and have been fully disbursed.

Projects Overall Benefit Related to the September 2021 Green Bond Issuance

Total Number of Green Projects	15
Total Renewable Energy Generation (MWh/year)	15,858,199
Total GHG Emissions Avoided (TCO_2e/year)	25,502,460
Total Treated Wastewater (m^3/year)	127,750,000
Total Waste Treated (tons/year)	68,505
Total Population Served (Homes)	1,447,186
Total Allocated Proceeds (US$)	750,000,000
Average Maturity (Years)	19

The Arab Energy Fund's Green Bond Portfolio includes three eligible categories: **Renewables, Waste Management, Green Buildings.**

In this section, we will display the following:

- The list of Eligible Green Projects where the Green Bond proceeds have been allocated.
- Specific information concerning selected individual projects, allocated regions/areas, and dates of commitment.

We shall also report on the estimated environmental and social impacts from the Eligible Green Projects that the Green Bond proceeds have been allocated to and the GHG emissions avoided annually (in tCO_2e) by the Eligible Expenditures.

Notes:

- None of the proceeds have been invested in any of the excluded categories as per the green bond framework.
- The Arab Energy Fund aims to apply, on a best effort basis, a three-year look-back period prior to the date of issuance of the Green bond.
- No Green Buildings have yet been financed under The Arab Energy Fund's Green Bond.

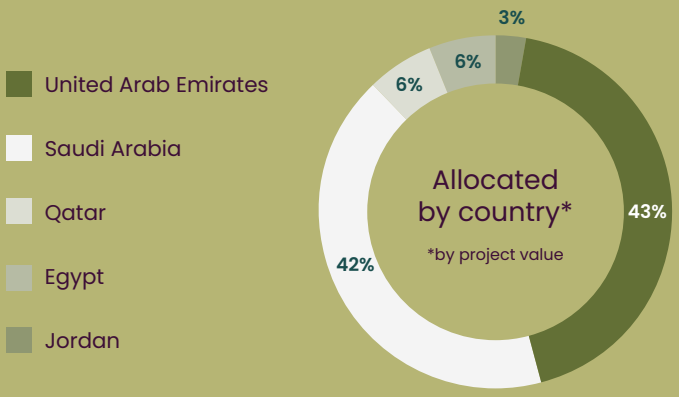
Summary of The Arab Energy Fund's Green Bond Consolidated Impact

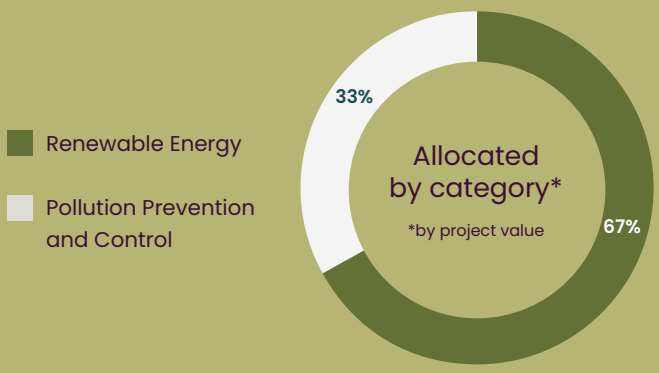
Below is a description of the allocation of the green assets and their expected impact:

Category	Renewable Energy	Pollution Prevention and Control
Sub-category	Solar plants, Wind farms, Green hydrogen, Pure play corporate loan[3]	Wastewater treatment plants, Waste-to-energy plant, Waste management and recycling plant
Number of projects	11	4
Regions	KSA, UAE, Jordan, Egypt	KSA, UAE, Qatar
Output benefit	14,488,199 MWh per year	1,370,000 MWh per year
Impact benefit	24,438,074 tonnes of CO_2 avoided per year	1,064,386 tonnes of CO_2 avoided per year

Prorated	Renewable Energy	Pollution Prevention and Control
Output benefits	1,184,749 MWh per year	282,205 MWh per year
Impact benefits	1,803,067 tonnes of CO_2 avoided per year	213,043 tonnes of CO_2 avoided per year

Allocated proceeds by country					
Countries	Saudi Arabia	United Arab Emirates	Egypt	Qatar	Jordan
Number of projects	6	6	1	1	1





[3] The impact of this corporate loan has been excluded. Please refer to Overview of Use of Proceeds and Impact Reporting for further details on this exclusion.

Overview of Use of Proceeds and Impact Reporting Methodology

Overview of Use of Proceeds and Impact Reporting

In accordance with the Green Bond Principles, The Arab Energy Fund commits to report information on the allocation of proceeds.

The Arab Energy Fund adopts the harmonized reporting framework developed by an informal group of eleven international development banks, including the World Bank (IBRD), the International Finance Corporation (IFC), and the European Investment Bank (EIB). The harmonized reporting framework[4] provides core principles and recommendations for green bond reporting and recommends core indicators for the two sectors: renewable energy and energy efficiency.

The following table – based on the harmonized reporting framework – captures the use of proceeds and expected environmental impacts and benefits of The Arab Energy Fund's Green Bond issued in September 2021, based on allocated projects[5] as of December 2024.

[4] Refer to following link for details on the Harmonized Framework for Impact Reporting for Energy Efficiency and Renewable Energy Projects: https://www.icmagroup.org/assets/documents/Regulatory/Green-Bonds/Handbook-Harmonized-Framework-for-Impact-Reporting-December-2020-151220.pdf

[5] The Arab Energy Fund aims to apply, on a best effort basis, a three-year look-back period prior to the date of issuance of the Green bond.

Green Categories	Project Description	Location	Allocated amount (USD mn) as of Dec 31, 2024 a/	Financed / Re-financed	Share of total bond b/	The Arab Energy Fund's share of total project's cost c/	Loan Maturity (years) d/	Total Impact of Project			Pro-rated Impact of Project	
								Annual renewable energy generation (MWh/year) e/	Annual GHG Emissions Avoided (tonnes of CO2/year) e/	Other indicators e/	Annual renewable energy generation (MWh/year) f/	Annual GHG Emissions Avoided (tonnes of CO2/year) f/
Renewable Energy	Solar plant	UAE	24	Refinanced	3%	7%	–[6]	143,000	49,000	Capacity of 820 MW Solar Power PV. Power 2,128 homes.	9,823	3,366
Renewable Energy	Solar plant	UAE	10	Financed	1%	11%	8	199,084	119,450	Capacity of 109 MW Solar Power PV. Power 2,963 homes.	22,499	13,500
Renewable Energy	Solar plant	UAE	59	Financed	8%	6%	21	1,461,168	14,000,000	Capacity of 800 MW Solar Power PV. Power 160,000 homes.	91,656	878,189
Renewable Energy	Solar plant	UAE	64	Refinanced	9%	11%	23	1,643,814	1,180,000	Capacity of 900 MW Solar Power PV. Power 270,000 homes.	187,319	134,466
Renewable Energy	Solar plant	Saudi Arabia	145	Refinanced	19%	16%	25	2,824,553	2,900,000	Capacity of 1,500 MW Solar Power PV. Power 185,000 homes.	446,916	458,853
Renewable Energy	Solar plant	Saudi Arabia	43	Financed	6%	33%	25	564,911	425,943	Capacity of 300 MW Solar Power PV. Power 9,825 homes.	162,325	122,393
Renewable Energy	Solar plant	Saudi Arabia	23	Financed	3%	8%	26	225,964	170,377	Capacity of 120 MW Solar Power PV. Power 3,930 homes.	73,492	55,413
Renewable Energy	Solar plant	Egypt	45	Financed	6%	28%	2	383,031	175,045	Capacity of 200 MW Solar Power PV. Power 61,344 homes.	106,332	48,594
Renewable Energy	Wind farm	Jordan	25	Refinanced	3%	23%	–[7]	153,738	224,000	Capacity of 117 MW Wind energy. Power 15,000 homes.	35,087	51,122

[6] The mentioned project is an Equity investment therefore it has no maturity period

[7] The mentioned project is an Equity investment therefore it has no maturity period

Renewable Energy	Green hydrogen	Saudi Arabia	60	Financed	8%	1%	28	4,142,677	3,123,578	Capacity of 2,200 MW Solar Power PV. Power 72,053 homes.	29,647	22,354
								2,746,260	2,070,680	Capacity of 1,650 MW Wind energy. Power 47,765 homes.	19,653	14,819
Renewable Energy	ACWA Power*	Saudi Arabia	8	Financed	1%	6%	3	-	-	-	-	-
Pollution Prevention and Control	Wastewater treatment	Saudi Arabia	37	Financed	5%	15%	22	-	115,588	Capacity of 200,000 m3/day treated water. Treat 73,000,000 m3/yr. Serve 166,071 home.	-	17,818
Pollution Prevention and Control	Wastewater treatment	Qatar	44	Financed	6%	8%	27	-	56,798	Capacity of 150,000 m3/day treated water. Treat 54,750,000 m3/yr. Serve 430,716 home.	-	4,543
Pollution Prevention and Control	Waste to Energy	UAE	19	Financed	3%	21%	21	1,370,000	822,000	Capacity of 5,666 ton/ day and 1,370,000 MWh/ yr waste to energy. Power 20,391 home.	282,205	169,323
Pollution Prevention and Control	Waste processing facilities	UAE	143	Financed	19%	31%	19	68,505	70,000	Capacity of 188 ton/ day and 68,505 tone/ year treated waste.	20,903	21,359
Total			**750 "AS"[8]**									

a/ This represents the amount of green bond proceeds that has been allocated for disbursements to the project.
b/ This represents the share of the project's financing out of the total bond amount.
c/ This represents the share of the total project cost that is financed by The Arab Energy Fund.
d/ This represents the loan tenor of the project.
e/ This represents the total impact benefit of the project. Please refer to the methodology section for more details on calculation assumptions used.
f/ This represents the pro-rated impact benefit of the project based on The Arab Energy Fund's financing share as of December 31st, 2024, out of the total project cost.

*ACWA Power's green investments are already reported separately in its own sustainability reports and green financing disclosures. Including ACWA Power's impact in this report may lead to duplication of impact claims, distorting the actual contribution of The Arab Energy Fund's Green bond issuance. In addition, without a clear attribution factor linking the bond proceeds to ACWA Power's environmental performance, it is not appropriate to report ACWA Power's impact as part of the bond allocation.

[8] Limited assurance provided by PwC covers reporting of items marked with Symbol "AS" and relates to Allocation of the Green Bond proceeds as of 31 December 2024.

Change in Impact from October 2023 Report

The allocation of additional projects / assets to the September 2021 Green bond are the main driver behind the changes in the impact figures calculated in the previous report published in October 2023.

Some key points to note are detailed below:

- Calculations on the impact of water desalination plants in terms of the total desalinated water produced were not covered in the October 2023 report and was introduced in 2024.
- Certain calculation factors were updated to maintain alignment with the latest international standards e.g., per capita electricity consumption sourced from the World Bank were updated. This resulted in differences in the "Served Population" figures for specific projects.
- An improvement in the accuracy of calculations was gained by recalculating the impact figures using a consistent formula rather than relying on externally sourced figures. This adjustment affected the "Served Population" figure for one of the projects.
- Consistency was ensured within project categories by applying the same calculation formula and estimation approach uniformly. This adjustment caused changes in the "Served Population" figure for specific projects.

Methodology

The Arab Energy Fund reports on the impact data of the green loans financed by green bonds for each green bond category, including Renewable Energy and Pollution Prevention and Control.

In the absence of client-specific data, The Arab Energy Fund has applied estimates that are relevant considering both the type and the location of the asset. The impact is calculated based on comparisons against relevant baselines specified below. The exact impacts may be subject to uncertainties that cannot be completely eliminated.

Calculation Methodology: Renewable Energy

Calculation of Renewable Energy Generation

Annual renewable energy generation (in megawatt hours) is estimated using the output capacity of green projects.

Annual renewable energy generation is based on the Power Potential and Wind Capacity Factor in countries where the green project is located, using data from the Global Solar Atlas and Global Wind Atlas by the World Bank.

The calculation of renewable energy includes the Solar PV Power Potential in Saudi Arabia (5.159 KWh/KWp/day), the United Arab Emirates (5.004 KWh/KWp/day), Egypt (5.247 KWh/KWp/day), and the Wind Capacity Factor in Saudi Arabia (19%), the United Arab Emirates (15%) and Jordan (15%).

Calculation of Avoided CO_2 Emissions

Avoided CO_2 emissions are estimated using the annual project generation (in megawatt hours). Avoided CO_2 emissions are based on CO_2 emissions for fossil fuel projects in countries where the green project is located, using emissions data from The Climate Registry (TCR).

The calculation of avoided CO_2 emissions includes the emissions factors for: Saudi Arabia: 754 gCO_2/KWh, United Arab Emirates: 600 gCO_2/KWh, Jordan: 637 gCO_2/KWh, Egypt: 457 gCO_2/KWh and Qatar: 494 gCO_2/KWh.

Calculation of Households Supplied with Energy from Renewable Projects

The number of homes served with electricity from green projects is estimated using the annual project generation (in megawatt hours). Number of homes served is based on average household size and per capita electricity consumption in countries where the green project is located, using data from The World Bank, ArcGIS by the Environmental Systems Research Institute (ESRI) and the Global Data Lab.

The calculation of households supplied with renewable energy includes:

- Average Household Size: Saudi Arabia: 5.6 people per household, United Arab Emirates: 5.3 people per household, Jordan: 4.8 people per household, Egypt: 4 people per household and Qatar: 4.6 people per household.
- Per Capita Electricity Consumption: Saudi Arabia: 10.267 MWh, United Arab Emirates: 12.677 MWh, Jordan: 1.892 MWh, Egypt: 1.561 MWh and Qatar: 16.894 MWh.

Calculation Methodology: Pollution Prevention and Control

Calculation of Avoided CO_2 Emissions for Waste-to-Energy Generation

Avoided CO_2 emissions are estimated using the annual project generation (in megawatt hours).

Avoided emissions are based on CO_2 emissions for fossil fuel projects in the respective country, using emissions data from The Climate Registry (TCR). The calculation of avoided CO_2 emissions includes the emissions factor in the United Arab Emirates (600 gCO2/KWh).

Calculation of Avoided CO_2 Emissions for Wastewater Treatment

Avoided CO_2 emissions are estimated using the annual project capacity (in cubic meters).

Avoided CO_2 emissions are based on the Specific Power Consumption of wastewater treatment plants, using the data from Multidisciplinary Digital Publishing Institute for peer-reviewed scientific journals (MDPI) and Masdar, in addition to the CO_2 emissions for fossil fuel projects in the country where the green project is located, using The Climate Registry (TCR) emissions data.

The calculation of avoided CO_2 emissions includes the Specific Power Consumption of wastewater treatment plants (2.1 KWh/m^3), Sea Water Reverse Osmosis (SWRO) desalination plants (3.6 KWh/m^3), thermal desalination plants (10 KWh/m^3) and the emissions factors in Saudi Arabia (754 gCO_2/KWh) and Qatar (494 gCO_2/KWh).

Calculation of Wastewater Produced for Wastewater Treatment

The amount of wastewater produced (in m3 per household) is estimated using data from Eco Septic and ArcGIS by ESRI.

The calculation for wastewater produced include:

- Average Household Size in Saudi Arabia (5.6 people per household) and Qatar (4.6 people per household)
- Average Wastewater Production in Saudi Arabia and Qatar (0.0757082 m^3)

Calculation of Households Supplied with Energy from Waste-to-Energy Projects

The number of homes served with electricity from waste-to-energy projects is estimated using the annual project generation (in megawatt hours).

Number of households served is based on average household size and per capita electricity consumption in the country where the green project is located, using data from The World Bank and ArcGIS by ESRI.

The calculation of households supplied with energy include:

- Average Household Size in United Arab Emirates (5.3 people per household)
- Per Capita Electricity Consumption in United Arab Emirates (12.677 MWh)

Financing Projects with Clear Environmental and Social Benefits

Renewable Energy: Sudair Solar PV

- Solar PV project in Saudi Arabia
- One of the largest single-contracted solar PV plants in the world
- The first project under the Public Investment Fund's (PIF) renewable energy programme
- The project has recorded the second lowest cost globally for solar PV electricity production at USD 1.239 cents/kwh

Location	KSA
Output Benefits	• Produce 1,500 MW of green energy
Input Benefits	• Reduce 2,900,000 tonnes of CO_2e per year • The project will power the equivalent of 185,000 homes

Pollution Prevention and Control: RWM - Sole Proprietorship L.L.C (Magma Holdings Limited)

- Hazardous waste treatment project in the UAE
- Dedicated to the treatment, storage and safe disposal of hazardous liquid, sludge, and solid waste generated by ADNOC OpCo's and various industries
- Committed to increasing its capacity by 2.5 times, up to ~ 170,000 tonnes per year
- Its operations adhere strictly to HSE Guidelines

Location	Qatar
Output Benefits	• 68,505 tonnes of waste treated per year
Input Benefits	• Reduce 70,000 tonnes of CO_2e per year

Pollution Prevention and Control: Al Wakra Water Contracting

- Independent Sewage Water Treatment Project in Qatar
- The first public-private partnership in the field of sewage network projects in Qatar
- Developed on a Build-Own-Operate-Transfer (BOOT) basis and under a 25-year off-take agreement
- Expects to achieve a commercial operation date in 2026

Location	KSA
Output Benefits	• 54,750,000 m3 of wastewater treated per year
Input Benefits	• Reduce 56,798 tonnes of CO_2e per year • The project will serve ca. 430,716 homes

Sustainability at The Arab Energy Fund

As an energy-focused multilateral financial institution established in 1975 by ten Arab oil and gas exporting countries, APCIORP was entrusted with the role of supporting the sustainable development of the region's energy sector and related industries through a range of financing solutions and advisory services.

Recognizing the importance of its role, impact, and responsibility to tackle environmental and climate change challenges within its member countries and the wider Arab region, The Arab Energy Fund sponsors projects that help achieve the overarching energy transition.

Even before developing a formal ESG policy, The Arab Energy Fund began investing in environmentally friendly projects within the MENA region, including district cooling, water desalination, and Solar PV plants.

Late in 2019, The Arab Energy Fund formulated its ESG aspirations as part of its five-year strategy. The Arab Energy Fund took upon itself to embed ESG in its modus operandi through:

- Developing a comprehensive, integrated, and tailored ESG framework.
- Embedding ESG dimensions in new business opportunities assessment and selection (debt & equity).
- Monitoring and measuring its ESG impact/ footprint.
- Enhancing thought leadership and driving policy change vis-à-vis energy transition.

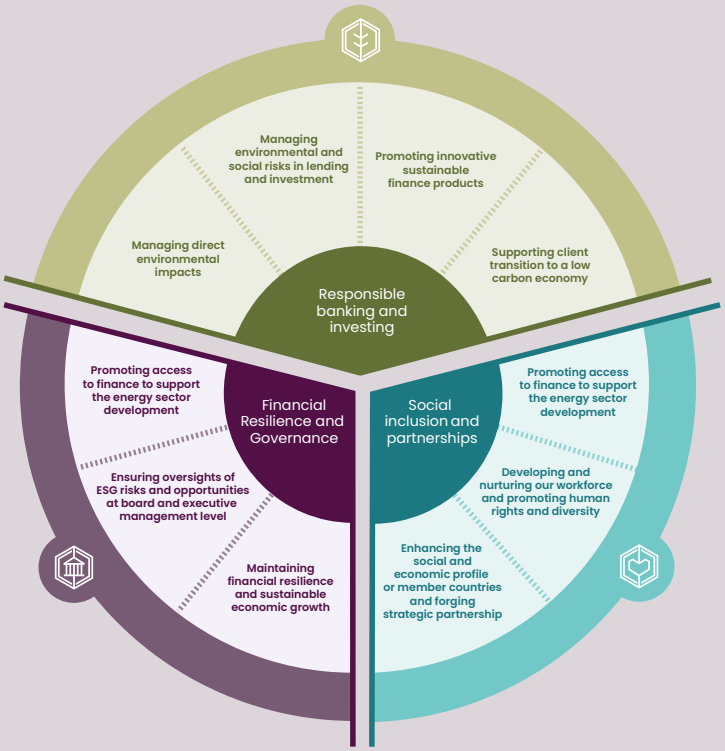
By mid-2020, The Arab Energy Fund developed its ESG policy framework which defined its ESG objectives and commitments.

The Arab Energy Fund's ESG objectives cover three main pillars supported by 10 initiatives that are aligned with the United Nations Sustainable Development Goals (UNSDG's).

Pillar 1
Responsible Banking and Investing

Pillar 2
Social Inclusion and Partnerships

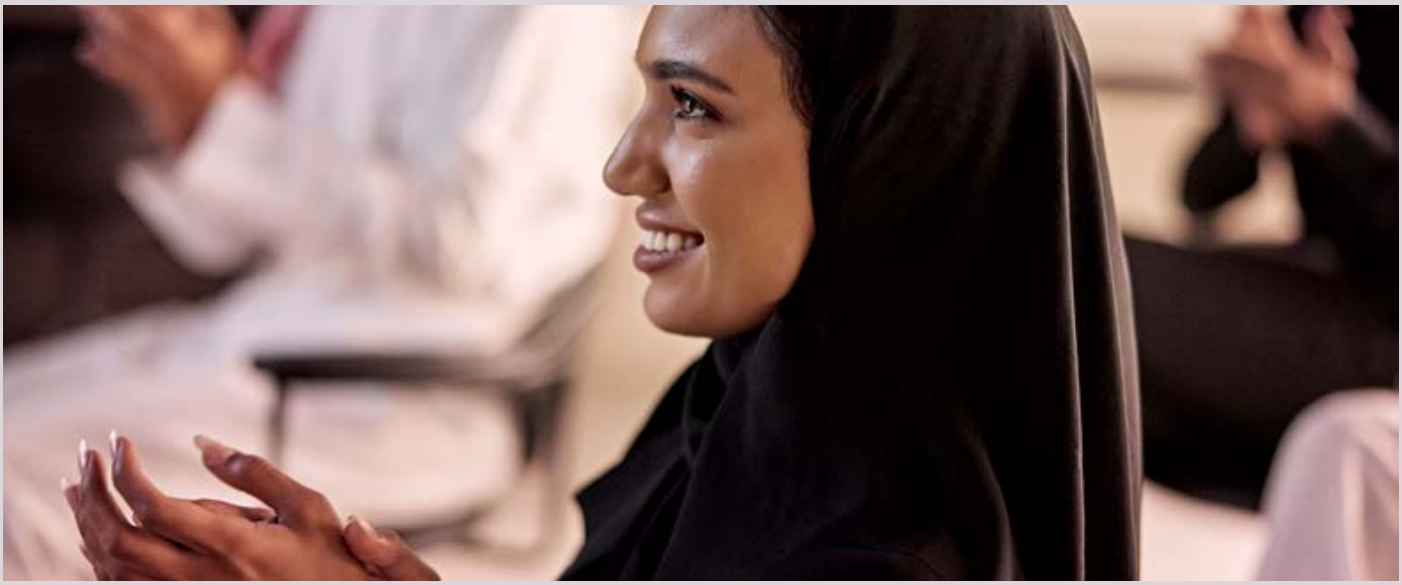
Pillar 3
Financial Resilience and Governance



THE GLOBAL GOALS
For Sustainable Development

Determined to expedite the energy transition within the MENA and encourage energy companies to adopt sustainable frameworks and sources of funding, The Arab Energy Fund developed its green bond framework and issued its first green bond during 2021.

In 2024, the Arab Energy Fund significantly advanced its sustainability agenda, considering ESG across key operations and aligning its strategy with the interests and ambitions of its Member Countries.



Transaction Review Process

The Arab Energy Fund's investment / credit process follows a rigorous review cycle which passes through several scrutinization and decision-making levels, beginning with an initial and then a final approval at Credit and Investment Committees level, and ultimately Board approval.

Origination → **Appraisal** → **Decisioning** → **Execution** → **Monitoring**

Whenever a transaction is identified as eligible for green financing, the both the Credit Committee and the Investment Committee highlight the transaction for the Sustainability Committee (SC). The SC accordingly convenes to assess the following:

- The SC undertakes a review of the eligibility of potential green assets against the Green Bond/Finance Framework.
- Eligible green projects and clients are screened for any ESG related allegations and controversies.
- The SC approves the inclusion of the green asset and documents its decision.

Voluntary Disclosure on Second Green Bond Issuance

In April 2024, The Arab Energy Fund issued a second USD 750 Mn Green bond. This Green bond is aligned with The Arab Energy Fund's updated Green Finance framework. For more details on this framework, please refer to Appendix B.

Below, we have provided the initial allocation and impact data from the date of issuance to December 31, 2024.

					Projects Overall Benefit				Projects Pro-rated Benefit					
Categories	Total Number of Projects	Allocated Portfolio (USD Mn) a/	Share of Total Bonds Financing b/	Eligibility of Green Bonds	Total Electricity Generation (MWh/ year)	Total Treated Wastewater (m^3/year)	Total Treated Waste (Ton/ year)	Total GHG Emissions Avoided (TCO_2e/ year)	Total Population Served (Homes)	Total Electricity Generation (MWh/year)	Total Treated Wastewater (m^3/year) c/	Total Treated Waste (Ton/year) c/	Total GHG Emissions Avoided (TCO_2e/ year) c/	Total Population Served (Homes) c/
Renewable Energy	1	25	29%	100%	753,214	-	-	567,923	13,100	94,777	-	-	71,462	0
Pollution Prevention and Control	4	63	71%	100%	-	208,050,000	-	299,533	1,115,697	-	12,471,534	-	19,067	38,850
Total	**5**	**88**	**100%**		**753,214**	**208,050,000**	**-**	**867,456**	**1,128,797**	**94,777**	**12,471,534**	**-**	**90,529**	**38,850**

a/ This represents the amount of green bond (ISIN: XS2706264244) proceeds that has been allocated for disbursements to the project/portfolio.
b/ This represents the share of projects' financing out of total issuance.
c/ This represents the pro-rated impact benefit of the projects based on The Arab Energy Fund's financing share as of December 31, 2024, out of the total project cost.

The remaining unallocated excess proceeds from the Green Bond issuance of circa USD 662 Mn, are invested in high-quality marketable securities in accordance with The Arab Energy Fund's cash management policies.

BY READING THIS LIMITED ASSURANCE REPORT YOU HAVE EXPLICITLY AGREED TO THE FOLLOWING TERMS AND CONDITIONS WITHOUT RESERVATION

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- *The report is based on historical information for the period from 01 October 2023 to 31 December 2024. Any projection of the information or PwC's conclusions to future periods would be inappropriate. PwC makes no representation as to whether any subsequent work would have materially impacted the contents of the report. Further, PwC has no obligation to notify you of any matter arising after the issuance of the report which might affect its continued validity;*
- *Any explanations provided by PwC in relation to the report shall be subject to the same terms and disclaimers as those stated herein; and*
- *PwC shall have the right to enforce these terms"*

Independent practitioner's limited assurance report on the allocation of Green Bond proceeds of APICORP

To the Directors of APICORP

The Board of Directors of Arab Petroleum Investments Corporation (the "Company" or "APICORP") have engaged us to obtain a limited assurance on the allocation of the Green Bond 1 with ISIN number: XS2389123931 (the "Green Bond") proceeds of the Company. During 2023, the Company's name was rebranded from APICORP to The Arab Energy Fund ("TAEF") which is the name used further in this report and the Company's Green Bond report referred as The Arab Energy Fund Green Bond Report or also Green Bond Report 2024.

Our limited assurance engagement and this report are in relation to the allocation of the Green Bond proceeds of the Company as defined within the *Sustainability information and reporting criteria* section of this report and marked with the symbol "AS" on page 9 in The Arab Energy Fund Green Bond Report (the "sustainability information"), for the period from 01 October 2023 to 31 December 2024.

Our assurance conclusion does not extend to information in respect of earlier periods or to any other information included in, or linked from, the Green Bond Report 2024 including any images, audio files or videos.

Limited assurance conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the sustainability information is not prepared, in all material respects, in accordance with the reporting criteria referenced in the *Sustainability information and reporting criteria* section below.

Basis of conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), "Assurance engagements other than audits or reviews of historical financial information" as endorsed in the Kingdom of Saudi Arabia.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the *Practitioner's responsibilities* section of our report.

Our independence and quality management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards), endorsed in the Kingdom of Saudi Arabia (the "Code"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies the International Standard on Quality Management (ISQM) 1, as endorsed in the Kingdom of Saudi Arabia, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Independent practitioner's limited assurance report on the allocation of Green Bond proceeds of APICORP (Continued)

Sustainability information and reporting criteria

The sustainability information needs to be read and understood together with the reporting criteria, which the Company is solely responsible for selecting and applying. The sustainability information and the reporting criteria are as set out in the table below:

Sustainability information	Value as at 31 December 2024 (USD mn)	Location of the sustainability information in the Green Bond Report 2024	Reporting criteria**
Allocation of the Green Bond proceeds	**750**	**Page 9**	'APICORP's 2021 Green Bond Framework' (the "reporting criteria") on APICORP's website (available at https://www.apicorp.org/sustainability/).

Refer to our assessment of materiality discussed in the 'Materiality' section of this report.

***The maintenance and integrity of APICORP's website is the responsibility of the Directors. The work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the reported sustainability information or reporting criteria when presented on APICORP's website*

Responsibilities for the sustainability information

Management of the Company is responsible for:

- Determining appropriate reporting topics and selecting or establishing suitable reporting criteria for measuring or evaluating the underlying subject matter;
- Ensuring that those criteria are relevant and appropriate to the Company and the intended users of the Green Bond Report 2024;
- The preparation of the sustainability information in accordance with the reporting criteria applied as explained and referenced in the *Sustainability information and reporting criteria* section above;
- Designing, implementing and maintaining systems, processes and such internal control as management determines is necessary to enable the preparation of the sustainability information, including over the evaluation or measurement, in accordance with the reporting criteria, that is free from material misstatement, whether due to fraud or error;
- Documenting and retaining underlying data and records to support the sustainability information;
- Producing the Green Bond Report 2024 that provides a balanced reflection of the Company's performance in this area and discloses, with supporting rationale, matters relevant to the intended users of the Green Bond Report 2024; and
- The selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

The Directors are responsible for overseeing the Company's reporting process for Green Bond Report.

Inherent limitations in preparing the sustainability information

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities and over time. In particular the basis for the allocation of bond proceeds may differ between different reporting frameworks, including whether proceeds may be allocated to existing equity investments/loans or only to new equity investments/loans, and the basis on which eligibility of equity investments/loans is determined.

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the underlying sustainability matter and the methods used for determining such information. The precision of different measurement techniques may also vary.

Independent practitioner's limited assurance report on the allocation of Green Bond proceeds of APICORP (Continued)

Practitioner's responsibilities

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the sustainability information is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the sustainability information.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- Determine the suitability in the circumstances of the Company's use of the reporting criteria as the basis for the preparation of the sustainability information.
- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify where material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of providing a conclusion on the effectiveness of the Company's internal control.
- Design and perform procedures responsive to where material misstatements are likely to arise in the sustainability information. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Materiality

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the sustainability information is likely to arise.

Based on our professional judgement, we determined materiality for the sustainability information. A benchmark of 5% has been applied

The materiality threshold means that a misstatement of that amount or higher, either as an individual misstatement, or as an aggregate of smaller misstatements, would lead us to conclude that the sustainability information had not been prepared in all material respects in accordance with the reporting criteria. For qualitative information, materiality considerations consider qualitative matters, including balance, understandability, and lack of bias.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the sustainability information. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Independent practitioner's limited assurance report on the allocation of Green Bond proceeds of APICORP (Continued)

Summary of the work performed (continued)

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of where material misstatements are likely to arise in the sustainability information, whether due to fraud or error.

In conducting our limited assurance engagement, we:

- evaluated the suitability in the circumstances of the Company's use of the reporting criteria as the basis for preparing the sustainability information, including considering reporting boundaries;
- through inquiries, obtained an understanding of the Company's control environment, processes and systems relevant to the preparation of the sustainability information. Our procedures did not include evaluating the suitability of design or operating effectiveness of control activities;
- evaluated the appropriateness of measurement and evaluation methods, reporting policies used and estimates made by the Company, noting that our procedures did not involve testing the data on which the estimates are based or separately developing our own estimates against which to evaluate the Company's estimates;
- performed limited substantive testing on a selective basis of the sustainability information. Testing involved:
    - agreeing arithmetical accuracy and agreeing data points to or from source information to check that the underlying subject matter had been appropriately evaluated or measured, recorded, collated and reported;
    - with respect to the use of proceeds, inspecting records maintained in the Company's systems to confirm the existence and classification of the loans and equity investments, and that the use of the bond proceeds were consistent with the applicable categories identified in the Company's reporting criteria. Our procedures did not include physical inspection of the assets funded.
    - with respect to use of proceeds metrics, comparing year on year movements, obtaining explanations from management for significant differences we identified and considering reporting boundaries.
- inspected minutes of the Green Bond Committee to assess that the assets to which proceeds are allocated have been approved; and
- evaluated the disclosures in, and overall presentation of the sustainability information.

Use of our report

Our report, including our conclusion, has been prepared solely for the Board of Directors of the Company in accordance with the agreement between us dated 14 January 2025. To the fullest extent permitted by law, we do not accept or assume responsibility or liability to anyone other than the Board of Directors of APICORP for our work or this report except where terms are expressly agreed between us in writing.

PricewaterhouseCoopers

Adel F. Alqahtani
License Number 614
24 September 2025

Appendix A

Reference to The Arab Energy Fund's Green Bond Framework

The Arab Energy Fund's Green Bond Framework[9] sets out the guidelines for The Arab Energy Fund's Green Bond issuances in accordance with the International Capital Markets Association ("ICMA") Green Bond Principles:

1. Use of Proceeds
2. Project Evaluation and Selection
3. Management of Proceeds
4. Reporting
5. Eligible Categories

Objective	Criteria
Use of proceeds	The cornerstone of a Green Bond is the utilisation of the bond's proceeds. The proceeds from The Arab Energy Fund's Green Bond will exclusively be used to finance, refinance and/or invest in whole or in part, new or existing projects under development and/or projects in operation from any of the Eligible Green Categories listed in Appendix A. The Arab Energy Fund's eligible categories are based on the categories and definitions found in both the Green Bond Principles and Climate Bond Initiative and are aligned with the UN Sustainable Development Goals (SDGs). **The Arab Energy Fund excludes the following activities from its green funding:** 1. Nuclear power generation and distribution assets 2. Coal or gas fired power generation and distribution assets 3. Fossil fuel related activities, including underlying investments in research and development 4. Heat or power facilities with emissions intensity above 100g CO2e/kWh 5. Landfill operations and any incineration of any unsorted waste assets or bio-waste 6. Exploration and development of new oil and gas fields 7. Road transportation with emissions intensity above 50g CO2/km 8. Aviation, airline and airport industrie

[9] https://taef.com/sustainability/

Objective	Criteria
Process for project evaluation and selection	As a first step in project selection, The Arab Energy Fund's debt financing and equity investment review and identify the output benefit of each proposed project and align it with the corresponding green category under the oversight of the Credit and Investments Committee ("CIC"). These projects are then highlighted to the Green Bond Committee ("GBC") to assess their eligibility for green financing or refinancing, in whole or in part, as per the criteria set within the Green Bond Framework. The Arab Energy Fund performs an extra layer of assurance by conducting an additional due diligence analysis for all current and new projects, based on ESG criteria. The evaluation of the client's environmental and social performance, and the project's alignment with environmental and social international standards and national legislations. The methodology leverages stringent international standards and recommendations including those of the European Bank for Reconstruction and Development (EBRD), IFC, World Bank, Equator Principles, OECD, International Labour Organisation (ILO), Declaration of Human Rights, and country specific environmental and labour rights regulations. The assessment methodology also quantifies the performance into numerical scores. All eligible projects and clients are screened for any ESG related allegations and controversies. The assessment includes both the severity of the allegation and its impact.
Management of proceeds	After project review, the bonds proceeds are allocated to the selected green projects. The net proceeds of any Green Bond/Sukuk(s) will be managed by The Arab Energy Fund's Treasury and Capital Markets Department (TCM).
Reporting	This is The Arab Energy Fund's third annual Green Bond Report which covers all The Arab Energy Fund's issuances. The Arab Energy Fund will continue to report on the estimated environmental and social impacts from the Eligible Green Projects that the Green Bond proceeds have been allocated to and the GHG emissions avoided annually (in tCO2e) by the Eligible Expenditures funded from each respective outstanding Green Bond (depending on confidentiality, nature of the Eligible Expenditures and availability of information).

Eligible Green Categories	UN SDG Alignment	Eligibility Criteria
Renewable Energy		Generation of energy from renewable sources, namely wind (onshore and offshore) and solar (including rooftop solar projects). This also includes the transmission, distribution, and electrical storage infrastructure related to renewable energy production as well as connection to local grid / direct users along with efficient district heating and cooling system. All energy system considered must have a carbon intensity below 100g CO2e/kWh.
Pollution Prevention and Control		Recovery and enhancement of waste including: • Waste collection • Waste treatment (processing and treatment to prevent and control pollution) • Waste recycling • Composting and Anaerobic digestion of bio-waste with enhanced management of methane emissions
Green Buildings		New construction, building developments, and/or renovation of existing buildings (including public service, commercial, residential and recreational) which meet recognized environmental standards such as LEED – gold, BREEAM – very good/excellent, HQE – very good/excellent, CASBEE – A (very good)/S (excellent) or equivalent. Buildings belonging to the top 15% of the national or regional building stock in terms of primary energy demand.

Appendix B

Reference to The Arab Energy Fund's Green Finance Framework

To enable us to fulfil our ambitions, and to align with evolving best practice in sustainable finance, we decided to expand our Green Bond Framework into a Green Finance Framework in 2023 to include a broader range of eligible green categories. We also expanded our suite of eligible Green Financing instruments to include loans and created a Green Financing Committee, in place of the Green Bond Committee.

By aligning our sustainable financing with various internationally recognised standards, principles and guidelines, we are able to ensure transparency, and we strive to meet investors' growing interest for greener assets.[10]

Eligible Green Categories	UN SDG Alignment	Eligibility Criteria
Renewable Energy		Projects to support the production, development, installation, operation, transmission, distribution and storage of renewable energy, including related infrastructure, equipment and technology from the following renewable sources: • Solar (PV and Concentrated Solar Power with a minimum of 85% of power generation derived from solar sources) • Onshore and offshore wind • Hydropower, complies with either of the following criteria: - run-of-river hydropower and no artificial reservoir; or - lifecycle GHG emissions threshold < 50gCO2 e/kWh; or - power density of electricity generation facilities > 10 W/m2 • Geothermal energy, excluding enhanced geothermal systems • Biomass GHG emissions do not exceed 16.0g CO2e/MJ for biomass/biofuel for heating/cooling and cogeneration, and 18.8g CO2e/MJ for biofuel for transport) • Green hydrogen production through electrolysis (including storage, distribution and R&D) limited to: - Lifecycle GHG emissions intensity at or below 3tCO2e/tH2; or - Electrolysis powered entirely with 100% renewable energy All energy systems considered must have a lifecycle GHG emission intensity below 100gCO2e/kWh

[10] https://taef.com/sustainability/

Eligible Green Categories	UN SDG Alignment	Eligibility Criteria
Energy Efficiency		Projects to support the construction, operation, maintenance and upgrade of smart power grids, power storage systems, smart metering systems and other smart electricity systems that manage the intermittency of renewables for direct connections of renewable energy capacities. Renovation and installation of energy-efficient technologies and products that improve the operational energy efficiency by at least 30% in the building sector, certified by an independent third party.
Clean Transportation		Projects to support the construction, maintenance, research and development of zero direct emission (i.e. electric and green hydrogen) transportation facilities, including: • Electric or green hydrogen-powered vehicles; • Electric rail transportation projects, including railway; rail tram; metro; and vehicle and infrastructure related to rail transportation • Bus Rapid Transit Systems (BRT) Projects to support the production of key assets, systems, and components dedicated for zero direct emission vehicles and vessels Projects to support the development and the construction of infrastructure dedicated to the charging of electricity and alternative fuels, including: • Charging station for electric vehicle and green hydrogen station
Green Buildings		Projects to support the new construction of building developments, and/or renovation of existing buildings (including public service, commercial, residential and recreational) which have or expected to receive regional, national, or international certifications limited to: • LEED: Gold and above • BREEAM: Very Good and above • Mostadam: Gold and above • Estidama: 4 pearl and above Projects to finance buildings belonging to the top 15% of the national or regional building stock in terms of primary energy demand.

Eligible Green Categories	UN SDG Alignment	Eligibility Criteria
Pollution Prevention & Control		Projects to support the construction, operation and maintenance of facilities, systems, or equipment for waste management and recycling, including the collection, segregation, treatment and processing of all types of waste, with the aim of reuse, minimizing the amount of waste going to landfills or bringing valuable raw materials back to market. Projects to support the construction, operation and maintenance of Waste-to-Energy projects (i.e. electricity generation with solid waste and sewage sludge) with the below thresholds: • At least 25% waste-to-energy efficiency; and • Lifecycle GHG emissions intensity below 100gCO2e/kWh • Soil pollution management and remediation Monitoring, treatment systems and facilities for improvement of air quality.

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