

FMO methodology for reporting financed GHG emissions and jobs supported

Annual Report 2025

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1. Introduction

This document describes FMO's methodology for reporting financed GHG emissions and jobs supported in our Annual Report 2025. The methodology comprises of the following steps:

- *Accounting* – the accounting approach defines the reporting scope and informs what data is collected, how it is processed and how it is reported.
- *Customer data collection (SIS)* – customer data is collected via an internal system, the Sustainability Information System.
- *Data processing* – customer data is processed and combined with portfolio data.
- *Estimations to fill gaps (JIM)* – gaps in customer data are filled through modelling via the Joint Impact Model.
- *Reporting* – data is compiled and prepared for reporting with accounting rules applied.
- *Data quality* – data is checked for mistakes and inconsistencies, and manual corrections are made if needed.
- *Recalculation approach* – the recalculation approach determines under which circumstances baseline and comparative numbers are recalculated and restated.

These steps are further elaborated in their respective sections. The final section summarizes the main changes compared to Annual Report 2024.

2. Accounting

The general accounting approach is based on the “*Global GHG Accounting and Reporting Standard Part A: Financed Emissions. Third Edition*” published by the Partnership for Carbon Accounting Financials, hereafter referred to as ‘PCAF Standard’.

2.1 Indicators in scope

This methodology covers the reporting of the following indicators (in bold) and sub-indicators (in italic):

- **Financed jobs supported** (*Direct, Direct – Women, Indirect*). The sub-indicators are linked to the jobs categories used in the Joint Impact Model, see section 5.
- **Financed absolute GHG emissions** (Scope 1, Scope 2, Scope 3 – Purchased goods and services, Scope 3 – Investments). The sub-indicators are based on the categories used in the ‘*GHG Protocol Corporate Accounting and Reporting Standard*’ and ‘*GHG Protocol Corporate Value Chain (Scope 3) Standard*’. They include two Scope 3 categories, namely Category 1 - Purchased goods and services and Category 15 - Investments.
- **Financed power generation target GHG emissions:** In the Climate Action Plan published in December 2022, a target of 50% reduction by 2030 was set for the power generation emissions compared to a 2021 baseline. The target and target boundary were disclosed in Appendix 1 of the Climate Action Plan. This methodology is aligned with Appendix 1 and further details how progress on this target is being reported.
- **Financed avoided GHG emissions.** This indicator quantifies our contributions to climate change mitigation activities.

The indicators financed absolute GHG emissions, financed power generation target GHG emissions and financed avoided GHG emissions are collectively referred to as financed GHG emissions.

2.2 Portfolio in scope

This methodology covers the reporting of the debt and equity investment portfolio at time of reporting, including assets under management.

- **Debt and equity investment portfolio:** the PCAF Standard currently covers only debt and equity. Therefore, the financed GHG emissions and jobs supported related to (1) guarantees, (2) grants and (3) technical assistance have not been included. If these products are converted into debt or equity, they are included from that point onwards. Our treasury/liquidity portfolio is currently not considered for the reporting of financed GHG emissions and jobs supported.
- **At time of reporting:** all indicators are calculated using the outstanding portfolio at the time of reporting – this is December 31, 2025, for numbers pertaining to 2025. When investments are no longer active in the portfolio as of December 31, 2025, we no longer include their financed GHG emissions and jobs supported.
- **Assets under management:** the PCAF Standard currently only covers on-balance sheet exposures and is not explicit on how to account for assets under management. For the public and direct mobilized funds that FMO manages, this methodology treats the managed exposures analogous to on-balance exposures, i.e. the managed outstanding amount is used in the attribution formula. For transparency the financed GHG emissions and jobs supported related to these managed exposures are also reported separately. Finally, it should be noted that accreditation and sub-delegation activities are not included in the managed exposures.

FMO manages a variety of blended finance programs and funds, such as the Ventures program, DFCD Aya and the SDG Loan Fund. This can lead to a scope overlap in case multiple business lines are involved, for example when FMO also invests own balance sheet funds into a program it manages. The preferred approach to resolve this is using a ‘waterfall’, which means that the financed GHG emissions and jobs supported are disaggregated according to the funding source. However, for certain blended finance programs it is not feasible to implement a waterfall. This leads to a small, non-material, share of double counting as, for example, the full program emissions are reported under ‘direct mobilized’ while FMO’s investment in the program is reported under ‘FMO-A’. Table 1 shows the amount of double counting for all indicators and sub-indicators.

Table 1: Percentage of double counting per (sub)indicator

Indicator/sub-indicator	Double counted share
Financed jobs supported	0.06%
<i>Direct</i>	0.11%
<i>Direct – Women</i>	0.24%
<i>Indirect</i>	0.06%
Financed GHG absolute emissions	0.11%
Scope 1	0.21%
Scope 2	0.16%
<i>Scope 3 – Purchased goods and services</i>	0.07%
<i>Scope 3 – Investments</i>	0.10%
Financed avoided GHG emissions	0%
Financed power generation target GHG emissions	0%

3. Customer data collection (SIS)

Customer data relevant for the calculation of financed GHG emissions and jobs supported is collected in FMO via so-called 'Impact Cards' in our internal tailor-made system - the **Sustainability Information System (SIS)**.

3.1 Customer-level data

Data is collected primarily **on customer level** in SIS. For the sake of this methodology, a customer can be understood as the entity to which debt or equity is provided. All data should be collected in reference to the same entity: usually the audited financial statements of the customer define the boundaries for the financial data collected for the customer, and impact data (e.g. emissions data) should refer to these same boundaries. For example, if financial data is consolidated, then impact data should be similarly consolidated.

Customers can be divided into two attribution models:

- **Single attribution:** in this case the customer is a corporate or project. The attribution is calculated based on the financing share in the corporate/project.
- **Double attribution:** in this case the customer is a Use of proceeds structure (UoP structure) as described in the PCAF Standard. The UoP structure invests into underlying corporates or projects. Examples are equity funds and debt funds. Double attribution is needed to account for (1) the financing share in the UoP structure and (2) the financing share of the UoP structure in the underlying corporates/projects.

Figure 1 shows a decision tree used to determine what attribution model should be applied for a customer.

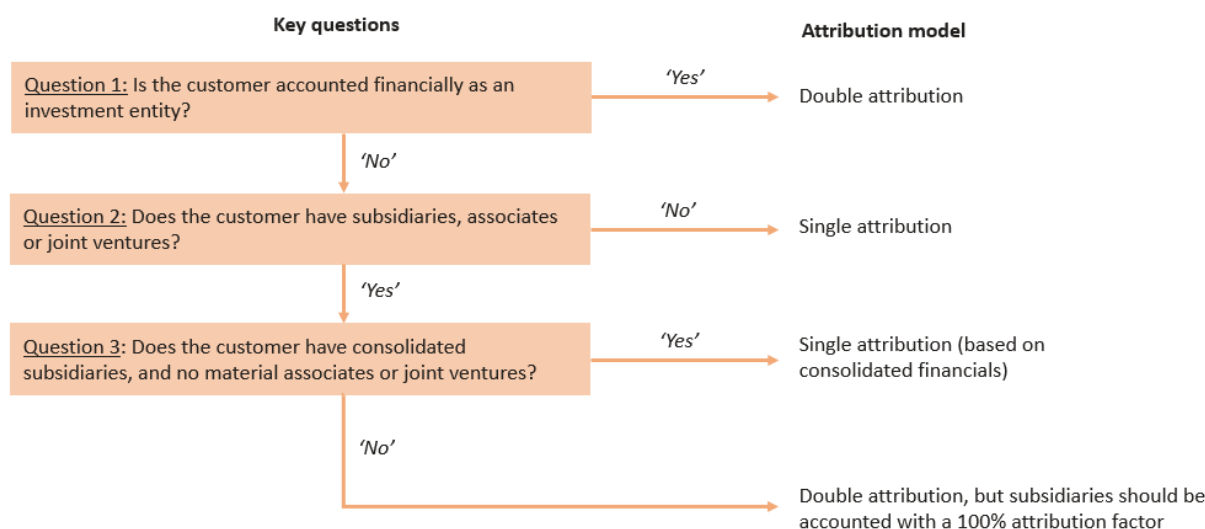


Figure 1: decision tree for determining attribution model

SIS currently cannot capture specific data for debt instruments with a use of proceeds clause. Examples are a green credit line to a financial institution to be on-lent for green purposes, or a loan to an agricultural corporate to be used for the construction of a new processing plant. In these cases, the financed GHG emissions and jobs supported are calculated based on customer-level data and do not take into account the specific use of proceeds.

3.2 Impact Card types

Impact Cards are structured differently according to the characteristics of the customer: the **Impact Card type** determines what data is collected and how. There are seven Impact Card types – AFF, EN, FI, DIV, PEF, DEBT FUND and HOLDING.

Firstly, Impact Card types can be divided based on their attribution model:

- **Single attribution:** AFF, EN, FI, DIV. These Impact Card types only have one data collection level, namely customer level.

- **Double attribution:** PEF (Private equity fund), DEBT FUND, HOLDING. These Impact Card types have two data collection levels, namely customer level and investee level. ‘Investee’ is the term used in SIS to refer to the corporates and projects in which the customer invested. It should be noted that not all holding entities are automatically a HOLDING Impact Card type, since the decision tree in Figure 1 could also lead to a single attribution IC type in certain cases.

Secondly, Impact Card types can be distinguished based on sector:

- **AFF:** agribusiness, food and forestry.
- **EN:** energy.
- **FI:** financial institution.
- **DIV:** diverse sectors – any sector other than AFF, EN or FI.

The investees within double attribution Impact Cards are also classified according to sector, so an investee belongs to the AFF, EN, FI or DIV sector.

An Impact Card type is set when a customer is onboarded based on the legal structure and sectoral focus, taking into account the decision tree in Figure 1. The Impact Card type should only be adjusted in exceptional circumstances, for example if the customer undergoes fundamental changes in structure or business model.

3.3 General elements across Impact Cards

All Impact Cards contain the following general elements:

Reporting date – the reporting date captures the specific date to which the data pertains. The reporting date is usually the date of the audited financials, i.e. the date of the end of the latest period covered by the financial statements. The reporting date serves as a reference date for data collection - values are either accumulated during the year before the reporting date (‘flow’ values such as GHG emissions or revenues) or are measured as per reporting date (‘stock’ values such as total assets).

For each customer and investee, a separate reporting date is specified. It is not required for all investees in the same Impact Card to have the same reporting date.

Reporting year – the reporting year captures the specific year to which the data pertains. There is only reporting year per Impact Card, and it is captured on customer level. The reporting year is connected to reporting dates with the following two business rules:

- **Customer-level reporting date determines reporting year:** the year in which the customer-level reporting date lies is taken as the reporting year. For example, both reporting dates of March 31, 2025 and December 31, 2025 lead to 2025 as reporting year.
- **Investee-level reporting dates follow reporting year:** all investee-level reporting dates should lie in the reporting year. If data for a particular investee is only available for a previous year, this data should not be filled out in the current year as this would create a data quality issue.

Reporting currency – the reporting currency is the currency of the financials used for financial data (e.g. total assets, revenues). For each customer and investee, a separate reporting currency is specified. It is not required for all investees in the same Impact Card to have the same reporting currency.

Version – it is possible for an Impact Card pertaining to a specific reporting year to have multiple versions, as a new version is created every time an Impact Card is approved for a reporting year. This can happen, for example, if a mistake was identified and this is fixed in the newer version of the Impact Card.

3.4 Specific elements for certain Impact Card types

Certain Impact Card types contain specific elements:

Switches – Impact Cards have ‘switches’ that can be switched on or off by users. For the purpose of reporting financed GHG emissions and jobs supported, there are two relevant switches on the AFF, EN and DIV Impact Card types:

- **Project(s) in construction:** projects that are being constructed.

- **Project(s) in operation or Corporate(s):** projects that are being operated, and corporates. Operational projects and corporates are accounted similarly in terms of attribution and emission/jobs estimations.

Sector breakdown – FI Impact Cards contain a ‘sector breakdown’ which captures the portfolio of the financial institution. The following sectors are distinguished:

- **All NACE Rev. 2 level 1 sectors:** all 21 NACE Rev. 2 level 1 sectors from A (Agriculture, forestry and fishing) to U (Activities of Extraterritorial Organisations and Bodies).
- **Mortgages:** consumer loans for the purpose of buying a house.
- **Personal loans:** all other consumer loans, except mortgages.
- **Renewable Energy:** all loans for renewable energy generation.
- **Other:** any other commercial loans that cannot be classified under the above sectors. The ‘Other’ sector is used when customer information is not clear on how it matches the above sectors, or when there is no information at all on the sectoral classification of the portfolio. The latter can happen especially for microfinance.

The sector breakdown considers the direct beneficiary. This means, for example, that the NACE level 1 sector “Financial and insurance activities” should only be used if our customer provides funding to other financial institutions.

All on-balance and off-balance sheet financial products and services are included in the sector breakdown to the extent possible:

- **Debt:** this includes the gross outstanding amounts for both on-balance and off-balance sheet loans.
- **Equity:** the fair value of equity is used for equity portfolios.
- **Insurance:** gross written premiums are used in line with the PCAF Part C Insurance-Associated Emissions Standard. If possible external acquisition costs are subtracted.
- **Currency hedging:** the total hedged volume is multiplied with a 33% weighting factor derived from the PCAF Part B Facilitated Emissions Standard.

Sector breakdowns are not collected per FI investee.

Total portfolio line items – for double attribution Impact Cards it might not be feasible for certain customers to collect data per underlying investee, especially if there is a large number of investees. In those cases, a ‘Total portfolio’ line item is inserted and a sector breakdown is created:

- The **total portfolio line item** can be used to insert aggregated information for all underlying investees. If sufficient data is available to calculate financed GHG emissions or jobs supported, this data is used similar to investees.
- The **sector breakdown** has the same structure as for FI Impact Cards, and is the element used to estimate financed GHG emissions and jobs supported if sufficient data is not available in the total portfolio line item. Note that the sector breakdown is based on the fund’s portfolio and not the portfolio of the investees.

3.5 Data fields

Data fields relevant for financed GHG emissions and jobs supported calculations can be divided into three buckets: attribution data, GHG emissions data and jobs data. The list below shows the specific data collected and also notes if data is default (i.e. visible across all Impact Card types) or only visible under certain circumstances.

Attribution data: data to calculate the attribution factor in line with the PCAF Standard:

- Total debt (default). Total debt includes both current and long-term debt, such as borrowings, subordinated debt, bank obligations, debentures, (short-term) notes and lease liabilities. We also include other liabilities on the balance sheet if they serve a similar purpose as debt, i.e. financing the economic activity of the customer/investee. This includes:
 - Grants
 - For financial institutions, customer deposits and bank deposits.
 - For funds, redeemable types of shares and notes, such as mezzanine and senior class shares.

- Total equity (default)
- Market capitalization (default, except on customer level for PEF and DEBT FUND since funds are never listed companies)
- Total assets (for FI sector + for operational projects and corporates in AFF/EN/DIV sectors)
- Project size (for projects in construction in AFF/EN/DIV sectors)

GHG emissions data: directly reported GHG emissions data and activity data used to estimate GHG emissions:

- Absolute emissions - Scope 1 (default). Where relevant, biogenic CO₂ emissions are also included.
- Absolute emissions - Scope 2 (default). Where relevant, biogenic CO₂ emissions are also included.
- Absolute emissions - Scope 3 (default). This data field captures the customer's aggregated emissions for scope 3 categories 1 - 14. Where relevant, biogenic CO₂ emissions are also included.
- Avoided emissions (default)
- Financed emissions (only for FI sector). This data field captures the absolute emissions that the customer finances through their loans and investments (scope 3 category 15) following PCAF attribution rules. Where relevant, biogenic CO₂ emissions are also included.
- Revenues (for FI sector + for operational projects and corporates in AFF/EN/DIV sectors)
- Corporate tax (for FI sector + for operational projects and corporates in AFF/EN/DIV sectors)
- Project size (for projects in construction in AFF/EN/DIV sectors)
- Sector breakdown (for total portfolio line item, and for FI sector on customer level)
- Total gross loan portfolio (only for FI sector)
- Volume of micro loans (only for FI sector)
- Volume of SME loans (only for FI sector)
- Volume of large enterprise loans (only for FI sector)

Jobs data: directly reported jobs data and activity data used to estimate jobs supported:

- Direct jobs – Operations and maintenance (for FI sector + for operational projects and corporates in AFF/EN/DIV sectors)
- Direct jobs for women - Operations and Maintenance (for FI sector + for operational projects and corporates in AFF/EN/DIV sectors)
- Direct jobs – Contracted (for FI sector + for operational projects and corporates in AFF/EN/DIV sectors)
- Direct jobs for women – Contracted (for FI sector + for operational projects and corporates in AFF/EN/DIV sectors)
- Direct jobs – Construction (for projects in construction in AFF/EN/DIV sectors)
- Revenues (for FI sector + for operational projects and corporates in AFF/EN/DIV sectors)
- Corporate tax (for FI sector + for operational projects and corporates in AFF/EN/DIV sectors)
- Project size (for projects in construction in AFF/EN/DIV sectors)
- Power production (only for operational projects and corporates in EN sector)
- Power plant capacity (only for operational projects and corporates in EN sector)
- Sector breakdown (for total portfolio line item, and for FI sector on customer level)
- Total gross loan portfolio (only for FI sector)
- Volume of micro loans (only for FI sector)
- Volume of SME loans (only for FI sector)
- Volume of large enterprise loans (only for FI sector)

Table 2 shows an overview at what level data is visible per Impact Card type. In principle, data is collected on customer level for single attribution Impact Cards and on investee level for double attribution Impact Cards. The only exception is that attribution data is also needed on customer level for double attribution Impact Cards.

Table 2: Overview of data level visibility per Impact Card type

Impact Card type	Attribution data	GHG emissions data	Jobs data
Single attribution (AFF/EN/FI/DIV)	On customer level	On customer level	On customer level
Double attribution (PEF/DEBT FUND/HOLDING)	On customer level and investee level	On investee level	On investee level

Not available / Not applicable – It is important to note that the fact that data is visible does not necessarily mean it is filled out – users can select the options ‘Not applicable’ or ‘Not available’:

- **Not applicable:** the customer/investee cannot provide values for a particular data field given their business model. This is generally not expected for attribution, GHG emissions and jobs data as most are always applicable. However, one example is ‘Market capitalization’ which is not applicable for unlisted entities.
- **Not available:** means that a data field is applicable, but the data is not reported for a particular entry.

3.6 Directly reported and calculated data

Generally, Impact Cards are intended to capture data directly reported by customers. If data is not available in the right format for this reporting year, then the data field should be marked as ‘Not available’ in order to maintain data consistency and quality. Calculations, data processing and gap filling should ideally be done in later stages.

Nonetheless, there are some cases where calculations are made with tools and the results are filled out in Impact Cards:

- **Avoided emissions for renewable energy:** avoided emissions for operational on-grid renewable energy projects are calculated using an internal Excel tool, which utilizes the ‘Operating Margin Grid Emission Factor’ from the [Harmonized IFI Default Grid Factors 2021 v3.2](#). The Excel tool uses the country and the actual power delivered to the grid. The resulting avoided emissions are input in the Impact Card.
- **Absolute emissions for non-renewable energy:** in cases where emissions data is not reported, absolute emissions for operational on-grid non-renewable energy projects are calculated using an internal Excel tool. The emission factors are based on data from the 2024 PCAF database, which were derived from Climate TRACE. The Excel tool uses the power generation type, country and the actual power delivered to the grid. The resulting absolute emissions are input in the Impact Card.
- **Absolute emissions for other sectors:** for a few customers where relevant activity data is available, such as fuel and electricity consumption, the emissions can be calculated using an internal Excel tool.

Currently there is no possibility to distinguish whether emissions data entered in Impact Cards is a PCAF data quality score 1 (reported audited), 2 (reported unaudited or calculated based on energy consumption) or 3 (calculated based on physical activity). Therefore, we are assuming all SIS data to be a score 2 since the majority of data is reported unaudited.

3.7 Submission and review process

Impact Card submission is connected to our investment process. Impact Cards at Contracting are submitted after contracting an investment and Impact Cards at Review are submitted as part of a client annual credit review. Impact Cards are submitted by the responsible Front Office department. The Impact Measurement team reviews and approves the submitted Impact Card, or requests updates to be made following the four-eyes principle. Generally, the values in the Impact Cards should be based on reliable source documents, for example audited annual reports. FMO also accepts unaudited reporting if the numbers seem reasonable – this is applicable when FMO directly receives data reported by customers, e.g. via FMO-specific reporting templates. Overall, SIS facilitates a robust process to ensure that approved Impact Cards meet data quality standards.

Since Impact Cards are connected with the investment process, this also means that Impact Cards are not submitted if certain exemptions apply. In particular, customers that are exempted from client credit review are also exempted from the submission of an Impact Card. This can happen, for example, if the exposure falls below a certain threshold. Nonetheless, Impact Cards still need to be submitted for investments with government funds, such as MASSIF.

4. Data processing

In this step, customer data collected via SIS is processed and combined with portfolio data. Business rules are applied to select the appropriate data points.

4.1 Carrying forward customer data

A carry-forward approach (abbreviated as ‘forwarding’) refers to the process of using customer data from previous reporting years to fill gaps in the current reporting year. Forwarding is inevitable given that our Annual Report is published in March the following year (i.e. Annual Report 2025 is published in March 2026); it is not feasible that all customer data for a reporting year is already available in March the following year.

Impact Card with most recent reporting year – for the indicators financed jobs supported, financed absolute GHG emissions and financed avoided GHG emissions, forwarding is done based on the Impact Card with the most recent reporting year. It is important to note that this forwarding rule is applied on Impact Card level and not per data field – for example, if a previous Impact Card had directly reported jobs information but the most recent Impact Card did not, no directly reported jobs information will be used in the reporting.

Impact Card with most recent reporting year and non-zero directly reported GHG emissions data – for the indicator financed power generation target GHG emissions, forwarding is done based on the Impact Card with the most recent reporting year and non-zero directly reported GHG emissions. For example, if a solar power project reported 500 tCO₂e Scope 1 emissions in the 2022 Impact Card, but did not report any emissions in the Impact Cards for 2023 and 2024, then the 2022 Impact Card information will be used as a basis for this customer to calculate the financed power generation target GHG emissions.

Based on above forwarding rules, the latest Impact Card version for the applicable reporting year is selected to be used for calculations and reporting.

4.2 Currency conversions

Converting customer/investees financials to EUR – all customer/investee data for financial indicators (e.g. Total debt, Total equity, Revenues) is converted to EUR using the foreign exchange rate for the reporting currency and reporting date specified for the customer/investee in the selected Impact Card.

Converting portfolio financials to EUR – many of our financing and investing activities are denominated in foreign currencies, in particular USD. The non-EUR figures for our year-end portfolio are converted to EUR using the year-end foreign exchange rates.

4.3 PCAF outstanding amount

The PCAF outstanding amount is used as the numerator for attribution and underlies other emissions calculations (e.g. the PCAF data quality score). For single attribution customers, it is calculated as follows:

Debt – use the gross outstanding amount

Equity – first option is to multiply the equity ownership percentage with the Total equity. If (a) ownership percentage or Total equity is not available or (b) ownership percentage is zero, then the fair value of equity is used. If the fair value is not available, the cost price of equity is used.

For customers with a double attribution model, the debt and equity calculated above are multiplied by an allocation factor as defined by the PCAF Standard. The allocation factor is calculated by summing the PCAF outstanding amounts on investee level (also for total portfolio line items) and dividing by the total debt + equity on customer level. The allocation factor is assumed zero if total debt + equity is not available on customer level.

4.4 Power generation target customers

The power generation target GHG emissions are focused on customers that have as their main economic activity the production of electricity. The scope is restricted to customers with a single attribution model; customers with the Impact Card types Holding, PEF and Debt Fund are excluded.

Customers are selected if one of the two following criteria is met:

- **NACE Rev. 2 code 35.11:** the customer-level NACE Rev. 2 sector is 35.11 *Production of electricity*.
- **NACE Rev. 2 codes 64.20 / 64.30 with Impact Card type Energy and focus on electricity production:** the 35.11 selection criterium excludes certain legal structures such as holdings (usually NACE Rev. 2 64.20 '*Activities of holding companies*') and funds/trusts (usually NACE Rev. 2 64.30 '*Trusts, funds and similar financial entities*'). In principle this is desirable since the scope is restricted to customers with a single attribution model. However, when these customers have an Energy Impact Card type (and therefore should be considered single attribution) and their main economic activity is electricity production, they are included in the power generation target.

5. Estimations to fill gaps (JIM)

For the indicators financed absolute GHG emissions and financed jobs supported, we use the Joint Impact Model (JIM) to fill gaps if no (sufficient) data is available. For the indicators financed power generation target GHG emissions and financed avoided GHG emissions, the gaps are not filled; if no directly reported data for Scope 1 emissions or avoided emissions is available in SIS for a customer, the reported value will be zero – but note section 7.1 that outlines portfolio data quality checks to make sure SIS data is as complete as possible.

5.1 Joint Impact Model

The Joint Impact Model is a calculation model to estimate financed absolute GHG emissions and jobs supported based on an environmentally extended input output model. Detailed documentation, including a methodology paper, is available on the [JIM website](#).

The JIM uses an input template that defines what data fields can be filled out. The template contains three sheets: 'Individual clients', 'Sector exposure' and 'Attribution'. Within FMO, we use a so-called ETL process to extract the data from different sources and compile the data so it can be filled out in the JIM input template. The following sections detail the business rules applied in the ETL.

For all sheets, Impact Card data is filled out with the Impact Card selected based on the forwarding rule outlined in section 4.1.

FMO is using the JIM model 3.1.6 for Annual Report 2025, the same version as was used for Annual Report 2024. The latest version of JIM, version 4.0, was not used for this report due to the timing of its release (December 15, 2025), which did not allow for the technical implementation at FMO.

5.2 Individual clients

The following fields in the 'Individual clients' sheet use more elaborate business rules:

Client type – Client types are mapped as follows:

- **Project finance construction:** single attribution model Impact Card with 'Project size' filled out.
- **Project finance operations:** single attribution model Impact Card with 'Revenues' filled out and marked as 'Project finance' for risk assessments.
- **Corporate:** single attribution model Impact Card with 'Revenues' filled out and marked as anything else than 'Project finance' for risk assessments.
- **Financial institution:** Impact Card type FI.
- **Investment fund:** all customers with double attribution model Impact Cards.

Economic activity – for most customers and investees we have NACE level 4 information (e.g. 02.10 or 35.12). In some cases only NACE level 1 information is available (e.g. NACE-A Agriculture, forestry and fishing). For customers and investees producing electricity, the NACE Rev. 2 level 4 code does not provide granularity to capture the power generation type. Therefore, in our systems we separately capture the power generation type and map these directly to the relevant GTAP sector, e.g. 57 Solar power. For miscellaneous renewables, all renewable GTAP sectors (50 51 55 57) are concatenated. The same applies for miscellaneous non-renewables (GTAP sectors 48 49 52 54 56). For power generation types without a specific GTAP sector (e.g. geothermal, biomass) the GTAP sector 53 Other baseload is used. Note that the numbering in the JIM input template is different compared to the GTAP website because additional GTAP Power sectors were added.

In addition, a sector adjustment is implemented for customers with a single attribution model Impact Card and a NACE Rev. 2 code 64.20 ('Activities of holding companies') or 64.30 ('Trusts, funds and similar financial entities'). In this case the NACE code is reflecting the legal structure of the customer while the Impact Card type is considering the consolidated structure. The sector adjustment is based on the relevant Impact Card sectors:

- For AFF, the NACE Rev. 2 level 1 sector 'NACE-A Agriculture, forestry and fishing' is used.
- For EN, the NACE Rev. 2 level 1 sector 'NACE-D Electricity, gas, steam and air conditioning supply' is used.

- For FI, the NACE Rev. 2 level 1 sector ‘NACE-K Financial and insurance activities’ is used.
- For DIV, the sector ‘Miscellaneous’ is used.

The sector adjustment is also implemented for investees using the sector the investee belongs to.

The other fields in the JIM template are filled out in line with Table 3:

Table 3 : Mapping of JIM template fields to FMO data fields

JIM template field	FMO data field
Client name/code	Customer ID and name
Investee name/code	Investee name, and an investee ID if available
Fiscal year	Reporting year of the selected Impact Card
Country/region of operations	Based on the Country of Risk. FMO countries and regions are mapped to the JIM countries and regions where needed.
Revenue	Revenues in selected Impact Card
Project value	Filled out by dividing the customer reported ‘Project size’ by three. This essentially assumes an average construction phase of three years.
Power production	Power production in selected Impact Card
Power technology type	Based on the power generation type captured in our systems
Payment to government	Corporate tax in selected Impact Card
Installed capacity	Power plant capacity in selected Impact Card
Direct employment - operations & maintenance	Sum of Direct jobs – Operations and maintenance and Direct jobs – Contracted in selected Impact Card
Direct employment - operations & maintenance - female	Sum of Direct jobs for women – Operations and Maintenance and Direct jobs for women – Contracted in selected Impact Card
Direct employment - construction phase	Direct jobs – Construction in selected Impact Card
Absolute emissions - Scope 1	Absolute emissions - Scope 1 in selected Impact Card
PCAF data quality score - Scope 1	Data quality score 2 is assumed (see section 3.6)
Absolute emissions - Scope 2	Absolute emissions - Scope 2 in selected Impact Card
PCAF data quality score - Scope 2	Data quality score 2 is assumed (see section 3.6)
Absolute emissions - Scope 3	Absolute emissions - Scope 3 in selected Impact Card
PCAF data quality score - Scope 3	Data quality score 2 is assumed (see section 3.6)

The remaining fields in the sheet are left blank.

5.3 Sector exposure

The fields ‘Client name/code’, ‘Fiscal year’ and ‘Country/region of financial intermediary's outstanding amount’ are filled out in line with Table 3 .

Sector breakdown – the fields ‘Economic activity of financial intermediary's outstanding amount’ and ‘Outstanding amount - financial intermediary’ are filled out using the Sector breakdown information in SIS (see section 3.4). The sectors are mapped as follows:

- **NACE Rev. 2 level 1 sectors** are mapped to the NACE Rev. 2.1 level 1 sectors in the JIM.
- **Mortgages** is mapped to GTAP sector 76 Dwellings. Note that the numbering in the JIM input template is different compared to the GTAP website because additional GTAP Power sectors were added.
- **Personal loans** is mapped to GTAP sector 61 Trade. Note that the numbering in the JIM input template is different compared to the GTAP website because additional GTAP Power sectors were added.
- **Renewable Energy** is mapped to a concatenation of all renewable GTAP sectors (50 51 55 57). Power technology type is filled out as ‘Miscellaneous – renewable’.
- **Other** is mapped to Miscellaneous.

Double run for exposure in NACE Rev. 2 sector K – any outstanding amount under the NACE Rev. 2 K sector ‘Financial and insurance activities’ is run twice to capture the finance enabled impacts, i.e. the assumption is made that financing provided to companies in the NACE Rev. 2 sector K will be used to deliver financial services and products that create additional finance enabled impact. This ‘double run’ means that the outstanding amount under the sector ‘Financial and insurance activities’ amount is inserted twice in the JIM input, once with sector ‘Financial and insurance activities’ and once with the sector ‘Miscellaneous’. The sector ‘Miscellaneous’ is used for the second line item since there is no information available on the sectors to which the financial services or products are delivered.

It should be noted that the NACE Rev. 2 sector K is broad, so the financial services and products delivered can go beyond simple on-lending. In the context of the GHG Protocol, we consider that the description of Scope 3 Category 15 is very broad including ‘Managed investments and client services’ and ‘Other investments or financial services’. Therefore, we assume that all financial services and products will lead to finance enabled impacts that are included in Scope 3 Category 15.

Finance enabled impacts for FI investees – since no sector breakdown is available for FI investees, a line item is inserted with the sector ‘Miscellaneous’ in order to capture the finance enabled impacts for FI investees. The outstanding amount is calculated by using the total outstanding gross loan portfolio of the investee multiplied by the PCAF attribution factor.

Share of capital Micro/SME/Large – the columns ‘Share of capital - Micro enterprise’, ‘Share of capital – SME’ ‘Share of capital - Large enterprise’ are filled out using available information for customers and investees:

- **3 indicators available:** if data is available for the volume of micro loans, SME loans and large enterprise loans, the percentages can be directly calculated.
- **2 indicators available:** if data is available for two of the three indicators and the total gross loan portfolio is available, then the missing indicator is calculated by subtracting the two available indicators from the total gross loan portfolio. All percentages can then be calculated.
- **1 indicator available:** if data is available for one of the three indicators and the total gross loan portfolio is available, then the ‘Share of capital’ column for the relevant indicator will be filled out by dividing the amount for that indicator by the total gross loan portfolio. The other percentages are left blank.

5.4 Attribution

The fields in the ‘Attribution’ sheet are filled out in line with Table 4. The remaining fields in the sheet are left blank.

Table 4: Mapping of JIM template fields to FMO data fields

JIM template field	FMO data field
Client name/code	Customer ID and name
Investee name/code	Investee name, and an investee ID if available
Fiscal year	Reporting year of the selected Impact Card
Outstanding amount - Debt	Gross outstanding amount
Relative equity share in fiscal year	Equity ownership percentage
Total equity in fiscal year	Market capitalization if filled out in selected Impact Card. Otherwise Total equity in selected Impact Card.
Total debt in fiscal year	Total debt in selected Impact Card
Total balance sheet value in fiscal year	Total assets in selected Impact Card
Facility number	Used on customer level to split different instruments
Risk party	Used on customer level to split risk parties per instrument

5.5 Outstanding amount fallback

The 'Sector exposure' sheet is also used to run a 'fallback' calculation based on the PCAF outstanding amount. This fallback is used when there is no directly reported data available in SIS, and the financed absolute GHG emissions and jobs supported cannot otherwise be estimated (e.g. based on revenues). The fallback generates results that are already attributed since they are based on the PCAF outstanding amount. Fallbacks are run in the following cases:

- **No selected Impact Card:** a fallback is run on customer level if no Impact Card can be selected using the forwarding rules in section 4.1. This can occur, for example, for newly contracted customers where it was not possible to submit and approve an Impact Card before the deadline for reporting.
- **No ownership percentage for equity:** a fallback is run on customer and investee level for equity instruments if the attribution factor cannot be calculated because the ownership percentage is not available, or the ownership percentage is zero. The latter case is considered a data quality issue since equity should lead to a non-zero ownership percentage.
- **No attribution information for debt:** a fallback is run on customer and investee level for debt instruments if the attribution factor cannot be calculated because either there is no sufficient information to calculate the denominator for the attribution factor or the denominator is calculated as zero.
- **No revenue or project size:** a fallback is run on customer and investee level if no information is available for either 'Revenues' or 'Project size'. These data fields are essential to make estimations via the 'Individual clients' sheet.
- **No sector breakdown for customers:** a fallback is run on customer level for the finance enabled impacts if a sector breakdown is showing in the Impact Card (i.e. for FI Impact Cards and Impact Cards with a Total portfolio line item, see section 3.4), but no data is filled out.
- **No attributed gross loan portfolio for FI investees:** a fallback is run on investee level for the finance enabled impacts if there is no sufficient information available for the attributed gross loan portfolio to be calculated, i.e. either the total gross loan portfolio is not available or the attribution factor cannot be calculated (e.g. ownership percentage is missing for equity).

For investees, the fallback is applied for all the underlying instruments if one of the above cases is applicable. For investees with both debt and equity instruments this means that, for example, a fallback is also applied for the equity instrument even if the fallback was triggered because there was no attribution information for the debt instrument.

In terms of filling out the 'Sector exposure' sheet in the JIM template, the fields 'Client name/code', 'Country/region of financial intermediary's outstanding amount' and 'Power technology type' are filled out in line with Table 3. The PCAF outstanding amount (see section 4.3) is filled out in the 'Outstanding amount - financial intermediary' column. The fiscal year is based on the reporting year of the PCAF outstanding amount, which is 2025 since it is based on portfolio information for this Annual Report. In addition, the following considerations apply:

Economic activity – the economic activity and power technology type are based on the approach outlined in section 5.2 for the Individual clients sheet. This means that NACE sectors are used for sector mapping if available. The sector adjustment is also implemented for NACE Rev. 2 codes 64.20 and 64.30, but it is based on the Strategic sector for customers since Impact Card type might not be available:

- For Agri, Food and Forestry, the NACE Rev. 2 level 1 sector 'NACE-A Agriculture, forestry and fishing' is used.
- For Energy, the NACE Rev. 2 level 1 sector 'NACE-D Electricity, gas, steam and air conditioning supply' is used.
- For Financial Institutions, the NACE Rev. 2 level 1 sector 'NACE-K Financial and insurance activities' is used.
- For Diverse Sectors, the sector 'Miscellaneous' is used.

In addition, the sector is set to 'Construction' for customers and investees marked as project finance construction.

If no NACE sector is available, the economic activity is filled out based on the Strategic sector in line with the mapping mentioned above for the NACE Rev. 2 codes 64.20/64.30 adjustment.

Double run for FI customers and investees – for FI customers and investees, a double run is implemented in the following fallback cases: ‘No selected Impact Card’, ‘No ownership percentage for equity’ and ‘No denominator information for debt’. This means that the PCAF outstanding amount is ran again with the sector Miscellaneous to capture the finance enabled impacts.

It should be noted that the Financial Institutions strategic sector is broad, so the financial services and products delivered can go beyond simple on-lending. In the context of the GHG Protocol, we consider that the description of Scope 3 Category 15 is very broad including ‘Managed investments and client services’ and ‘Other investments or financial services’. Therefore we assume that all FI customers and investees will produce finance enabled impacts that are included in Scope 3 Category 15.

Share of capital Micro/SME/Large – if sufficient information is available, one of the ‘share of capital Micro/SME/Large’ columns is filled out with 100% based on whether the customer or investee should be considered a micro enterprise, SME or large enterprise. For the purposes of this methodology, these categories are defined as follows:

- **Micro enterprise** is an enterprise that meets two out of three of the following indicator criteria:
 1. Direct jobs - Operations and maintenance: smaller than 10
 2. Total assets: smaller than 100,000 EUR
 3. Revenues: smaller than 100,000 EUR
- **SME enterprise** is an enterprise that meets two out of three of the following indicator criteria:
 1. Direct jobs - Operations and maintenance: between 10 and 300
 2. Total assets: between 100,000 EUR and 15,000,000 EUR
 3. Revenues: between 100,000 EUR and 15,000,000 EUR
- **Large enterprise** is an enterprise that meets two out of three of the following indicator criteria:
 1. Direct jobs - Operations and maintenance: more than 300
 2. Total assets: more than 15,000,000 EUR
 3. Revenues: more than 15,000,000 EUR

The share of capital Micro/SME/Large columns is not filled out in case the customer or investee is a project, since the above logic is only applicable for corporates.

For customers, the Micro/SME/Large columns are not filled out for double run line items since the required data is generally not available if a fallback is needed. For investees, the Micro/SME/Large columns are filled out for double run line items in line with the approach outlined in section 5.3.

6. Reporting

6.1 Financed jobs supported

The following business rules are applied to aggregate JIM output into the financed jobs supported sub-indicators:

- **Direct:** employment line items with JIM Scope 'Backward Permanent' and JIM Sub-scope 'Direct'
- **Direct – Women:** employment line items with JIM Scope 'Backward Permanent', JIM Sub-scope 'Direct' and JIM job type 'Female'
- **Indirect:** aggregation of the following employment line items:
 - JIM Scope 'Backward Temporary'
 - JIM Scope 'Backward Permanent' and JIM Sub-scope 'Supply chain'
 - JIM Scope 'Backward Permanent' and JIM Sub-scope 'Induced'
 - JIM Scope 'Finance Enabling'
 - JIM Scope 'Power Enabling'

The following considerations and exceptions are implemented in the final data processing for reporting:

Implementation data hierarchy – the PCAF data hierarchy is implemented, so if multiple data points are available (e.g. primary jobs data and revenues) the data point highest in the hierarchy is reported (e.g. primary jobs data). The JIM generally implements the PCAF data hierarchy already.

Contracted jobs – in line with the HIPSO definition for direct jobs we add the 'Direct jobs – Contracted' to the JIM output for Direct jobs, as well as the 'Direct jobs for women – Contracted' to the JIM output for direct jobs supported for women.

Assessment boundary double attribution Impact Cards – in line with the PCAF Standard the assessment boundary for double attribution Impact Cards is drawn around the investees. This means that the direct jobs of investees are reported within our financed direct jobs supported.

Outstanding amount fallback output – since the 'sector exposure' section in the JIM input sheets is used for the outstanding amount fallback, the JIM results will show all line items under the Scope 'Finance enabling'. This is disentangled as follows:

- Line items with JIM Sub-scope 'Direct' are mapped to the sub-indicator Direct
- All other line items are mapped to the sub-indicator Indirect

Total portfolio line item sector breakdowns output - since the 'sector exposure' section in the JIM input sheets is used to run all sector breakdown data, the JIM results will show all output from total portfolio line item sector breakdowns under the Scope 'Finance enabling'. This is disentangled as follows:

- Line items with JIM Sub-scope 'Direct' are mapped to the sub-indicator Direct
- All other line items are mapped to the sub-indicator Indirect

Attribution – all numbers are reported attributed in line with the PCAF Standard. This means that the JIM output is multiplied with an attribution factor, except for the output related to the outstanding amount fallback since this is already inherently attributed.

6.2 Financed absolute GHG emissions

The following business rules are applied to aggregate JIM output into the financed absolute GHG emissions sub-indicators:

- **Scope 1:** summation of following GHG line items with JIM Scope 'Backward Permanent'
 - JIM sub-indicator 'Absolute emissions Scope 1 – CO2'
 - JIM sub-indicator 'Absolute emissions Scope 1 – Non-CO2'
- **Scope 2:** summation of following GHG line items with JIM Scope 'Backward Permanent'
 - JIM sub-indicator 'Absolute emissions Scope 2 – CO2'
 - JIM sub-indicator 'Absolute emissions Scope 2 – Non-CO2'
- **Scope 3 – Purchased goods and services:** summation of following GHG line items:

- For JIM Scope ‘Backward Permanent’
 - JIM sub-indicator ‘Absolute emissions Scope 3 Local – CO2’
 - JIM sub-indicator ‘Absolute emissions Scope 3 Local – Non-CO2
 - JIM sub-indicator ‘Absolute emissions Scope 3 Imports – CO2’
 - JIM sub-indicator ‘Absolute emissions Scope 3 Imports – Non-CO2
- For JIM Scope ‘Backward Temporary’
 - JIM sub-indicator ‘Absolute emissions Scope 1 – CO2’
 - JIM sub-indicator ‘Absolute emissions Scope 1 – Non-CO2
 - JIM sub-indicator ‘Absolute emissions Scope 2 – CO2’
 - JIM sub-indicator ‘Absolute emissions Scope 2 – Non-CO2
 - JIM sub-indicator ‘Absolute emissions Scope 3 Local – CO2’
 - JIM sub-indicator ‘Absolute emissions Scope 3 Local – Non-CO2
 - JIM sub-indicator ‘Absolute emissions Scope 3 Imports – CO2’
 - JIM sub-indicator ‘Absolute emissions Scope 3 Imports – Non-CO2
- **Scope 3 – Investments:** summation of following GHG line items with JIM Scope ‘Finance Enabling’
 - JIM sub-indicator ‘Absolute emissions Scope 1 – CO2’
 - JIM sub-indicator ‘Absolute emissions Scope 1 – Non-CO2
 - JIM sub-indicator ‘Absolute emissions Scope 2 – CO2’
 - JIM sub-indicator ‘Absolute emissions Scope 2 – Non-CO2
 - JIM sub-indicator ‘Absolute emissions Scope 3 Local – CO2’
 - JIM sub-indicator ‘Absolute emissions Scope 3 Local – Non-CO2
 - JIM sub-indicator ‘Absolute emissions Scope 3 Imports – CO2’
 - JIM sub-indicator ‘Absolute emissions Scope 3 Imports – Non-CO2

The following considerations and exceptions are implemented in the final data processing for reporting:

Implementation data hierarchy – the PCAF data hierarchy is implemented, so if multiple data points are available (e.g. primary emissions data and revenues) the data point highest in the hierarchy is reported (e.g. primary emissions data). The JIM generally implements the PCAF data hierarchy already

Directly reported data for financed emissions – if customer data from SIS is available for the field ‘Financed emissions’, this is used for Scope 3 – Investments instead of the JIM estimate.

Directly reported data for Scope 3 emissions – if customer data from SIS is available for the field ‘Scope 3 emissions’ this was filled out in the JIM input template. As a result of the data processing approach outlined above, these are all reported under the sub-indicator Scope 3 – Purchased goods and services.

Assessment boundary double attribution Impact Cards – in line with the PCAF Standard the assessment boundary for double attribution Impact Cards is drawn around the investees. This means that the scope 1 emissions of investees are reported within our financed scope 1 emissions, and similarly for scope 2 and 3.

Outstanding amount fallback output – Since the ‘sector exposure’ section in the JIM input sheets is used for the outstanding amount fallback, the JIM results will show all line items under the Scope ‘Finance enabling’. This is disentangled as follows:

- For customers and investees marked as project finance construction, line items are mapped to the sub-indicator Scope 3 – Purchased goods and services.
- Line items connected to the double run for FI customers and investees are mapped to the sub-indicator Scope 3 – Investments.
- All other line items are mapped according to their JIM Sub-indicator as follows:
 - Scope 1 = JIM sub-indicator ‘Absolute emissions Scope 1 – CO2’ + JIM sub-indicator ‘Absolute emissions Scope 1 – Non-CO2.
 - Scope 2 = JIM sub-indicator ‘Absolute emissions Scope 2 – CO2’ + JIM sub-indicator ‘Absolute emissions Scope 2 – Non-CO2.
 - Scope 3 – Purchased goods and services = JIM sub-indicator ‘Absolute emissions Scope 3 Local – CO2’ + JIM sub-indicator ‘JIM Absolute emissions Scope 3 Local – Non-CO2 + JIM sub-

indicator 'Absolute emissions Scope 3 Imports – CO2' + JIM sub-indicator 'JIM Absolute emissions Scope 3 Imports – Non-CO2.

Total portfolio line item sector breakdowns output – since the 'sector exposure' section in the JIM input sheets is used to run all sector breakdown data, the JIM results will show all output from total portfolio line item sector breakdowns under the Scope 'Finance enabling'. This is disentangled as follows:

- Line items connected to the double run for the sector 'Financial and insurance activities' are mapped to the sub-indicator Scope 3 – Investments.
- All other line items are mapped according to their JIM Sub-indicator as follows:
 - Scope 1 = JIM sub-indicator 'Absolute emissions Scope 1 – CO2' + JIM sub-indicator 'Absolute emissions Scope 1 – Non-CO2.
 - Scope 2 = JIM sub-indicator 'Absolute emissions Scope 2 – CO2' + JIM sub-indicator 'Absolute emissions Scope 2 – Non-CO2.
 - Scope 3 – Purchased goods and services = JIM sub-indicator 'Absolute emissions Scope 3 Local – CO2' + JIM sub-indicator 'JIM Absolute emissions Scope 3 Local – Non-CO2' + JIM sub-indicator 'Absolute emissions Scope 3 Imports – CO2' + JIM sub-indicator 'JIM Absolute emissions Scope 3 Imports – Non-CO2.

Attribution – all numbers are reported as attributed numbers in line with the PCAF Standard. This means that the JIM output is multiplied with an attribution factor, except for the output related to the outstanding amount fallback since this is already inherently attributed.

Economic emissions intensity – the economic emissions intensity is calculated in line with the PCAF Standard by summing the attributed emissions and dividing by the sum of PCAF outstanding amounts. Customers that are not fully 'covered' are excluded from the calculation of the economic emissions intensity (see section 7.3).

6.3 Financed power generation target GHG emissions

The following considerations and exceptions are implemented in the final data processing for reporting:

Only directly reported data – for the indicator financed power generation target GHG emissions, only directly reported emissions data from SIS is used. The gaps are not filled; if no directly reported data for Scope 1 emissions is available in SIS for a customer, the reported value will be zero.

Zero Scope 1 emissions for renewable customers – for operational projects with a renewable power generation type a reported value of zero is a reasonable assumption if no directly reported data is available, since Scope 1 emissions are generally limited for such customers. For customers with a fossil power generation type, a data quality check is implemented to ensure data completeness (see section 7.1).

Zero Scope 1 emissions for projects in construction – for projects in construction it is reasonable to assume zero Scope 1 emission if no directly reported data is available. This is because most construction emissions are related to purchased goods and services from a third-party construction company and therefore would not be the customer's Scope 1 emissions, but their Scope 3 – Purchased goods and services.

Attribution – all numbers are processed in line with section 4 and reported as attributed numbers in line with the PCAF Standard. This means that the directly reported data is multiplied with an attribution factor.

6.4 Financed avoided GHG emissions

The following considerations and exceptions are implemented in the final data processing for reporting:

Only directly reported data – for the indicator financed avoided GHG emissions, only directly reported data from SIS is used. The gaps are not filled; if no directly reported data for avoided emissions is available in SIS for a customer, the reported value will be zero.

Attribution – all numbers are processed in line with section 4 and reported as attributed numbers in line with the PCAF Standard. This means that the directly reported data is multiplied with an attribution factor.

7. Data quality

7.1 Portfolio data quality checks

Data quality checks are implemented on a portfolio level for the indicators financed jobs supported, financed absolute GHG emissions and financed avoided GHG emissions to check for mistakes and omissions. Note that customer data is already reviewed as part of the Impact Card submission process (see section 3.7).

Portfolio data quality checks are risk based so that only high-impact customers with significant financed GHG emissions or jobs supported receive additional scrutiny. A high-impact customer is defined per indicator/sub-indicator as contributing more than 1% of the total amount. For example, if total financed Scope 1 emissions are 1,000,000 tCO_{2e} then high-impact customers are all customers with financed Scope 1 GHG emissions above 10,000 tCO_{2e} in the previous or current reporting year. Under the following circumstances data is flagged, which triggers the underlying numbers to be double checked and validated again:

- **Large changes for existing high-impact customers:** this is defined as changes of 50% or higher, with numbers doubling and halving treated equivalently. This means that if, for example, a value would be flagged due to an increase from 1,000 to 1,600, an equivalent decrease (i.e. from 1,600 to 1,000) would also be flagged.
- **New high-impact customers:** all high-impact customers that had previously reported zero or were not in the portfolio.

For the indicator financed power generation target GHG emissions, it is ensured that all operational plants in the portfolio without a renewable power generation type have non-zero emissions data. For this data quality check, power generation types are added manually if they are missing in the source systems. In addition, the total emissions and total debt + equity for all power plants with a fossil power generation type are compared between the current year and previous year and any large changes are validated.

7.2 Manual corrections

Generally the approach is to keep manual corrections to a minimum, but there are circumstances where they cannot be avoided, for example because source systems cannot be adjusted in time, because data cannot be captured at the right level or other reasons. We make the following type of manual corrections:

- **NACE codes:** the NACE codes are manually adjusted for certain customers/investees. This happens, for example, if the system only captures a NACE level 1 code but adding the NACE level 4 code makes a material difference in the jobs/emissions estimates. For the power generation target, data quality issues in NACE codes are remediated by manually including or excluding customers in the target list.
- **Attribution factors:** there are exceptional circumstances where attribution factors can be above 100%, for example due to a mismatch in reporting year between portfolio data and customer data or due to currency exchange fluctuations. In these cases, we set the attribution factor to 100% to prevent overestimations. A similar approach is applied for negative attribution factors, which are set to 0%.
- **PCAF DQ score:** as outlined in section 3.6 there is no possibility to capture the specific PCAF DQ score for customer reported data (i.e. to distinguish between scores 1, 2 and 3). For fossil customers for which the emissions are calculated via our internal Excel tool, the PCAF DQ score is manually set to 3.
- **Administrative issues:** in certain cases, manual adjustments are needed in the portfolio data to correct miscellaneous administrative issues.

7.3 Data quality metrics for financed absolute GHG emissions

We report the following data quality metrics for financed absolute GHG emissions:

- Coverage percentage.
- PCAF DQ score.
- Percentage primary data.

The data quality metrics are reported per sub-indicator.

Coverage percentage – A customer or investee is considered *covered* for a certain sub-indicator if the **financed emissions are larger than zero**; generally any meaningful economic activity will generate a minimum amount of

emissions. There are the following two exceptions to this rule, in which case the customer/investee is still considered covered even if financed emissions are zero:

1. **Reported as zero:** the emissions indicator was specifically reported as zero in SIS.
2. **PCAF outstanding amount is zero:** the PCAF outstanding amount is zero.

In addition, the following specific rules apply:

- **No investees:** a customer with a double attribution model is considered covered if an impact card could be selected according to the forwarding rules, but there are zero investees.
- **Project finance construction:** the Scope 1 and 2 emissions are considered covered if the customer/investee has a client type 'Project finance construction phase'.
- **Renewable power:** the Scope 1 emissions are considered covered if the customer/investee has a renewable power generation type.

The total coverage percentage is calculated across relevant customers as a simple average of all coverage percentages. For customers with a single attribution model, the coverage per sub-indicator will be either 100% or 0%. For customers with a double attribution model, the coverage percentage per indicator on customer level might be any number between 0% and 100% depending on the average coverage across investees (see formula below).

$$\text{Coverage percentage for customer with double attribution model} = \frac{\text{Covered investees}}{\text{Total investees}}$$

Finally, for the indicator 'Scope 3 – Investments' the coverage percentage is only calculated for (1) customers that are FI Impact Card type (2) investees with FI Investee Table (3) customers with a Total portfolio line item and FI strategic sector.

PCAF DQ score – in line with the PCAF Standard, the PCAF DQ score is calculated by weighing DQ scores by outstanding amount. Customer and investees that are not considered covered as well as customers with a double attribution model with no investees are excluded from the calculation of the PCAF DQ score.

For customers with a double attribution model, the PCAF DQ score is calculated as follows:

$$PCAF\ DQ\ score_{customer} = \frac{\sum_{investee} (PCAF\ DQ\ score * Outstanding\ amount)_{investee}}{\sum_{investees} Outstanding\ amount_{investee}}$$

In turn, the total PCAF DQ score is calculated across relevant customers as follows:

$$PCAF\ DQ\ score = \frac{\sum_{customer} (PCAF\ DQ\ score * Outstanding\ amount)_{customer}}{\sum_{customer} Outstanding\ amount_{customer}}$$

Percentage primary data – a customer/investee is considered to have primary data for an indicator if the emissions are directly reported in SIS. The percentage is calculated across relevant customers by summing the financed emissions calculated based on primary data and dividing by the total financed emissions.

8. Recalculation approach

8.1 Objective

A recalculation approach is applicable for the baseline for the financed power generation GHG emissions and the comparative for all indicators and sub-indicators covered under this methodology. The term ‘comparative’ refers to the figure from the previous year (i.e. 2024) which is used to compare the figure reported for the current year (i.e. 2025).

A recalculation approach defines under which circumstances a recalculation of baseline/comparative figures is necessary, including a significance threshold that triggers restatement. The objective of recalculations is to make sure that current year numbers are comparable and consistent with the baseline/comparative so that conclusions can be drawn on progress. The recalculation approach and significance threshold also formalize what FMO considers material prior period errors in the context of ESRS 1.

8.2 Circumstances for recalculation approach

All indicators – Both for the baseline for the financed power generation GHG emissions as well as the comparative for all indicators, the following circumstances trigger a recalculation:

- **Changes in methodology:** Examples are:
 - Changes in the attribution approach.
 - Changes in the selection criteria for customers and instruments in the target list of the power generation GHG emissions.
 - Changes in the JIM calculation approach, such as an increase in granularity of emission factors.
- **Changes in emission/jobs intensities that do not reflect real world changes:** For example, since GTAP versions usually pertain to an older year, an updated GTAP version used in the JIM does not reflect real world changes between the current and comparative year.
- **Structural changes, such as mergers or acquisitions:** It is important to note that these are structural changes on the overarching organizational level, for example if FMO would sell off certain lines of business (e.g. mobilizing activities). Customers entering or exiting the portfolio are not structural changes. Indeed it is expected, for example, that repayments and divestments will occur for customers resulting in exits, but this should not trigger a recalculation if these customers were still in fact present in the portfolio in the baseline/comparative.
- **Large error for a single customer:** retroactive adjustments to underlying data (e.g. remediation of Impact Cards) to fix an error for a single customer that by itself exceeds the significance threshold.

Financed power generation target GHG emissions – Specifically for the financed power generation target GHG emissions (baseline and comparative), the following circumstances also trigger a recalculation:

- **Retroactive adjustments to underlying data (e.g. remediation of Impact Cards) to improve data accuracy or to fix errors.** Examples are:
 - Adjustment of balance sheet and emissions data, particularly for fossil fuel customers.
 - Adjustment of currency conversion rates used to convert customer balance sheet data to EUR.
 - Adjustment of portfolio data.
- **Newer Impact Cards available for the comparative:** given that data for the comparative was usually carried forward in the last Annual Report (e.g. the 2024 number reported in AR2024 was mostly based on 2023 customer data carried forward), there are usually newer Impact Cards available for the comparative (e.g. the 2024 number can now be based on a 2024 Impact Card).

These circumstances are not considered for other indicators because for those the underlying data is frozen at the time of reporting.

No recalculation – the following circumstances specifically do not trigger a recalculation:

- **Updates in jobs/emission intensities that reflect real world changes.** For example, if Scope 2 emissions factors are updated that reflect a changing carbon intensity of the grid over time, older data should not be recalculated with the updated factors.

8.3 Significance thresholds

If the significance threshold is exceeded this will lead to a restatement. The following significance thresholds are used:

- **Financed jobs supported** (*Direct, Direct – Women, Indirect*): 5% for each sub-indicator. If a significance threshold is exceeded for one sub-indicator, this triggers a restatement for all sub-indicators to maintain consistency.
- **Financed absolute GHG emissions** (Scope 1, Scope 2, Scope 3 – Purchased goods and services, Scope 3 – Investments): 5% for each sub-indicator. If a significance threshold is exceeded for one sub-indicator, this triggers a restatement for all sub-indicators to maintain consistency.
- **Financed avoided GHG emissions**: 5%.
- **Financed power generation target GHG emissions**: a different number compared to the previously reported baseline or comparative figure, i.e. the threshold is 1 ktCO₂e. Given that data for the comparative was usually carried forward in the last Annual Report (e.g. the 2024 number reported in AR2024 was mostly based on 2023 customer data), the underlying data for the comparative will always be updated. Given the low significance threshold for this indicator this means a restatement for the comparative is generally expected.

The significance threshold is applied on the total level for the indicator or sub-indicator mentioned, i.e. adding all business lines (FMO/PIM/MOB) and products (debt/equity). Changes that exceed the significance threshold on a disaggregated level (e.g. 15% change for Scope 1 emissions for FMO-A for all debt instruments) do not trigger a restatement.

8.4 Application of recalculation approach

The following procedure is applied to check if a recalculation is triggered and a restatement is needed:

1. Apply any methodological and structural changes to the baseline/comparative data. The changes compared to Annual Report 2024 are elaborated in section 9.
2. For power generation target GHG emissions: update baseline/comparative data using a new extract from source systems.
3. Compare with previously reported number (in AR2024) and check if significance threshold was exceeded.
4. Restate if significance threshold is exceeded.

Annual *Report* *2025* –
Table 5 for AR2025 shows all indicators and sub-indicators, the circumstances that triggered a recalculation, the recalculated value, the change compared to the previously reported figure and whether the significance threshold was exceeded.

All financed GHG emissions figures in below table are in ktCO₂e and financed jobs supported figures are in thousands.

Table 5: Recalculation overview per (sub)indicator

Indicator/sub-indicator	Circumstances triggering recalculation	Previously reported value (AR2024)	Recalculated value	Change	Significance threshold exceeded?
Financed jobs supported (comparative)	- Total portfolio line item – directly reported emissions/jobs data	890	891	0.1%	No
<i>Direct</i>		83	85	2.4%	
<i>Direct – Women</i>		29	29	0%	

<i>Indirect</i>		806	806	0%	
Financed GHG absolute emissions (comparative)	- Total portfolio line item – directly reported emissions/jobs data	5,853	5,854	0.02%	No
Scope 1		1,042	1,042	0%	
Scope 2		336	337	0.3%	
Scope 3 – Purchased goods and services		1,508	1,507	-0.1%	
Scope 3 - Investments		2,967	2,967	0%	
Financed avoided GHG emissions (comparative)	Incorrect data was identified for one customer that exceeded the significance threshold by itself.	2,134	1,959	-8.2%	Yes
Financed power generation target GHG emissions (baseline)	None	N/A	N/A	N/A	N/A
Financed power generation target GHG emissions (comparative)	Newer Impact Cards available for the comparative	442	413	-29	Yes

9. Changes compared to Annual Report 2024

Total portfolio line item – directly reported emissions/jobs data – we now use directly reported emissions and jobs data in total portfolio line items, if there is sufficient data available to attribute.