

ASSESSMENT

19 January 2026



Send Your Feedback

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City of Cologne

Second Party Opinion – Sustainable Finance Framework Assigned SQS2 Sustainability Quality Score

Summary

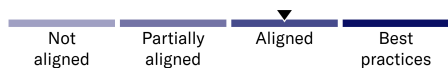
We have assigned an SQS2 Sustainability Quality Score (Very Good) to the City of Cologne's sustainable finance framework, dated January 2026. The issuer has established its use-of-proceeds framework with the aim of financing projects across two eligible social categories and two eligible green categories. The framework is aligned with the four core components of the International Capital Market Association's (ICMA) Green Bond Principles (GBP) 2025 and Social Bond Principles (SBP) 2025 as well as the Loan Market Association, the Asia Pacific Loan Market Association and Loan Syndications & Trading Association's (LMA/APLMA/LSTA) Green Loan Principles (GLP) 2025 and Social Loan Principles (SLP) 2025. The framework demonstrates a significant contribution to sustainability.

Sustainability quality score



Alignment with principles USE OF PROCEEDS

Overall alignment



FACTORS

ALIGNMENT

Use of proceeds	<div></div>
Evaluation and selection	<div></div>
Management of proceeds	<div></div>
Reporting	<div></div>

Contribution to sustainability

Final contribution to sustainability



Preliminary contribution to sustainability

Relevance and magnitude

Additional considerations No adjustment

POINT-IN-TIME ASSESSMENT

Scope

We have provided a Second Party Opinion (SPO) on the green and social credentials of the City of Cologne's sustainable finance framework, including the alignment with the ICMA's GBP 2025 and SBP 2025 as well as the LMA/APLMA/LSTA's GLP 2025 and SLP 2025. Under its use-of-proceeds framework, the City of Cologne plans to raise sustainable financing dedicated to projects across two social categories related to the access to essential services, namely health care and nursing as well education and sports, and two green categories in clean transportation and green buildings. The categories are outlined in Appendix 3.

Our assessment is based on the last updated version of the framework received on 13 January 2026, and our opinion reflects our point-in-time assessment¹ of the details contained in this version of the framework, as well as other public and non-public information provided by the sub-sovereign.

We produced this SPO based on our [Assessment Framework: Second Party Opinions on Sustainable Debt](#), published in October 2025.

Issuer profile

Cologne, one of Germany's major cities, has approximately 1.1 million residents, making it the largest city in the federal state of North Rhine-Westphalia and the fourth-largest nationwide. Spanning an area of about 405 km², the city has a population density of 2,500 inhabitants/km². Situated within the Rhine-Ruhr metropolitan region—the second-largest in the European Union by GDP—Cologne hosts a diverse economy with prominent sectors in insurance and media, and numerous corporate headquarters.

Like other local governments in advanced economies, Cologne faces environmental challenges, including physical climate risks such as increased heavy rainfall, flash floods, rising temperatures, and extended droughts. To address these issues, the city has implemented mitigation plans targeting these climate risks. The "Kölner Perspektiven 2030+" strategy prioritizes crucial topics such as social development and climate change mitigation, with a goal of achieving net-zero emissions by 2035 through a comprehensive catalog of measures. In line with broader trends in North Rhine-Westphalia and Germany, Cologne encounters moderate social risks from an aging population, leading to heightened pension and social costs. The city's strategy outlines social risks related to demographics, health, and education, while proposing potential solutions to address these challenges.

Strengths

- » Eligible social projects tackle important issues pertinent to the issuer as a municipality and its local context by enhancing access to essential services.
- » Eligible green projects target key sustainability challenges for the real estate and transportation sectors by addressing improvements in energy efficiency and the avoidance and reduction of carbon emissions.
- » Eligible categories are clearly defined, and address relevant benefits and objectives for the issuer and regional context. The environmental and social benefits associated with the eligible projects are clearly defined and relevant.

Challenges

- » Some eligible projects, despite meeting good market standards, lack technical thresholds in line with best available technologies or present affordability challenges for the most vulnerable groups, particularly in the categories of green buildings and elderly care services. These challenges are reflected in the magnitude scores of the relevant categories.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on <https://ratings.moody's.com> for the most updated credit rating action information and rating history.

Alignment with principles

The City of Cologne's sustainable finance framework is aligned with the four core components of the ICMA's GBP 2025 and SBP 2025, as well as the LMA/APLMA/LSTA's GLP 2025 and SLP 2025. For a summary alignment with principles scorecard, please see Appendix 1.

- | | |
|---|---|
| <input checked="" type="checkbox"/> Green Bond Principles (GBP) | <input checked="" type="checkbox"/> Green Loan Principles (GLP) |
| <input checked="" type="checkbox"/> Social Bond Principles (SBP) | <input checked="" type="checkbox"/> Social Loan Principles (SLP) |
| <input type="checkbox"/> Sustainability-Linked Bond Principles (SLBP) | <input type="checkbox"/> Sustainability Linked Loan Principles (SLLP) |

Use of proceeds



Clarity of the eligible categories – BEST PRACTICES

The City of Cologne has clearly communicated the nature of expenditures as public investments, as well as the eligibility and exclusion criteria for the two social and two green eligible categories. The green categories refer to the relevant substantial contribution criteria under the EU taxonomy's climate delegated act on climate change mitigation. All projects are located in Cologne.

Clarity of the environmental or social objectives – BEST PRACTICES

The City of Cologne has clearly defined relevant and coherent environmental and social objectives for all eligible categories. For the environmental categories, the objective is climate change mitigation. For the social categories, the objectives include the improvement of the public's health and quality of medical care as well as ensuring access to equal and quality education. The identified objectives are coherent with recognized international standards, including the EU taxonomy and UN SDGs.

Clarity of expected benefits – BEST PRACTICES

The issuer has identified clear and relevant environmental and social benefits for all eligible categories. These benefits are measurable for all categories and will be quantified in the issuer's ongoing reporting.

As regards the estimated refinancing share before issuance, allocation reports from previous issuances outline which measures were already implemented in 2024 or 2025, thereby representing refinancing for the issuance year 2026. This enables a rough estimation of how the issuance proceeds will be allocated between past and future expenses and investments. The proportion of refinancing will be transparently disclosed only post-issuance. A maximum look-back period of two years will be applied.

Process for project evaluation and selection



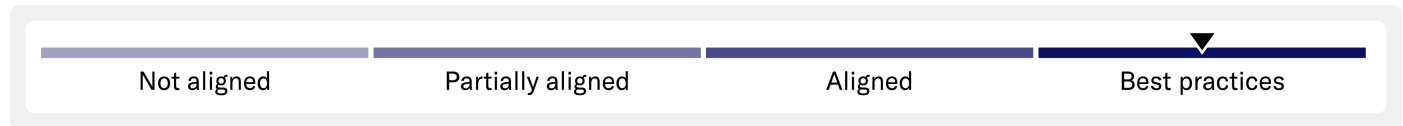
Transparency and clarity of the process for defining and monitoring eligible projects – BEST PRACTICES

The City of Cologne has established a clear and structured decision-making process for determining the eligibility of projects which is detailed in its publicly available framework. The corporate finance office of the city treasury will evaluate and select projects in line with the established eligibility criteria. During the evaluation process, various other departments involved in project implementation will be consulted for feedback. The corporate finance office is also responsible for the ongoing monitoring and updating of the project list, which is mandatory with each newly approved budget.

Should a project become ineligible or be divested, it will be substituted by a project that meets the framework's criteria within two years. If there is a risk of underfinancing or non-completion, the allocation of project funds can be adjusted, and any revisions will be reported in a special disclosure.

The City of Cologne has instituted a process for identifying and mitigating environmental and social risks associated with eligible projects. This process is detailed in the framework and other publicly available supporting documents from the City of Cologne.

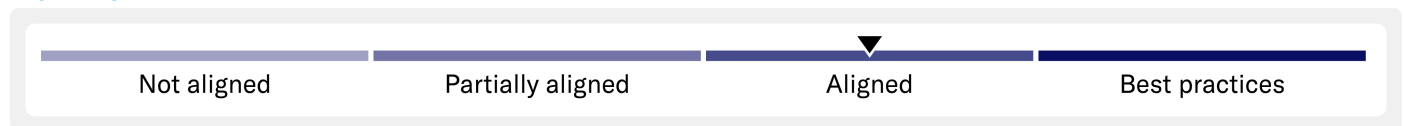
Management of proceeds



Allocation and tracking of proceeds – BEST PRACTICES

The issuer has outlined a clear process for the allocation and tracking of proceeds in its publicly available framework. Proceeds will be deposited into the general treasury, with separate tracking. The allocation period is limited to two fiscal years, adhering to the market's best practices. Any unallocated proceeds will be invested in accordance with the city's investment guidelines, including cash, cash equivalents, short-term financial instruments and liquidity management. The city's publicly available general investment policy incorporates the exclusion of investments in controversial activities. The balance of the tracked proceeds is adjusted every six months to update the allocation to eligible projects accordingly.

Reporting



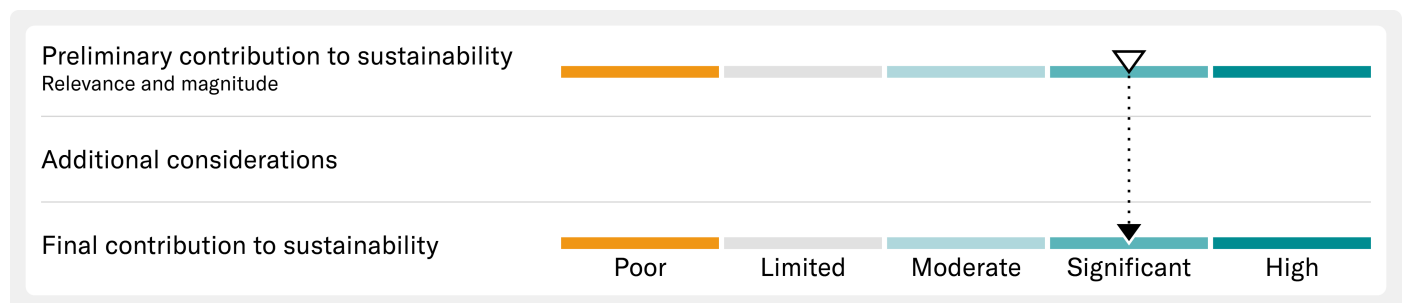
Reporting transparency – ALIGNED

The City of Cologne has committed to providing updated annual allocation and impact reporting until the full allocation of proceeds and on a timely basis in case of material developments. The reporting will be made publicly available on the city's website. It will cover exhaustive information about the allocation of proceeds. Further, the expected environmental benefits are clear and relevant for all eligible categories. The calculation methodologies and assumptions used to report on environmental and social benefits will also be made publicly available.

In line with market best practices, an independent institution will verify the internal tracking and allocation of funds, as well as the reported impact of environmental and social benefits.

Contribution to sustainability

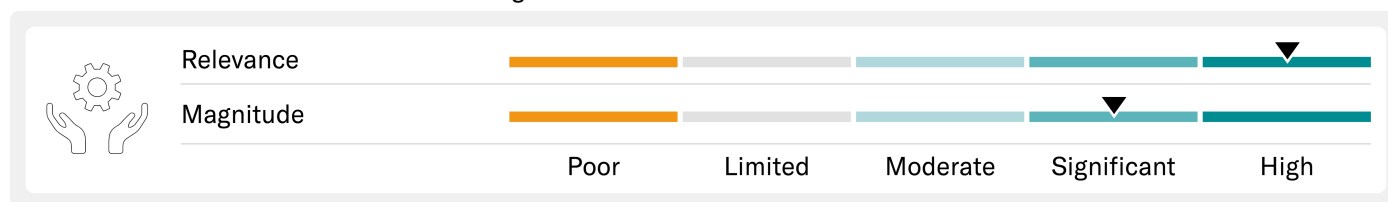
The framework demonstrates a significant overall contribution to sustainability. This reflects a preliminary contribution to sustainability score of significant, based on the relevance and magnitude of the eligible project categories, and we have not made an adjustment to the preliminary score based on additional contribution to sustainability considerations.



Preliminary contribution to sustainability

The preliminary contribution to sustainability is significant, based on the relevance and magnitude of the eligible project categories. For the purpose of assessing the consolidated score on contribution to sustainability, we have weighted the categories according to estimates provided by the City of Cologne. In particular, the issuer estimates that most of the proceeds will be allocated to projects in the green buildings and clean transportation categories. A detailed assessment by eligible category has been provided below.

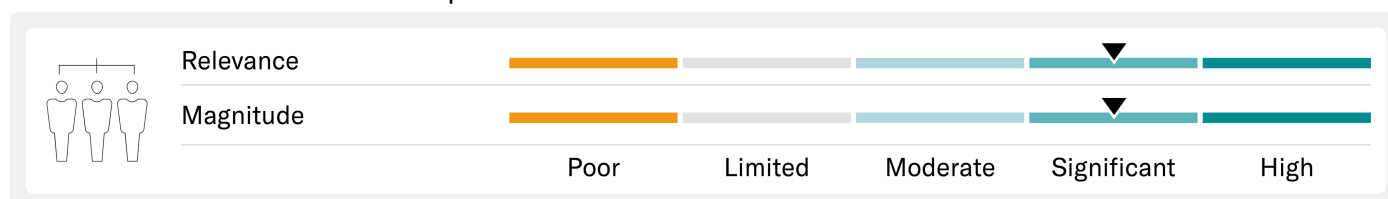
Access to essential services: health care and nursing



Increased access to health care and nursing services in Cologne, including though the financing of specific planned projects related to centralization of hospital capacity at a new "Health Campus," is highly relevant for the issuer and the local context. Cologne is experiencing population growth driven by immigration and demographic shifts, which are putting increasing pressure on health care and elderly care services. Moreover, the rising proportion of elderly residents amplifies the demand for these services, underscoring the importance of robust public elderly care facilities for sustainable urban development. Despite Germany's substantial health care spending per capita and relatively low out-of-pocket costs compared to other European nations, its health care system is strained by shortages of care personnel and limited availability of care places, particularly in elderly care facilities. This situation results in prolonged hospital stays and extended wait times for public care homes, which had a utilization rate of 92% in 2023.²

Eligible projects, including but not limited to the "Health Campus" project, are expected to have a significant long-term impact on increasing access to affordable health care and elderly care services for the general population, including vulnerable groups, though not exclusively targeting them. These initiatives encompass patients from municipal public hospitals and elderly individuals. By developing new, modern infrastructure to consolidate previously dispersed facilities, these projects aim to offer a wider, higher-quality range of medical and elderly care services with long-lasting benefits. In terms of accessibility, municipalities such as the City of Cologne play a key role as the operator of hospitals if no other operator is found, whereas physical accessibility is ensured by German legislation. As a general rule, patient costs within the German health care system are covered by social security, with additional state support available for marginalized populations. Nursing homes, while subsidized by the national system, typically entail manageable out-of-pocket costs for the majority of the population, particularly in light of the average retirement pension in Germany and specifically in North Rhine-Westphalia. Nevertheless, these expenses can still pose substantial financial challenges for the most vulnerable individuals. To address this, further state assistance is available to help alleviate the financial strain for those in need. Regarding service quality, public hospitals are required to regularly report on service quality, conduct quality controls, obtain certifications, and perform internal audits to ensure safe and high-quality care.

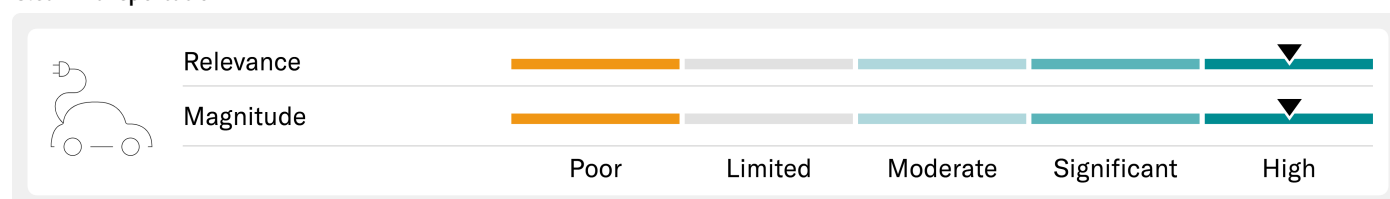
Access to essential services: education and sports



Increased access to education and sports, including through the financing of schools, kindergartens, playgrounds and sports facilities, is a significantly relevant challenge for the issuer and the local context. Cologne has the legal responsibility as a municipality to ensure sufficient schools, sports facilities, and kindergartens, equipped with necessary resources. The city faces challenges in expanding and improving these services to meet growing demand. Children have the right to a space in a kindergarten and accompanying education, this right must be preserved by the city. The city plans to stabilize and equalize daycare availability across areas. There is a persistent need for expanding and renovating schools and daycare centers, as short-term projections also indicate rising student numbers. Digitalization in schools has improved but requires further enhancement, as German students' digital competency, while above the EU average, has declined since previous assessments. Physical activity levels are low, with only a third of German children and teenagers meeting WHO recommendations, contributing to health issues and increased health care cost. However, the access gap is less pronounced than in other, more underserved areas in Germany, especially regarding sports infrastructure, where the population in Cologne generally enjoys good access to these facilities.

Eligible projects are expected to significantly contribute to an increased access to education and sport, with the potential to generate long-term impact. Municipal investments focus on making educational, childcare, and leisure infrastructure accessible and sustainably improved for the general city population, however, without a specific emphasis on vulnerable and underserved groups. Education projects financed by these investments, such as constructing, renovating, and upgrading schools and kindergartens, along with digitalizing schools, are expected to have a high long-term impact on educational outcomes, particularly for vulnerable students, young children, and teenagers. In terms of educational affordability, schooling incurs no out-of-pocket expenses; however, certain early-childhood childcare programs may necessitate additional contributions from families. These remain affordable, as they are adjusted based on parental income, with options for installment payments or fee exemptions for low-income families. As regards financed sports projects, such as various kinds of sports facilities and playgrounds, can serve as an enabling factor that enhances other benefits and is expected to generate positive outcomes. However, its contribution to overall well-being is less pronounced compared to access to health care and other essential services. These facilities are accessible to the population of the City of Cologne, including individuals with disabilities. Most facilities are free of cost, while fees for adults are relatively low and can be offset by subsidies and grants.

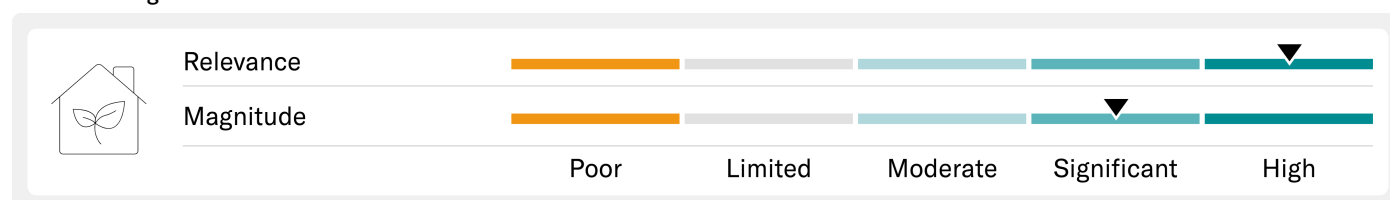
Clean Transportation



Investments in clean transportation projects address the decarbonization of the transportation sector, which is a highly relevant objective for the issuer and the local context. The City of Cologne is operating the city's public transportation through Kölner Verkehrs-Betriebe and its stake in Stadtwerke Köln. In Germany and Cologne, the transportation sector is the second-largest contributor to GHG emissions,³ lagging behind other countries in emission reductions. This emphasizes the need for more sustainable transport solutions. Consequently, electrifying public transportation and enhancing infrastructure for electric vehicles, urban rail, buses, and bicycles are deemed crucial for cutting emissions in this sector.

The eligible projects dedicated to zero-tailpipe emission transport modes and associated infrastructure are expected to highly contribute to GHG emissions reductions, complying with the relevant substantial contribution criteria under the EU taxonomy's climate delegated act on climate change mitigation, recognized as one of the most stringent standard in the market in the context of transportation electrification. A substantial portion of the proceeds is expected to be directed toward enhancing urban public transportation, specifically through financing trams. Likewise, extending the light rail and zero-emissions bus network, along with expanding infrastructure for electric vehicles (EV) charging and cycling, fosters the modal shift towards low-carbon transport without incurring negative environmental externalities. Additionally, investments in overhauling the city's vehicle fleet are projected to increase, further bolstering the high magnitude assessment. While the majority of infrastructure investments have a substantial and direct effect on reducing CO₂ emissions, certain expenditures, such as those related to siding stations, are deemed necessary for network expansion but are anticipated to have a more indirect positive environmental effect.

Green Buildings



Eligible projects address climate change mitigation—a highly relevant objective given the local real estate sector's substantial energy consumption and carbon footprint. In Cologne, carbon emissions from buildings and related activities rank among the top three GHG emission sources due to the aging building stock and often inefficient, fossil-based heating systems.⁴ This mirrors the broader situation in Germany, where the building sector is falling short of the country's 2030 emissions targets, underscoring the need for more ambitious decarbonization efforts.⁵ The city recognizes that its building sector holds substantial potential for emissions reduction,

aiming for a 95% decrease by 2035 to support Cologne's net-zero objective for the same year. Financing of new construction, renovation, and acquisition projects is essential to ensure flexibility in project planning and comprehensively achieve the climate change mitigation goals.

The projects identified in the category significantly contribute to the reduction of energy consumption and GHG emissions of Cologne's real estate sector. The definitions of projects in the eligible portfolio will adhere to the applicable substantial contribution criteria under the EU taxonomy's climate delegated act on climate change mitigation. While these criteria are acknowledged as well-established standards promoting long-term positive impact, they do not necessarily guarantee compliance with the most ambitious thresholds or specifically address embodied carbon emissions in newly constructed buildings, as elaborated further below.

Projects related to construction of buildings will follow the eligibility criterion on primary energy demand (PED) that is 10% below the national Nearly Zero-Energy Building (NZEB) standard. The City of Cologne applies the Building Energy Act (GEG) requirements, which implemented the EU's NZEB requirements criteria into German law, as eligibility criteria for operational energy performance of newly constructed buildings. However, there is a lack of visibility concerning energy performance (in kWh/m²/year), complicating the benchmarking exercise against temperature scenarios and we lack visibility into whether the acquired buildings will align with the long-term 1.5°C climate trajectory. Moreover, the chosen eligibility criteria do not explicitly account for embodied carbon emissions, which constitute a substantial portion of average lifecycle emissions, often exceeding 35% of total emissions within the German context.⁶ In case of the newly constructed office buildings, this concern is partially addressed by the deployment of passive house components. In addition, most significant adverse environmental externalities are well managed by the applicable national regulation and the issuer's commitment to align to the requirements of the applicable substantial contribution criteria under the EU taxonomy's climate delegated act on climate change mitigation.

Renovations of buildings must demonstrate an improvement in energy efficiency that leads to at least a 30% reduction in annual PED in accordance with EU taxonomy's requirements on substantial contribution criteria in the context of climate change mitigation. This is in line with good market standards but not the most ambitious ones. The issuer explains that, beyond the eligibility criteria, the quality of the building envelope will be enhanced through the use of passive house components, even if full passive house certification is not applied. Energy savings are validated through an energy consumption certificate (Energieverbrauchsausweis) for existing buildings, or through an energy demand certificate (Energiebedarfsausweis) for substantial renovations, upon completion of the renovation as required by law.

Regarding acquisition activities, the issuer commits not to finance buildings constructed before 2021. The proceeds allocated in the budget year 2025/2026 will go to a newly constructed office building, which exceeds the minimum requirements stipulated by law. The energy efficiency of the building is demonstrated by the achievement of a PED in line with the "KfW Efficiency House 40" standard. All acquired buildings constructed after 2021 must meet the NZEB-10% criteria, as specified above for financing new building construction. While this criterion establishes a stringent standard, we lack visibility into whether the acquired buildings will align with the long-term 1.5°C climate trajectory, which is crucial for ensuring a high impact on mitigation climate change.

Additional contribution to sustainability considerations

We have not made an adjustment to the preliminary contribution to sustainability score based on additional considerations.

The City of Cologne demonstrates a robust management of environmental and social risks. As part of its ongoing strategy, the city has commissioned reports on potential activities to mitigate its climate impact, which include scenario analysis. The city government has developed policies and procedures for managing waste, biodiversity, and water resources. Additionally, Cologne has articulated and publicly released its directives and strategies addressing social, compliance, and governance issues, with an emphasis on equality, corruption prevention, and human/civil rights. An anti-corruption unit and an office for gender equality, staffed with dedicated personnel, have been established. Furthermore, the city has launched a citizens' participation website, allowing residents to express their views and engage in various ongoing projects, thereby enhancing social involvement.

The framework aligns with the City of Cologne's overall sustainability strategy, which includes a goal of reaching net-zero emissions by 2035. This target has been enshrined in legislation by the City Council. The city's strategy "Kölner Perspektiven 2030+" emphasizes climate change mitigation and social issues like health and education. These efforts are reflected in how the proceeds are allocated.

Activities in these focus areas are diverse, encompassing subsidies for climate change mitigation initiatives as well as additional funding for urgent social matters. Cologne also supports various climate mitigation topics through subsidy programs that evolve annually.

Appendix 1 - Alignment with principles scorecard for the City of Cologne's sustainable finance framework

Factor	Sub-factor	Component	Component score	Sub-factor score	Factor score
Use of proceeds	Clarity of the eligible categories	Nature of expenditure	A	Best practices	Best practices
		Definition of content, eligibility and exclusion criteria for nearly all categories	A		
		Location	A		
		BP: Definition of content, eligibility and exclusion criteria for all categories	Yes		
	Clarity of the objectives	Relevance of objectives to project categories for nearly all categories	A	Best practices	
		Coherence of project category objectives with standards for nearly all categories	A		
		BP: Objectives are defined, relevant and coherent for all categories	Yes		
	Clarity of expected benefits	Identification and relevance of expected benefits for nearly all categories	A	Best practices	
		Measurability of expected benefits for nearly all categories	A		
		BP: Relevant benefits are identified for all categories	Yes		
		BP: Benefits are measurable for all categories	Yes		
		BP: Disclosure of refinancing prior to issuance and in post-allocation reporting	Yes		
		BP: Commitment to communicate refinancing look-back period prior to issuance	Yes		
Process for project evaluation and selection	Transparency and clarity of the process for defining and monitoring eligible projects	Clarity of the process	A	Best practices	Best practices
		Disclosure of the process	A		
		Transparency of the environmental and social risk mitigation process	A		
		BP: Monitoring of continued project compliance	Yes		
Management of proceeds	Allocation and tracking of proceeds	Tracking of proceeds	A	Best practices	Best practices
		Periodic adjustment of proceeds to match allocations	A		
		Disclosure of the intended types of temporary placements of unallocated proceeds	A		
		BP: Disclosure of the proceeds management process	Yes		
		BP: Allocation period is 24 months or less	Yes		
Reporting	Reporting transparency	Reporting frequency	A	Aligned	Aligned
		Reporting duration	A		
		Report disclosure	A		
		Reporting exhaustivity	A		
		BP: Allocation reporting at least until full allocation of proceeds, and impact reporting until full bond maturity or loan payback	No		
		BP: Clarity and relevance of the indicators on the sustainability benefits	Yes		
		BP: Disclosure of reporting methodology and calculation assumptions	Yes		
		BP: Independent external auditor, or other third party, to verify the tracking and allocation of funds	Yes		
		BP: Independent impact assessment on environmental and social benefits	Yes		
Overall alignment with principles score:					Aligned

Legend: BP - Best practice, A - Aligned, PA - Partially aligned, NA - Not aligned

Appendix 2 - Mapping eligible categories to the United Nations' Sustainable Development Goals

The four eligible categories included in the City of Cologne's framework are likely to contribute to six of the United Nations' Sustainable Development Goals (SDGs), namely:

UN SDG 17 Goals	Eligible Category	SDG Targets
GOAL 3: Good Health and Well-being	Access to essential services: health care and nursing	3.8: Achieve universal health coverage with access to quality and affordable essential health-care services and medicines for all
GOAL 4: Quality Education	Access to essential services: education and sports	4.1: Ensure that all children complete quality primary and secondary education leading to relevant and effective outcomes
		4.2: Ensure that all children have access to quality early childhood development, care and preprimary education
		4.A: Build and upgrade education facilities that provide safe and effective learning environments for all
GOAL 7: Affordable and Clean Energy	Green buildings	7.3: Double the global rate of improvement in energy efficiency
GOAL 10: Reduced Inequality	Access to essential services: education and sports	10.2: Empower and promote the social, economic and political inclusion of all
GOAL 11: Sustainable Cities and Communities	Clean transportation	11.2: Provide access to safe, affordable, accessible and sustainable transport systems for all
GOAL 13: Climate Action	Clean transportation	13.2: Integrate climate change measures into national policies, strategies and planning
	Green buildings	

The United Nations' Sustainable Development Goals (SDGs) mapping in this SPO considers the eligible project categories and associated sustainability objectives/benefits documented in the issuer's finance framework, as well as resources and guidelines from public institutions, such as the ICMA SDG Mapping Guidance and the UN SDG targets and indicators.

Appendix 3 - Summary of eligible categories in the City of Cologne's framework

Eligible Categories	Description	Sustainability Objectives	Impact Reporting Metrics
Access to essential services:	Healthcare facilities, hospitals and old people's and nursing homes Examples of appropriate measures:	Good health and well-being	- Number of hospital beds - Number of people receiving medical care
Health care and nursing	- New construction, expansion and renovation of healthcare facilities, hospitals and old people's and nursing homes - Procurement of medical equipment (e.g. linear accelerators for radiation therapy) or medical vehicle fleet - Procurement of medical IT infrastructure - Supply of sufficient occupancy capacities		
Access to essential services:	Schools, day-care centres and other education and care facilities as well as playgrounds and sports facilities Examples of appropriate measures:	Quality education	- Number of education and care places
Education and sports	- New construction, expansion and renovation of schools, day-care centres and other education and care facilities - School Digitization - Provision of sufficient childcare places - New construction, expansion and renovation of playgrounds and sports facilities	Good health and well-being	- Number of daycare centre, playground and sports facility renovations
Clean transportation	Infrastructure for cycling - The infrastructure is dedicated to personal mobility or cycling logistics Infrastructure for e-mobility - The infrastructure is designed to operate vehicles with zero direct CO2 emissions Public transport - The vehicles are intended for passenger transport in local and local public transport and do not cause any direct CO2 exhaust emissions. - The infrastructure and facilities are intended for passenger transport in local and local public transport. Emission-free fleet - The vehicles do not cause any direct CO2 exhaust emissions	Climate Change Mitigation	- Avoided CO2 emissions (possibly forecast) in t p.a. - Reduction of electricity consumption in kWh compared to previous transport - Passenger-kilometres (number of passengers/total kilometres travelled p.a.) - Length of newly built and rehabilitated cycle paths in km - Number of newly installed bicycle parking facilities - Number of newly installed bike towers - Number of newly created charging points for electric vehicles - Share of electric vehicles in the city's fleet compared to the total fleet - Number and type of electric vehicles to be financed

Eligible Categories	Description	Sustainability Objectives	Impact Reporting Metrics
Green Buildings	<p>New construction, replacement and extensions of buildings:</p> <ul style="list-style-type: none"> - The primary energy demand (PED), which defines the overall energy efficiency of the constructed building, is at least 10% below the threshold set in the requirements for nearly zero-energy buildings according to national measures implementing Directive 2010/31/EU of the European Parliament and Council. The overall energy efficiency is certified by an Energy Performance Certificate (EPC). - For buildings with an area of more than 5,000 m²: - The building is tested for airtightness and thermal integrity upon completion, and any deviations from the efficiency established during the planning phase or defects in the building envelope are disclosed to investors and customers. An alternative option is robust and traceable procedures for quality control during the construction process; this is an acceptable alternative to testing thermal integrity. - The life cycle greenhouse potential (GWP) of the constructed building is calculated for each phase of the life cycle and disclosed to investors and customers upon request <p>Acquisition of buildings:</p> <ul style="list-style-type: none"> - The acquired building meets all the criteria of the sub-category "New construction, replacement and extensions of buildings" of the main category "Green buildings" listed in this table. - If the building is a large non-residential building (with a nominal power for heating systems, combined space heating and ventilation, air conditioning or combined air conditioning and ventilation systems of more than 290 kilowatts), it will be operated efficiently by monitoring and evaluating energy <p>Renovation of buildings:</p> <ul style="list-style-type: none"> - The building renovation complies with the applicable requirements for major renovations. Alternatively, it leads to a reduction in primary energy demand of at least 30%. 	Climate Change Mitigation	<ul style="list-style-type: none"> - Energy savings compared to the respective reference building in kWh/m² and % p.a. - Primary energy demand in kWh/m² p.a. - Estimated CO2 emissions saved in t and % compared to the previous building or compared to the reference building - Number and mentions of certifications <ul style="list-style-type: none"> - Energy savings compared to the existing energy demand before the renovation in kWh/m² and % p.a. - Primary energy demand in kWh/m² p.a. - Estimated CO2 emissions saved in t and % compared to the state before the renovation

Endnotes

- ¹ Point-in-time assessment is applicable only on date of assignment or update.
- ² Statistisches Bundesamt, [Statistischer Bericht - Pflegestatistik - Pflege im Rahmen der Pflegeversicherung - 2023](#), December 2024.
- ³ Stadt Köln, [Köln Klimaneutral 2035](#), retrieved in September 2025.
- ⁴ Stadt Köln, [Köln Klimaneutral 2035](#), retrieved in September 2025.
- ⁵ Umweltbundesamt, [Germany on track for 2030 climate targets](#), March 2025.
- ⁶ Agora Industrie, [Reduktion und Regulierung von Embodied-Carbon-Emissionen im deutschen Gebäudesektor](#), November 2024.

Moody's assigns SPOs in alignment with the main tenets of the ICMA Guidelines for Green, Social, Sustainability and Sustainability-Linked Bonds External Reviews and the LSTA/LMA/APLMA Guidance for Green, Social and Sustainability-Linked Loans External Reviews, as applicable; Moody's practices may however diverge in some respects from the practices recommended in those documents. Moody's approach to assigning SPOs is described in its Assessment Framework, and is subject to the ethical and professional principles set forth in the Moody's Investors Service Code of Professional Conduct.

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