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Second Party Opinion

Molymet’s Sustainability-Linked Financing Framework

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Location: Chile	Sector: Metals & Mining
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Alignment Summary

Aligned = ✓ Conceptually aligned = ○ Not aligned = ✕

- ✓ Sustainability-Linked Bond Principles, ICMA, 2024
 - ✓ Sustainability-Linked Loan Principles, LMA/LSTA/APLMA, 2025
- See [Alignment Assessment](#) for more detail.

Relevance And Ambition Analysis Summary

	Relevance	Ambition
SPT/KPI1 Absolute Scope 1 and 2 GHG emissions reduction by 40% by 2030 from a 2021 base year, with an interim target to have an absolute Scope 1 and 2 GHG emissions reduction by 34% by 2027 from a 2021 base year	elev	Ambitious
SPT/KPI2 Increase renewable electricity consumption to 100% by 2030 from a 2020 base year, with an interim target to increase renewable electricity consumption to 90% by 2027 from a 2020 base year	elev	Ambitious
SPT/KPI3 Increase waste recovery to 45% by 2030 from a 2020 base year, with an interim target to increase waste recovery to 30% by 2027 from a 2020 base year	High elev	Ambitious

SPT--Sustainability performance target. KPI—Key performance indicator. See [Relevance And Ambition Analysis](#) for more detail.

Strengths

Molymet’s waste recovery KPI addresses a highly material topic that is difficult to address. Recovering and reutilizing waste from metals processing activities is challenging, and the company’s waste recovery target is ambitious compared to those of many industry peers.

Molymet’s KPIs represent absolute reductions despite its plan to expand its processing capacity. The KPIs are direct output variables and not proxies or intensity-based measures. We view this positively, as it mitigates the risk that the company achieves its SPT despite total emissions amounts increasing.

Weaknesses

No weaknesses to report.

Areas to watch

KPI 1 only considers Scope 1 and 2 emissions, which represented about 15% of Molymet’s total emissions in 2024. The remaining Scope 3 emissions are significant and stem mostly from upstream mining activities, transportation, and downstream use of products. These emissions are largely outside of the company’s operational control.

Issuer Sustainability Context

This section provides an analysis of the issuer's sustainability management and the embeddedness of the financing framework within its overall strategy.

Company Description

Molibdenos y Metales S.A. (Molymet) was founded in 1936 and is based in San Bernardo, Chile. It engages in the processing of molybdenum concentrate worldwide, producing a wide range of molybdenum and rhenium products for the steel and chemical industries, including metals, oxides, alloys, and powders. Molymet also engages in production of by-products such as copper and sulfuric acid, mining services, energy production and distribution, and real estate management. Molymet doesn't own or operate mines. The company had approximately \$1.7 billion in assets and 1,162 employees as of Dec. 31, 2024.

Material Sustainability Factors

Climate Transition Risk

The mining of minerals and processing of metals are both energy intensive, particularly primary metals versus recycled metals. Moreover, the energy intensity of mining is increasing in many cases as ore grades decline and generally require more processing. So far, the public and policymakers have focused on the greenhouse gas emissions from the industry's end products, especially the combustion of coal. Phasing out coal affects stakeholders by potentially raising electricity prices (since coal is a cheap and globally abundant) and because the coal industry is a significant economic contributor in some small localities. The push for an accelerated energy transition translates to weaker demand for coal and is spilling into the most energy-intensive segments of the wider industry, especially steel and aluminum. The energy transition also presents opportunities. It relies on metals such as copper, lithium, cobalt, and nickel, which are essential for electrification and battery deployment.

Waste & Recycling

Mining and processing can generate dangerous substances, including mercury, sulfuric acid, arsenic or lead, especially in smelting and refining ore to extract minerals. These substances are harmful to the environment and living organisms, requiring strict practices around sourcing, transportation, storage, recycling and disposal. The industry also generates considerable waste in the form of large volumes of untreated rock and processing residues. Companies keep tailings, a mixture of pulverized rock, water and processing chemicals in large impoundments, until fluids are recycled or evaporate. Leaks in wet storage facilities can contaminate water. Likewise, dry tailings may be major sources of dust until they are reclaimed, with typically vegetation planted to stabilize soils. Metals producers increasingly rely on scrap materials, when their collection is economical, potentially advancing circular economy principles.

Pollution

Mining and metals processing releases toxic elements into the air, water, or soil. Metals production sources these mined inputs but is generally less invasive owing to a smaller footprint. Many substances used to process ores and metals are hazardous, so that emissions, effluents, and residual waste can harm human health through land or water contamination. The management of waste and pollution is embedded within the operating plans for any assets in the industry, albeit with varying degrees of quality management, scrutiny, and risk around the world. Small breaches are usually managed through established legal or regulatory frameworks. At very least, episodes of disruption can cause high remediation costs given widespread damage, as well as reputation loss.

Water

The metals and mining sector faces significant water-related challenges that vary by geography, ore type, and operational footprint. Water supply and quality risks stem from aging or inadequate infrastructure, high losses during transfer and processing, and growing exposure to climate-driven variability such as droughts, extreme rainfall, and shifting hydrological patterns. Although recycling and treating process water can reduce freshwater demand, limited treatment capacity or efficiency can lead to downstream ecological and community impacts, including unplanned releases from tailings, stormwater, or treatment systems. Competition for scarce water resources among agriculture, conservation interests, power generation, and local communities further heightens regulatory and stakeholder pressures. As climate risks intensify, effective water stewardship has become a core operational and social-license priority for mining operators.

Social factors

The metals and mining sector's impact on communities is typically pronounced. Mining and processing activities can engender dissent, especially when mining sites encroach on natural or agricultural land. The mining industry's hazardous nature poses risks to workers' safety, as the International Labor Organization has highlighted. Safety incidents can result in operational disruptions, lengthy remediation, or even human casualties. This is especially true for low-probability events such as equipment failures.

Issuer And Context Analysis

The framework seeks to address climate transition risk and waste, which are key sustainability factors for Molymet. In our view, the GHG and renewable energy KPIs selected are effective ways to support the company's decarbonization strategy, while waste management is a highly important topic for metals processing companies. The majority of the company's GHG emissions are Scope 3 and are not addressed by the framework.

Molymet's climate-transition strategy centers on achieving ambitious emissions and energy-use targets and increasing use of renewable energy. In 2024, the company achieved a 46% reduction in absolute Scope 1 and Scope 2 emissions compared to the 2021 baseline year, surpassing its initial target of 20% by 2030. As production is expected to rise, achieving the 2030 goal of a 40% reduction from the baseline will require further investment in efficiency initiatives, equipment upgrades, and achieving the company's goal of increasing renewable energy use to 100% by 2030. However, the company hasn't set a target for its significant Scope 3 emissions, which stem primarily from its mining suppliers' activities, product transportation, and users of products downstream. Addressing Scope 3 emissions will be an important step toward the company's longer-term climate transition.

In addition, the framework seeks to address the company's waste generation and recycling performance. Molymet set a goal to reach at least 40% recycling of waste generated by its operations by 2030, with 2020 as the base year. The highest volume waste streams and their potential reuse include ammonium salts used in the production of inorganic fertilizers, ferromolybdenum slag with potential applications in the construction industry, and lime sludge utilized in construction materials. Beneficial reuse of waste is prioritized in the waste hierarchy and limits the amount sent to landfills. The current recycling rates for hazardous and non-hazardous waste across the company's subsidiaries varies widely, with rates for total waste as low as 1% at the MolymetNos molybdenum roasting plant in Chile and as high as 95% for its roasting, briquetting, and ferromolybdenum plant in Belgium. The company plans additional investments to beneficially reuse materials across its facilities.

Molymet is exposed to other material environmental factors, including water management and pollution. Water is a key input to the production process, and some of the company's processing plants are located in areas of high or extremely high water-stress, with potential adverse impacts on local water resources. To address this, the company aims to improve water efficiency by 10% by 2030. In addition, one of the company's subsidiaries mitigates this risk by utilizing only seawater instead of freshwater. Wastewater is treated before discharge into local water basins.

Similarly, the company addresses air pollution by using scrubber systems to capture SO₂ and NO_x emissions, which can lead to acidified rain and air-quality concerns.

Investments

We expect funding raised through the framework to support Molybdenum's business and sustainability priorities by improving the operational efficiency of existing assets. Funding will help fulfill the company's asset-modernization plans, including completing planned investments of \$59 million for gas cleaning systems in the company's San Bernardo plant, making it up to 40% more efficient than regulations require. The company also allocated \$10.3 million to upgrade its Mexican gas and sulfuric acid plants, which is expected to reduce the risk of accidental releases. And it's spending \$4.1 million to modernize the gas cleaning system in its Belgian wet gas scrubbing plant to eliminate dust and impurities. According to Molybdenum's sustainability agenda, further planned investments into energy-efficient lighting, equipment, vehicles, and renewable energy generation are aligned with its business priorities, though the amounts are not specified. Additional funds will be used to enhance recycling and beneficial reuse of waste streams.

In our view, the planned investments contribute to improving sustainability outcomes, while the company continues to face long-term decarbonization challenges and other environmental impacts. The company's investment strategy is closely aligned with its decarbonization plan, aimed at consistently reducing the carbon intensity of its production through 2030. However, addressing Scope 3 emissions remains a challenge outside the scope of the company's current strategy.

Alignment Assessment

This section provides an analysis of the framework's alignment to the Sustainability-Linked Bond Principles and the Sustainability-Linked Loan Principles.

Alignment Summary Aligned = ✓ Conceptually aligned = ○ Not aligned = ✗

- ✓ Sustainability-Linked Bond Principles, ICMA, 2024
- ✓ Sustainability-Linked Loan Principles, LMA/LSTA/APLMA, 2025

✓ Selection of key performance indicators (KPIs)

We view the KPIs as aligned with sustainable finance principles because their scope, objective, and calculation are clearly articulated in the framework. Furthermore, the three KPIs address relevant sustainability challenges for the metals and mining industry. Emissions are relevant for issuers in this sector, and KPI 1 and 2 demonstrate Molybdenum's commitment to mitigating this exposure, in line with its sustainability strategy. Waste management is relevant for issuers in this sector as well, and KPI 3 demonstrates the company's commitment to managing its waste.

For more information, see KPIs in [Relevance And Ambition Analysis](#). KPI--Key performance indicator.

✓ Calibration of sustainability performance targets (SPTs)

The framework outlines the expected observation date, relevant triggers events, and frequency of the three SPTs. We consider the SPTs to be ambitious because they promote improvements beyond the business-as-usual trajectory. We view positively that the issuer selected SPTs aligned with its overall strategic sustainability and business strategy.

For more information, see SPTs in [Relevance And Ambition Analysis](#).

✓ Instrument characteristics

Sustainability-linked instruments issued under the framework will be subject to the impact on economic characteristics such as the coupon, depending on whether the SPTs are achieved. Potential variations may include a benefit (step-down) or penalty (step-up). Depending on whether or not the corresponding SPT is met, a financial adjustment will be made. In the event of non-compliance with the SPT, Molymet will communicate this in a timely manner through its Annual and Sustainability Report and/or website.

✓ Reporting

We consider Molymet’s overall sustainability-linked reporting practices to be strong. The company commits to publishing annual updates on the KPIs and SPTs in its annual and sustainability report and/or website, including sufficient information to allow investors and lenders to monitor the progress of the SPTs. The SPTs’ performance by the target observation date--as well as the corresponding impact and the timing of such impact on the instrument’s economic characteristics--will be reported annually. Molymet commits to report on any reassessments or pro forma adjustments of KPIs as well as any potential restatements of SPTs.

✓ Post-issuance review

Molymet commits to obtaining an independent qualified external post-issuance verification of its performance against SPTs at least annually, following ICMA’s and LSTA’s official guidelines for external reviews. The performance verification will be published on Molymet’s website.

Please note, our second party opinion is not itself a post-issuance review.

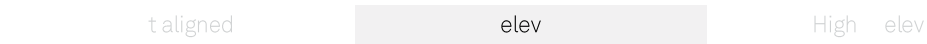
Relevance And Ambition Analysis

This section provides an analysis of whether the financing’s KPIs and SPTs are consistent with its progress towards a sustainable future.

KPI 1 Absolute Scope 1 and 2 GHG emissions (tCO2e)

SPT 1 Absolute Scope 1 and 2 GHG emissions reduction to 40% by 2030 from a 2021 base year, with an interim target of an absolute Scope 1 and 2 GHG emissions reduction to 34% by 2027 from a 2021 base year

KPI 1 – Relevance



Analytical considerations

Second Party Opinion: Molymet's Sustainability-Linked Financing Framework

- We view the selected KPI as relevant, as it addresses climate transition risk and greenhouse gas emissions and decarbonization strategy, some of the most material sustainability challenges for the metals and mining industry. The KPI measures absolute greenhouse gas emissions, which we view more favorably than intensity-based measures of emissions. Scope 1 emissions for Molymet arise from the company's owned and controlled emissions sources, including diesel generators, and Scope 2 emissions stem from the generation of purchased electricity. Molymet's emissions reporting is verified by an independent third party, and the company reports its Scope 2 emissions using both location-based and market-based methodologies, which we view as a strong practice.
- KPI 1 is one of the most frequently used KPIs in the sustainable debt market, allowing for external benchmarking. We view positively that the KPI is directly linked to the issuer's sustainability strategy and its commitment to reduce Scope 1 and 2 emissions. This target focuses solely on real reductions and doesn't include offsets. The company measures its emissions in line with the Greenhouse Gas Protocol.
- The KPI is measured for all of Molymet's operational divisions. The company carried out a materiality assessment in 2024 and included greenhouse gas emissions and decarbonization strategy as one of its most material issues.
- In 2024, Scope 1 emissions accounted for approximately 12% of the company's total emissions (combined Scopes 1, 2, and 3), while Scope 2 emissions account for approximately 3%, using the market-based calculation methodology (the value is about 8% when using the location-based accounting methodology). The Scope 2 emissions included in the KPI are based on the market-based calculation. However, Scope 3 emissions in 2024 comprised approximately 85% of the company's total emissions using the market-based calculation. While reducing Scope 1 and 2 emissions is important, addressing Molymet's Scope 3 footprint remains an important part of its longer-term transition.

SPT 1 - Ambition

Not aligned

Ambitious

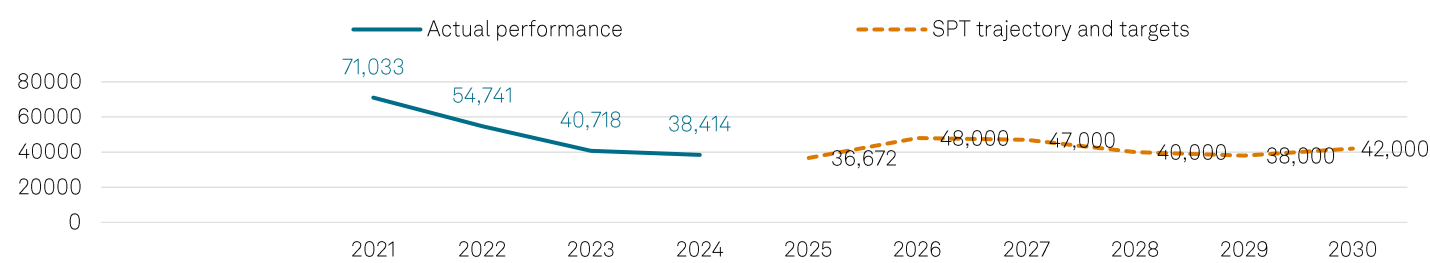
Highly ambitious

Analytical considerations

- Overall, we consider SPT 1 as ambitious. The issuer specifies the baseline year (2021) and the expected observation date, which will be in 2030. The frequency of the SPT is annual.
- The issuer commits to decrease absolute Scope 1 and 2 emissions to 40% by 2030 compared with the 2021 baseline, which would translate to an overall emissions value of a decrease of 29,033 tons of carbon dioxide equivalent (t CO₂e) between 2021 to 2030. The emissions in 2021 were 71,033 tons of CO₂e, and the 2030 emissions are targeted to be 42,000 tons of CO₂e. The issuer also commits to an interim target of reducing absolute Scope 1 and 2 GHG emissions to 34% by 2027 from a 2021 base year. The Scope 1 and 2 emissions in 2027 would thus be 47,000 t CO₂e. As of 2024, the company has reduced its Scope 1 and 2 emissions to 38,414 t CO₂e.
- From 2021 to 2024, the average emissions reduction was approximately 10,873t CO₂e per year, while the change in Scope 1 and 2 emissions from 2025 to 2030 will average an increase in approximately 598t CO₂e. Molymet notes that the 2030 goal considers a 37% increase in production compared to the baseline year of 2021. Thus, even with higher expected processing levels, lower overall emissions between 2021 to 2030 are anticipated, though emissions between the 2024 figure of 38,414 t CO₂e and the 2030 figure of 42,000t CO₂e are expected to increase. The rate of emissions change between 2025 to 2030 is an average annual increase of approximately 2.0%. This rate is thus lower than the historical rate of performance of the average annual decrease in emissions of approximately 20.34% between 2021 to 2024. However, Molymet's 2030 goal is a 4.0% reduction per year (equivalent to a cumulative 40% reduction). This annual reduction compares to the industry average target range of approximately 1.4%-6.4% reduction per year.

- Still, we consider the SPT as ambitious because of Molymet’s expected increase in production, which will increase the magnitude of emissions that must be abated. In addition, Molymet will need to tackle some of the most difficult-to-decarbonize parts of its operations to achieve its target, including smelting facilities. Molymet’s target also accommodates an expected increase in production between 2021 and 2030. It’s expected that the initial years would show more substantial gains, followed by a slower, flatter trajectory as the target is approached. This front-loaded progress curve reflects the realities of a Scope 1 and 2 absolute GHG emissions reduction target.
- Through 2030, the company is looking to reduce emissions by increasing energy efficiency across all processes; use 100% renewable electricity, either through purchasing or self-generation across all operations; and substitute fuels with others that have a lower global warming potential, promoting a transition toward cleaner energy sources. The company’s Scope 2 emissions are already low compared to its total GHG footprint, as calculated by the market-based methodology. As a result, Molymet won’t be able to achieve the SPT solely by purchasing electricity from renewables.
- The company plans to increase production, which could make it more difficult to achieve absolute emissions reductions during this period. The company has also identified key risks beyond its control that could impair its ability to meet the target, which include limited availability of clean energy and technologies in some markets and that higher-than-expected production growth could lead to increased emissions.

SPT 1 performance and trajectory (tCO2e)



Source: S&P Global Ratings.

KPI 2 Renewable electricity consumption (%)

SPT 2 Increase renewable electricity consumption to 100% by 2030 from a 2020 base year, with an interim target to increase renewable electricity consumption to 90% by 2027 from a 2020 base year

KPI 2 – Relevance

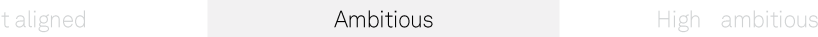
t aligned elev High elev

Analytical considerations

- We view the selected KPI as relevant, as it addresses climate transition risk and greenhouse gas emissions, which are some of the most material sustainability challenges for the metals

- and mining industry. We also believe that the KPI is one of the most effective ways to address these sustainability challenges. The KPI is aligned with Molymet’s decarbonization strategy and its 2030 Sustainability Agenda.
- We view positively that KPI is directly linked to the issuer’s sustainability strategy. The KPI measures renewable electricity consumption. In accordance with GRI definitions, this indicator is determined as the proportion of electricity consumed from renewable sources (either self-generated or contracted), divided by the total of electricity consumed, expressed in GJ. KPI 2 thus allows for external benchmarking.
 - The KPI is measured for all Molymet’s operational divisions. The company conducted a materiality assessment in 2024 and included greenhouse gas emissions and decarbonization as one of the most material issues for the company.

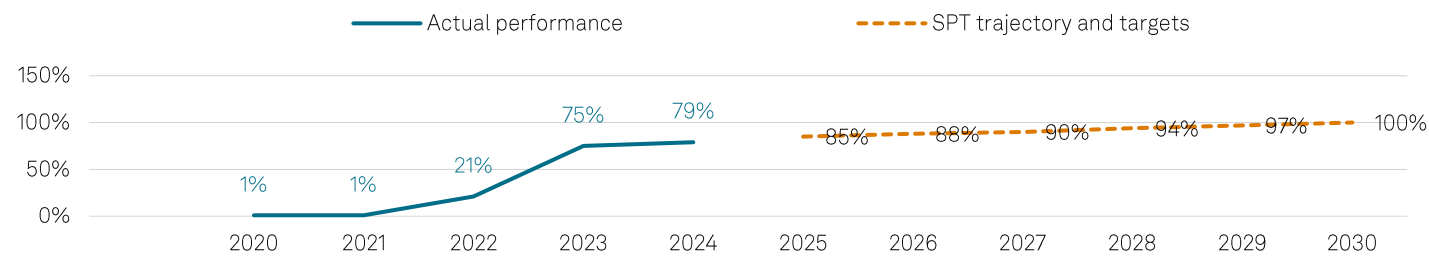
SPT 2 - Ambition



Analytical considerations

- Overall, we consider SPT 2 as ambitious. The issuer specifies the baseline year (2020) and the expected observation date, which will be in 2030. The frequency of the SPTs is annual.
- The issuer commits to increase renewable electricity consumption to 100% by 2030 from the 2020 base year. The issuer also commits to an interim target of increasing renewable electricity consumption to 90% by 2027 from a 2020 base year. As of 2024, the company had increased renewable electricity consumption to 79% from the 2020 baseline of 1% renewable electricity consumption. The expected renewable electricity consumption rate increase from 2025 to 2030 is thus lower than the historical rate of performance. The issuer references the industry average target of approximately 75% renewable electricity consumption in its framework, allowing for benchmarking against the industry average target.
- We consider the SPT as ambitious because Molymet will need to tackle some of the most difficult-to-decarbonize parts of its operations to achieve its target, including roasting furnaces. Due to jurisdiction-specific factors and the complex, phased nature of these initiatives, it's expected that the initial years would show more substantial gains, followed by a slower, flatter trajectory as the target is approached. This front-loaded progress curve reflects the realities of a renewable electricity consumption target.
- The company outlines its strategy to achieve the SPT. The issuer aims to self-generate renewable energy (solar, wind, and hydro) as well as purchase renewable electricity from third parties. The company has guidelines to mitigate environmental and social risks such as its Environmental Management System certification, its Climate Change Protocol, and environmental risk integration within strategic planning and decision making.
- The issuer identifies the availability of renewable electricity for purchase in certain markets as an external factor that may impede the issuer’s ability to achieve this SPT.

SPT 2 performance and trajectory (%)



Source: S&P Global Ratings.

KPI 3 Waste recovery (%): Percentage of waste that is reused, recycled, or recovered for energy out of the total generated, reflecting efficiency in waste management and material recovery

SPT 3 Increase waste recovery to 45% by 2030 from a 2020 base year, with an interim target of increasing waste recovery to 30% by 2027 from a 2020 base year

KPI 3 – Relevance

t aligned elev High elev

Analytical considerations

- We view the selected KPI as highly relevant, as it addresses waste management (hazardous and non-hazardous), a significantly material sustainability challenge for the metals and mining industry. The KPI measures the percentage of total waste that's reused, recycled, or recovered for energy out of the total generated, reflecting efficiency in waste management and material recovery. Molymet has clear guidelines to manage risks and opportunities associated with climate change, of which waste management is one such risk.
- KPI 3 allows for external benchmarking while the company doesn't have many direct peers. We view positively that the KPI is directly linked to the issuer’s sustainability strategy including its work to integrate environmental risks. Environmental risk integration within the issuer’s strategic planning is an important part of its strategy.
- The KPI is measured for all of Molymet’s operational sites. The company carried out a materiality assessment in 2024 and included hazardous waste and materials management as a material risk.

SPT 3 - Ambition

t aligned Ambitious High ambitious

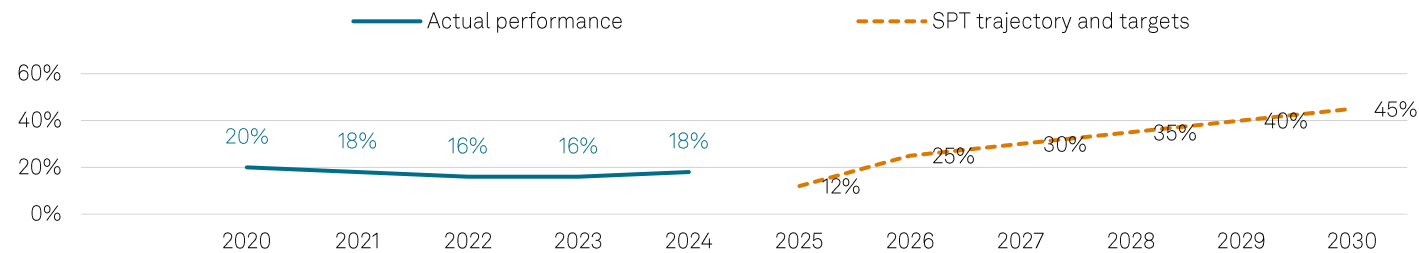
Analytical considerations

- Overall, we consider SPT 3 as ambitious. The issuer specifies the baseline year (2020) and the expected observation date of 2030. The baseline is 2020, and Molymet states that 2020 represents the most up to date and complete information regarding Molymet’s waste recovery data. The frequency of the SPT is annual.
- The SPT includes increasing waste recovery to 45% by 2030 from a 2020 base year, in which waste recovery was 20%. There is also an interim target to increase waste recovery to 30% by 2027 from a 2020 base year. Between 2020 to 2024, the average annual rate has been a decrease of 0.5%. From 2025 to 2030, the average annual rate will be an increase in waste

recovery of 4.5%. Importantly, Molymet notes that the industry average waste recovery target is 45%.

- To achieve the SPT, Molymet states that it will promote the recovery and reuse of its main high-volume waste streams, which are ammonium salts, ferromolybdenum slag, and lime sludge. Molymet acknowledges external factors that may impede the issuer’s ability to achieve the SPT. It notes that the applicability of environmental and sanitary regulations may limit the use of industrial waste as inputs in other production processes. This could affect the feasibility of their recovery. The requirements and timelines for obtaining permits could delay or restrict the implementation of waste recovery projects. In addition, the issuer has policies that would mitigate any environmental or social risks associated with the SPT.

SPT 3 performance and trajectory (%)

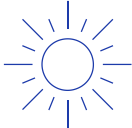
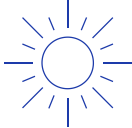
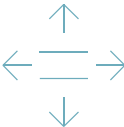


Source: S&P Global Ratings.

Mapping To The U.N.'s Sustainable Development Goals

Where the financing documentation references the Sustainable Development Goals (SDGs), we consider which SDGs it contributes to. We compare the activities funded by the financing to the International Capital Markets Association (ICMA) SDG mapping and outline the intended linkages within our SPO analysis. Our assessment of SDG mapping doesn't affect our alignment opinion.

This framework intends to contribute to the following SDGs:

UOP	SDGs			
KPI 1: Absolute Scope 1 and 2 GHG emissions (tCO2e)				
	7. Affordable and clean energy	13. Climate action		
KPI 2: Renewable electricity consumption (%)				
	7. Affordable and clean energy	13. Climate action		
KPI 3: Waste recovery (%): Percentage of waste that's reused, recycled, or recovered for energy out of the total generated, reflecting efficiency in waste management and material recovery				
	1. No poverty	8. Decent work and economic growth	10. Reduced inequalities	11. Sustainable cities and communities

§The KPI is likely to contribute to the SDGs.

S&P Global Ratings' Shades of Green

Assessments					
 Dark green	 Medium green	 Light green	 Yellow	 Orange	 Red
Description					
Activities that correspond to the long-term vision of an LCCR future.	Activities that represent significant steps toward an LCCR future but will require further improvements to be long-term LCCR solutions.	Activities representing transition steps in the near-term that avoid emissions lock-in but do not represent long-term LCCR solutions.	Activities that do not have a material impact on the transition to an LCCR future, or, Activities that have some potential inconsistency with the transition to an LCCR future, albeit tempered by existing transition measures.	Activities that are not currently consistent with the transition to an LCCR future. These include activities with moderate potential for emissions lock-in and risk of stranded assets.	Activities that are inconsistent with, and likely to impede, the transition required to achieve the long-term LCCR future. These activities have the highest emissions intensity, with the most potential for emissions lock-in and risk of stranded assets.
Example projects					
 Solar power plants	 Energy efficient buildings	 Hybrid road vehicles	 Health care services	 Conventional steel production	 New oil exploration

Note: For us to consider use of proceeds aligned with ICMA Principles for a green project, we require project categories directly funded by the financing to be assigned one of the three green Shades.

LCCR--Low-carbon climate resilient. An LCCR future is a future aligned with the Paris Agreement; where the global average temperature increase is held below 2 degrees Celsius (2 C), with efforts to limit it to 1.5 C, above pre-industrial levels, while building resilience to the adverse impact of climate change and achieving sustainable outcomes across both climate and non-climate environmental objectives. Long term and near term--For the purpose of this analysis, we consider the long term to be beyond the middle of the 21st century and the near term to be within the next decade. Emissions lock-in--Where an activity delays or prevents the transition to low-carbon alternatives by perpetuating assets or processes (often fossil fuel use and its corresponding greenhouse gas emissions) that are not aligned with, or cannot adapt to, an LCCR future. Stranded assets--Assets that have suffered from unanticipated or premature write-downs, devaluations, or conversion to liabilities (as defined by the University of Oxford).

Related Research

- [Analytical Approach: Second Party Opinions](#), March 6, 2025
- [FAQ: Applying Our Integrated Analytical Approach For Second Party Opinions](#), March 6, 2025

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Second Party Opinion: Molymet's Sustainability-Linked Financing Framework

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