Oxford Climate Policy Monitor 2024 Survey

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https://ncm.gov.sa/Ar/Environment/Pages/GeneralEnvironmentalRegulat ions.aspx

3. Source material link(s):

https://web.archive.org/web/20240816061833/https://ncm.gov.sa/Ar/Environment/Pages/GeneralEnvironmentalRegulations.aspx

4. Which of the following governance domains does this policy tool relate to? Select all that apply.

Climate-related disclosure

□ Transition planning

□ Public procurement

6. Select the category which best describes the author/issuer of the policy tool.

Head of state and/or government

□ Independent regulatory or supervisory body

□ Legislature

□ Judiciary

□ Ministry/Department/Agency

 \Box Other (Please describe)

7. Status of the policy tool

Approved, in force

• Approved, not yet in force

• Other (Please describe)

9. Year of (planned) entry into force or year of publication

<u>2021</u>
10. Does the policy tool have an end date?
No
○ Yes

12. Briefly describe the policy tool's goal and/or purpose:

For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.

<u>The General System of Environment and its implementing regulations aim to achieve the following:</u> <u>Preservation, protection and development of the environment, and prevention of pollution.</u> <u>Protecting public health from the dangers of activities and acts harmful to the environment.</u> <u>Conservation, development and rationalization of natural resources.</u>

<u>Make environmental planning an integral part of comprehensive planning for development in all</u> <u>industrial, agricultural, urban and other fields.</u>

Raising awareness of environmental issues, consolidating a sense of individual and collective responsibility to preserve and improve it, and encouraging voluntary national efforts in this field.

Policy tools require companies that participate in industrial activities inside Saudi Arabia to comply with environmental laws and permits and undertake the required transition plan that is related to the industrial activity participated. Failure to do so, will result in banning the company to exercise the industrial activity until violation is removed.

13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.

● 1. <u>Ministry of Environment, Water and Agriculture ("MEWA").</u>

• 2. General Authority of Meteorology and Environment Protection (a MEWA agency)

- 3. National Center for Environmental Compliance
- 4. Ministry of Municipal and Rural Affairs and Housing
- o **5**.

15. To provide contextual information, rate the capacity of Ministry of Environment, Water and Agriculture ("MEWA"). to undertake the policy tool's implementation and/or enforcement.

0- No Capacity (Please explain)

• 1- Low Capacity (Please explain)

• 2- Medium Capacity (Please explain)

• 3- High Capacity (Please explain)

 \circ Prefer not to answer

• Not Applicable

16. To provide contextual information, rate the capacity of General Authority of Meteorology and Environment Protection (a MEWA agency) to undertake the policy tool's implementation and/or enforcement.

0- No Capacity (Please explain)

• 1- Low Capacity (Please explain)

• 2- Medium Capacity (Please explain)

3- High Capacity (Please explain)

 \circ Prefer not to answer

• Not Applicable

17. To provide contextual information, rate the capacity of National Center for Environmental Compliance to undertake the policy tool's implementation and/or enforcement.

0- No Capacity (Please explain)

• 1- Low Capacity (Please explain)

2- Medium Capacity (Please explain)

• 3- High Capacity (Please explain) <u>National Centre for Environmental Compliance has the authority</u> to monitor and enforce policies. It has published annual reports for the years 2021 to 2023 (the latest of which is provided below): https://web.archive.org/save/https://ncec.gov.sa/ar/CenterLibrary/YearlyReports/Documents/%D8%A 7%D9%84%D8%AA%D9%82%D8%B1%D9%8A%D8%B1%20%D8%A7%D9%84%D8%B3%D9% 86%D9%88%D9%8A%20%D9%84%D8%B9%D8%A7%D9%85%202023.pdf

 \circ Prefer not to answer

 \circ Not Applicable

18. To provide contextual information, rate the capacity of Ministry of Municipal and Rural Affairs and Housing to undertake the policy tool's implementation and/or enforcement.

0- No Capacity (Please explain)

1- Low Capacity (Please explain)

• 2- Medium Capacity (Please explain) <u>Ministry of Municipal Rural Affairs and Housing has the</u> <u>authority to report businesses to the regulator and notify of such a violation. The MMRA has the right</u> <u>to suspend its license until violated in cleared</u>

 \circ 3- High Capacity (Please explain)

 \circ Prefer not to answer

 \circ Not Applicable

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded			
entities			
2. Private companies			
3. Financial institutions			
4. Small and medium-			
sized enterprises			
5. State-owned			
companies			
6. Not-for-profit			
organizations			
7. Government			
agencies and/or			
departments			
(supranational)			
8. Government			
agencies and/or			
departments (national)			
9. Government			
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region) 10. Government			
agencies and/or			
departments (local - e.g., county, district,			
municipality, city)			
11. Government			
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors		Π	
(e.g., healthcare,		-	_
defense, utilities,			
education)			
13. Other			
	1	1	1

26. In cases where entities are targeted by sector, identify the sector to which the policy tool applies.

	Mandatory	Voluntary	Not applicable
All sectors			
Agriculture, forestry, and fishing			
Mining and quarrying			
Manufacturing			
Electricity, gas, steam, and air conditioning supply			
Water supply; sewerage; waste management and remediation activities			
Construction			
Wholesale and retail trade: repair of motor vehicles and motorcycles			
Transportation and storage			×
Accommodation and food service activities			
Information and communication			
Financial and insurance activities			
Real estate activities			
Professional, scientific and technical activities			
Administrative and support service activities			
Public administration and defense; compulsory social security			
Education			
Human health and social work activities			
Arts, entertainment and recreation			
Other service activities			
Activities of households as employers; undifferentiated goods-and services- producing activities of			

households for own		
use		
Activities of extraterritorial organizations and bodies		

27. Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory.

Minimum number of employees (Enter min number of full-time employees - FTEs)	
Minimum revenue (Enter minimum revenue)	
Minimum assets (Enter minimum assets)	
Minimum contract value (Enter minimum contract value)	
Entity is headquartered in the jurisdiction	
Entities are subjected to disclosure or reporting requirements	

28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)?

No

 \circ Yes

30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?

• Operations within jurisdiction only

• Operations beyond the jurisdiction

Not applicable

32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.

Monetary fine

Restriction on business activities

Voiding or setting aside of contract

Exclusion from government contracts

Award of damages or compensation

- \Box Penalty for senior managers
- \Box Criminal penalties
- \Box Not specified

□ Not applicable (e.g. in cases of voluntary tools)

□ Other

33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:

• Below average

• Average

 \circ Above average

 \circ Not applicable

• Unknown or prefer not to answer

35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.

• Below average

• Average

 \circ Above average

Not applicable

• Unknown or prefer not to answer

37. Have the climate-specific provisions in this instrument ever been enforced?

• No (If relevant, explain)

Yes

38. Briefly note one to two exemplary cases of enforcement. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

Cases are not published online

39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?

 $\circ \, \text{No}$

Yes

40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.

Each industrial zone in Saudi Arabia reports to the monitoring authority of industrial companies. The industrial zone regulates the companies and manufacturers in its zone and monitor their day-to-day practices. In case of any violation the industrial zone shall report it to the monitoring authority and has the authority to ban from practice until clarification or removal has been provided.

41. Does the policy tool recommend or require periodic impact assessments?

o No

Recommended

Required

42. Select the option that best describes the frequency of periodic impact assessments recommended or required by the policy tool.

 \circ 0-2 years

• 2-5 years

- \circ 5-10 years
- \circ 10 or more years
- \circ Not specified

 $\circ \text{ Other }$

43. Does the policy tool recommend or require periodic reviews?
No
Recommended
Required
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with

45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?

No

 $\circ \, {\rm Yes}$

47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?

 $\circ \operatorname{No}$

Yes

48. Describe initiatives for enhancing the capacity of targeted entities to implement or comply with the policy tool. Reference the relevant section/subsection/paragraph of the policy tool where capacity-building initiatives are established. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

<u>Issuance of Initiative of Environmental Week to spread awareness on the cause and purpose, how to</u> <u>comply with the rules and regulation.</u>

https://web.archive.org/save/https://www.mewa.gov.sa/en/Ministry/Agencies/EnvironmentAgency/To pics/Pages/envwek.aspx

Domain-Specific Questions: Disclosure Questions

What is being disclosed?

52. Are targeted entities recommended or required to disclose any of the following climate-related information? Select all that apply.

	Recommended	Required	Neither recommended nor required
1. Greenhouse gas (GHG) emissions			
2. GHG emissions offsets or removals			
3. GHG emissions reduction targets			
4. Other climate- related targets			
5. Physical climate risk			
6. Transition risk			
7. Transition plan			

Disclosure of Greenhouse Gas (GHG) Emissions

54. Which GHG emissions must be disclosed? Select all that apply.

Carbon dioxide (CO₂)

Methane (CH4)

Nitrous oxide (N₂O)

Hydrofluorocarbons (HFCs)

Perfluorocarbons (PFCs)

Sulphur hexafluoride (SF6)

Nitrogen trifluoride (NF3)

Carbon dioxide equivalent (CO2e)

55. Are entities recommended or required to disclose gross emissions?

 $\circ \, \text{No}$

Recommended

• Required

56. Are entities recommended or required to disclose net emissions?
○ No
Recommended
○ Required
57. What Scope of emissions must be disclosed? Select all that apply.
□ Scope 1 emissions
□ Scope 2 emissions
□ Scope 3 emissions, relevant or material
□ Scope 3 emissions, a specified proportion of coverage (Please describe)
□ Scope 3 emissions, all
Not specified
58. Are entities recommended or required to discloseGHG emissionsaccounting methodologies or standards?
GHG emissions
59. Does the policy tool recommend or require the GHG inventory be third-party verified?
No
• Recommended
o Required

Disclosure of Greenhouse Gas (GHG) Offsets or Removals

62. Does the policy tool recommend or require offsetting purchases be disclosed?

No

• Recommended (Please describe and reference the relevant section/subsection/paragraph of the policy tool)

 \circ Required (Please describe and reference the relevant section/subsection/paragraph of the policy tool)

63. Does the policy tool recommend or require entities disclose whether offsets are verified?

No

• Recommended (Please describe and reference the relevant section/subsection/paragraph of the policy tool)

 \circ Required (Please describe and reference the relevant section/subsection/paragraph of the policy tool)

A Dass the policy tool recommend or require any cortification sta

64. Does the policy tool recommend or require any certification standards for the use of GHG offsetting or removals?

No

• Recommended (Please list the certification standards, describe their use, and reference the relevant section/subsection/paragraph of the policy tool)

 \circ Required (Please describe and reference the relevant section/subsection/paragraph of the policy tool)

65. Does the policy tool include any other recommendations or requirements regarding the appropriate use of offsets?

No

 \circ Recommended (Please describe and reference the relevant section/subsection/paragraph of the policy tool)

 \circ Required (Please describe and reference the relevant section/subsection/paragraph of the policy tool)

Disclosure of Greenhouse Gas (GHG) Emissions Reduction Targets

67. Which of the following targets, or data related to targets, does the policy tool request entities disclose? Select any of the following which apply:

	Recommended	Required	Neither recommended nor required
An absolute emissions reduction target			
An intensity-based emissions reduction target			
A net zero target			
Targets covering non- carbon GHG emissions			
A Scope 3 emissions target			
A target derived using a sectoral decarbonization approach			
Interim targets			
A target timeframe (e.g. by 2040)			
A baseline year from which progress is measured			
A level of ambition for emissions reductions (e.g. 80% reduction)			

68. Does the policy tool recommend or require entities to disclose their progress in achieving their emissions reductions targets?

 $\circ \mathrm{No}$

Recommended

• Required

69. What is the recommended or required frequency of progress reports regarding the achievement of emissions reductions targets?

 \circ Yearly

• Every two years

• Every three years

Every four years
Every five years
Every ten years or more
Other
No prescribed frequency

Disclosure of other climate-related targets

84. Which of the following other climate-related targets does the policy tool recommend or require entities disclose? Select all that apply.

□ Targets for renewable energy procurement (Please reference the section/subsection/paragraph of the policy tool relevant to renewable energy procurement targets)

□ Targets for fossil fuel phase down/phase out (Please reference the section/subsection/paragraph of the policy tool relevant to fossil fuel phase down/phase out)

□ Targets or goals related to climate adaptation (Please reference the section/subsection/paragraph of the policy tool relevant to climate adaptation)

□ Targets or goals related to nature and/or biodiversity (Please reference the section/subsection/paragraph of the policy tool relevant to nature and/or biodiversity)

□ Targets or goals related to just transition (Please reference the section/subsection/paragraph of the policy tool relevant to just transition)

□ Other targets (Please reference the section/subsection/paragraph of the policy tool relevant to other targets)

Disclosure of Physical Risk

86. What types of physical risk must be disclosed?

To company

To society (double materiality)

87. What is the materiality standard for the disclosure of physical risk?

Self-assessed material risk

• Externally-defined material risk

• Other (Describe)

88. Are entities recommended or required to disclose the results of climate risk-related stress tests that are related to physical climate risk?

No

 \circ Recommended

 \circ Required

89. Are entities recommended or required to disclose their methodology for scenario analysis with relation to physical risk?

No

 \circ Recommended

• Required

90. Are risk assessments of physical risk recommended or required to be third-party verified?

No

 \circ Recommended

• Required

Disclosure of Transition Risk

92. What types of transition risk must be disclosed? Select all that apply
Risks that societal transitions may pose to the disclosing entity
Risks that the disclosing entity's transition may pose to society (double materiality)
93. What is the materiality standard for the disclosure of transition risk?
Self-assessed material risk
Externally-defined material risk
Other (Describe)

94. Are entities recommended or required to disclose the results of climate-related risk stress tests that are related to transition risk?

No

 \circ Recommended

• Required

95. Are transition risk assessments recommended or required to be third-party verified?

No

 \circ Recommended

• Required

96. Are entities recommended or required to disclose their methodology for scenario analysis related to transition risk?

No

 \circ Recommended

\circ Required

Disclosure of Transition Plans

98. What is the recommended or required frequency of transition plan disclosures?

• Yearly

Every two years

• Every three years

• Every four years

- \circ Every five years
- \circ Every ten years or more
- \circ Other
- Not specified

99. Does the policy tool recommend or require audited accuracy and/or third-party verification of the transition plan?

 $\circ \ \text{No}$

- \circ Recommended
- Required

100. Does the policy tool recommend or require entities to disclose progress in implementing transition plans?

No

Recommended

 \circ Required

102. Does the policy tool recommend or require targeted entities to disclose their financial plans for implementing transition plans?

 $\circ \, \text{No}$

 \circ Recommended

• Required

103. Does the policy tool recommend or require targeted entities to disclose their methodology for scenario analysis related to transition planning?

No

Recommended

• Required

Other disclosures

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended nor required
1. Climate-related opportunities			
2. Remuneration based on achieving climate-related goals			
3. Taxonomies			
4. Capital allocation and/or expenditure plans (in the context of climate change)			
5. Due diligence			
6. Assumptions and Dependencies			
7. Data limitations of scenario analyses			
8. Financial implications of climate-related matters (e.g., integration of climate- related disclosures into financial accounting standards)			
9. Stewardship (e.g., whether stewardship codes are in place, how entities vote in shareholder meetings, etc.)			
10. ESG methodologies and criteria (in the case of service providers)			
11. Asset planning or ownership in the context of climate change			
12. Sectoral investment policies			
13. Climate-related lobbying and/or policy engagement			
14. Locked-in emissions or information on			

emissive assets with long lifespans		
15. Dirty asset		
divestiture		
16. Nature-related		
impacts		
17. Just transition		
indicators		

Standards, Frameworks, and Guidelines

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1			
2. IFRS S2			
3. Task Force on Climate-related Financial Disclosures (TCFD)			
4. GHG Protocol Corporate Accounting and Reporting Standard			
5. GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
6. CDP (formerly known as Climate Disclosure Project) reporting framework			
7. International Integrated Reporting Framework			
8. Global Reporting Initiative (GRI)			K
9. Sustainability Accounting Standards Board (SASB)			
10. European Sustainability Reporting Standards (ESRS)			
11. Taskforce on Nature-related Financial Disclosures (TNFD)			
12. Partnership for Carbon Accounting Financials (PCAF)			
13. Glasgow Financial Alliance for Net Zero (GFANZ)			
14. Other			

Additional Important Information

128. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

Additional Important Information

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

None

Policy Tool Name: Implementing Regulations for Environmental Permit s for the Establishment and Operation of Activities regulated by Ministry of Environment, Water and Agriculture of Saudi Arabia ncec.gov.sa/ar/CenterLibrary/ProceduresAndGuides/Documents/اللوائح.pdf

3. Source material link(s):

https://web.archive.org/web/20240818120247/https://ncec.gov.sa/ar/CenterLibrary/ProceduresAndG uides/Documents/%D8%A7%D9%84%D9%84%D9%88%D8%A7%D8%A6%D8%AD%20%D8%A7 %D9%84%D8%AA%D9%86%D9%81%D9%8A%D8%B0%D9%8A%D8%A9/%D8%A7%D9%84% D9%84%D8%A7%D8%A6%D8%AD%D8%A9%20%D8%A7%D9%84%D8%AA%D9%86%D9%81 %D9%8A%D8%B0%D9%8A%D8%A9%20%D9%84%D9%84%D8%AA%D8%B5%D8%A7%D8%B 1%D9%8A%D8%AD%20%D8%A7%D9%84%D8%A8%D9%8A%D8%A6%D9%8A%D8%AA%D8%A9%20 %D9%84%D8%A5%D9%86%D8%B4%D8%A7%D8%A1%20%D9%88%D8%AA%D8%B4%D8%A9%20 %D9%8A%D9%84%20%D8%A7%D9%84%D8%A3%D9%86%D8%B4%D8%AA%D8%B7%D8%A9.pdf

4. Which of the following governance domains does this policy tool relate to? Select all that apply.

Climate-related disclosure

□ Transition planning

 \Box Public procurement

- 6. Select the category which best describes the author/issuer of the policy tool.
- Head of state and/or government

 \Box Independent regulatory or supervisory body

□ Legislature

□ Judiciary

□ Ministry/Department/Agency

□ Other (Please describe)

7. Status of the policy tool

 \circ Approved, in force

 \circ Approved, not yet in force

Other (Please describe)

9. Year of (planned) entry into force or year of publication

<u>2021</u>

10. Does the policy tool have an end date?

No

 \circ Yes

12. Briefly describe the policy tool's goal and/or purpose:

For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.

The Regulation provides the basis under which the National Center for Environmental Compliance can conduct audit and inspection.

13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.

• 1. Ministry of Environment, Water and Agriculture

• 2. National Center for Environmental Compliance

o **3**.

o **4**.

o **5**.

15. To provide contextual information, rate the capacity of Ministry of Environment, Water and Agriculture to undertake the policy tool's implementation and/or enforcement.

- 0- No Capacity (Please explain)
- 1- Low Capacity (Please explain)
- 2- Medium Capacity (Please explain)
- 3- High Capacity (Please explain)
- \circ Prefer not to answer
- Not Applicable

16. To provide contextual information, rate the capacity of National Center for Environmental Compliance to undertake the policy tool's implementation and/or enforcement.

- 0- No Capacity (Please explain)
- 1- Low Capacity (Please explain)
- 2- Medium Capacity (Please explain)
- 3- High Capacity (Please explain)
- \circ Prefer not to answer
- Not Applicable

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded			
entities			
2. Private companies			
3. Financial institutions			
4. Small and medium-			
sized enterprises			
5. State-owned			
companies			
6. Not-for-profit			
organizations			
7. Government			
agencies and/or			
departments			
(supranational)			
8. Government			
agencies and/or			
departments (national)			
9. Government			
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region) 10. Government			
agencies and/or departments (local -			
e.g., county, district,			
municipality, city)			
11. Government			
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			
(e.g., healthcare,	-		
defense, utilities,			
education)			
13. Other			

27. Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory.

Minimum number of employees (Enter min number of full-time employees - FTE	s)
Minimum revenue (Enter minimum revenue)	
Minimum assets (Enter minimum assets)	
Minimum contract value (Enter minimum contract value)	
Entity is headquartered in the jurisdiction	
Entities are subjected to disclosure or reporting requirements	

28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)?

No

 \circ Yes

30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?

• Operations within jurisdiction only

• Operations beyond the jurisdiction

 \circ Not applicable

32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.

Monetary fine

Restriction on business activities

Voiding or setting aside of contract

□ Exclusion from government contracts

 $\hfill\square$ Award of damages or compensation

- \Box Penalty for senior managers
- \Box Criminal penalties
- \Box Not specified

□ Not applicable (e.g. in cases of voluntary tools)

□ Other

33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:

• Below average

• Average

 \circ Above average

• Not applicable

• Unknown or prefer not to answer

35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.

• Below average

• Average

 \circ Above average

• Not applicable

• Unknown or prefer not to answer

37. Have the climate-specific provisions in this instrument ever been enforced?

• No (If relevant, explain)

 \circ Yes

39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?

 $\circ \, \text{No}$

• Yes
40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.
41. Does the policy tool recommend or require periodic impact assessments?
No
• Recommended
○ Required
43. Does the policy tool recommend or require periodic reviews?
No
 Recommended
○ Required
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
No
• Yes

47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?

 $\circ \ No$

Yes

48. Describe initiatives for enhancing the capacity of targeted entities to implement or comply with the policy tool. Reference the relevant section/subsection/paragraph of the policy tool where capacity-building initiatives are established. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

The National Center for Environmental Compliance is actively promoting its agenda and produces an annual report on the same. For example, see the report for 2023 below: https://web.archive.org/save/https://ncec.gov.sa/ar/CenterLibrary/YearlyReports/Documents/%D8%A 7%D9%84%D8%AA%D9%82%D8%B1%D9%8A%D8%B1%20%D8%A7%D9%84%D8%B3%D9% 86%D9%88%D9%8A%20%D9%84%D8%B9%D8%A7%D9%85%202023.pdf

Domain-Specific Questions: Disclosure Questions

What is being disclosed?

52. Are targeted entities recommended or required to disclose any of the following climate-related information? Select all that apply.

	Recommended	Required	Neither recommended nor required
1. Greenhouse gas (GHG) emissions			
2. GHG emissions offsets or removals			
3. GHG emissions reduction targets			
4. Other climate- related targets			
5. Physical climate risk			
6. Transition risk			
7. Transition plan			

Other disclosures

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended nor required
1. Climate-related opportunities			
2. Remuneration based on achieving climate-related goals			
3. Taxonomies			
4. Capital allocation and/or expenditure plans (in the context of climate change)			
5. Due diligence			
6. Assumptions and Dependencies			
7. Data limitations of scenario analyses			
8. Financial implications of climate-related matters (e.g., integration of climate- related disclosures into financial accounting standards)			
9. Stewardship (e.g., whether stewardship codes are in place, how entities vote in shareholder meetings, etc.)			
10. ESG methodologies and criteria (in the case of service providers)			
11. Asset planning or ownership in the context of climate change			
12. Sectoral investment policies			
13. Climate-related lobbying and/or policy engagement			
14. Locked-in emissions or information on			

emissive assets with long lifespans		
15. Dirty asset divestiture		
16. Nature-related		
impacts		
17. Just transition indicators		

Standards, Frameworks, and Guidelines

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1			
2. IFRS S2			
3. Task Force on			
Climate-related			
Financial Disclosures			
(TCFD)			
4. GHG Protocol			
Corporate Accounting			
and Reporting			
Standard			
5. GHG Protocol			
Corporate Value Chain			
(Scope 3) Accounting			
and Reporting			
Standard			
6. CDP (formerly			
known as Climate			
Disclosure Project)			
reporting framework			
7. International			
Integrated Reporting			
Framework 8. Global Reporting			
Initiative (GRI)			
9. Sustainability			
Accounting Standards			
Board (SASB)			
10. European			
Sustainability			
Reporting Standards			
(ESRS)			
11. Taskforce on			
Nature-related			
Financial Disclosures			
(TNFD)			
12. Partnership for			
Carbon Accounting			
Financials (PCAF)			
13. Glasgow Financial			
Alliance for Net Zero			
(GFANZ)			
14. Other			

Additional Important Information

128. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

Additional Important Information

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

None

1. Jurisdiction: Saudi Arabia

2. Policy Tool Name: Executive Regulations for Environmental Inspection and Audit regulated by Ministry of Environment, Water and Agriculture of Saudi Arabia اللائحة التنفيذية للتفتيش والتدقيق البيئي.pdf (ncec.gov.sa)

3. Source material link(s):

https://web.archive.org/web/20240821121204/https://www.mewa.gov.sa/en/InformationCenter/Docs Center/RulesLibrary/Docs/Executive%20Regulation%20for%20Environmental%20Inspections%20an d%20Audits.pdf

4. Which of the following governance domains does this policy tool relate to? Select all that apply.

Climate-related disclosure

□ Transition planning

□ Public procurement

6. Select the category which best describes the author/issuer of the policy tool.

Head of state and/or government

□ Independent regulatory or supervisory body

□ Legislature

□ Judiciary

□ Ministry/Department/Agency

 \Box Other (Please describe)

7. Status of the policy tool

Approved, in force

Approved, not yet in force

• Other (Please describe)

9. Year of (planned) entry into force or year of publication

10. Does the policy tool have an end date?
No
° Yes

12. Briefly describe the policy tool's goal and/or purpose:

For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.

<u>The regulation articulates the scope of work of the National Center for Environmental Compliance in</u> <u>terms of:</u>

(1) Developing an environmental inspection methodology suitable for the different categories of activities to be inspected such as poultry, energy, mining, industry and others, in alignment with international best practices.

(2) Developing and implementing annual plans for environmental inspection.

(3) Inspecting, monitoring, and apprehending violations to the law or Executive Regulation; and coordinating when needed with the competent authority at the Ministry of Interior for matters related to security control and violators' apprehension.

(4) Reviewing self-inspection reports and ensuring environmental compliance as well as the effectiveness of the adopted self-inspection programs.

(5) Developing the controls and requirements related to the environmental audit studies.

(6) Reviewing environmental audit studies' reports and issuing the related decisions.

(7) Following through with persons' obligations to implement the requisites of the self-inspection reports, environmental audit studies' reports as well as the action plans to implement the corrective measures.

(8) Issuing Environmental Compliance Certificates (ECCs)

(9) Coordinating with the other National Environmental Centers – when needed – for matters related to inspection activities when the reports and plans are within the centers' jurisdiction.

13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.

I. Ministry of Environment Water and Agriculture (MEWA)

O 2. National Center for Environmental Compliance O	۲	2.	National	Center fo	or Enviro	nmental	Compliance
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15. To provide contextual information, rate the capacity of Ministry of Environment Water and Agriculture (MEWA) to undertake the policy tool's implementation and/or enforcement.

0- No Capacity (Please explain)

- 1- Low Capacity (Please explain)
- 2- Medium Capacity (Please explain)
- 3- High Capacity (Please explain)
- \circ Prefer not to answer
- Not Applicable

16. To provide contextual information, rate the capacity of National Center for Environmental Compliance to undertake the policy tool's implementation and/or enforcement.

- 0- No Capacity (Please explain)
- 1- Low Capacity (Please explain)
- 2- Medium Capacity (Please explain)
- 3- High Capacity (Please explain)
- \circ Prefer not to answer
- \circ Not Applicable

Additional Important Information

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

None

Policy Tool Name: Regulations on Ozone Depleting Substances and Hydrofluorocarbons regulated by Ministry of Environment, Water and Agriculture of Saudi Arabia Untitled-3 (ncec.gov.sa)

3. Source material link(s):

https://web.archive.org/web/20240827063402/https://www.mewa.gov.sa/en/InformationCenter/Docs Center/RulesLibrary/Docs/Executive%20Regulation%20for%20Ozone-Depleting%20Substances%20and%20Hydrofluorocarbons.pdf

4. Which of the following governance domains does this policy tool relate to? Select all that apply.

Climate-related disclosure

Transition planning

□ Public procurement

5. If relevant, briefly explain how the policy tool applies or is linked to multiple domains.

The regulation addresses both the current use and phase out (transition) of a certain class of substances which cause ozone depletion. Reports are required periodically (disclosure).

6. Select the category which best describes the author/issuer of the policy tool.

- Head of state and/or government
- □ Independent regulatory or supervisory body

□ Legislature

□ Judiciary

□ Ministry/Department/Agency

 \Box Other (Please describe)

7. Status of the policy tool

Approved, in force

Approved, not yet in force

Other (Please describe)

9. Year of (planned) entry into force or year of publication

<u>2020</u>

10. Does the policy tool have an end date?

No

 \circ Yes

12. Briefly describe the policy tool's goal and/or purpose:

For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.

Applies to all persons and activities related to ozone-depleting substances and hydrofluorocarbons, in addition to controlled appliances, equipment, and products within the territory of the Kingdom of Saudi Arabia. The regulation relates to the permitting, phase out, licensing and reporting of such substances.

13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.

• 1. Ministry of Environment, Water and Agriculture.

• 2. National Center for Environmental Compliance.

- o **3**.
- o **4**.
- o **5**.

15. To provide contextual information, rate the capacity of Ministry of Environment, Water and Agriculture. to undertake the policy tool's implementation and/or enforcement.

0- No Capacity (Please explain)

• 1- Low Capacity (Please explain)

- 2- Medium Capacity (Please explain)
- 3- High Capacity (Please explain)
- Prefer not to answer
- Not Applicable

16. To provide contextual information, rate the capacity of National Center for Environmental Compliance. to undertake the policy tool's implementation and/or enforcement.

• 0- No Capacity (Please explain)

- 1- Low Capacity (Please explain)
- 2- Medium Capacity (Please explain)
- 3- High Capacity (Please explain)
- \circ Prefer not to answer
- Not Applicable

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded			
entities			
2. Private companies			
3. Financial institutions			
4. Small and medium-			
sized enterprises			
5. State-owned			
companies			
6. Not-for-profit			
organizations			
7. Government			
agencies and/or			
departments			
(supranational)			
8. Government			
agencies and/or			
departments (national)			
9. Government			
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region) 10. Government			
agencies and/or departments (local -			
e.g., county, district,			
municipality, city)			
11. Government			
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			
(e.g., healthcare,			_
defense, utilities,			
education)			
13. Other			

27. Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory.

Minimum number of employees (Enter min number of full-time employees - FTEs)	
Minimum revenue (Enter minimum revenue)	
Minimum assets (Enter minimum assets)	
Minimum contract value (Enter minimum contract value)	
Entity is headquartered in the jurisdiction	
Entities are subjected to disclosure or reporting requirements	

28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)?

No

 $\circ \, \text{Yes}$

30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?

• Operations within jurisdiction only

• Operations beyond the jurisdiction

 \circ Not applicable

32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.

Monetary fine

□ Restriction on business activities

 \Box Voiding or setting aside of contract

□ Exclusion from government contracts

 $\hfill\square$ Award of damages or compensation

 \Box Penalty for senior managers

Criminal penalties

 \Box Not specified

□ Not applicable (e.g. in cases of voluntary tools)

□ Other

33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:

• Below average

• Average

 \circ Above average

• Not applicable

• Unknown or prefer not to answer

35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.

• Below average

• Average

 \circ Above average

Not applicable

• Unknown or prefer not to answer

37. Have the climate-specific provisions in this instrument ever been enforced?

• No (If relevant, explain) Unknown.

 \circ Yes

39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?

 $\circ \mathrm{No}$

Yes 40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set. 41. Does the policy tool recommend or require periodic impact assessments? \circ No Recommended • Required 42. Select the option that best describes the frequency of periodic impact assessments recommended or required by the policy tool. • 0-2 years \circ 2-5 years \circ 5-10 years \circ 10 or more years Not specified • Other 43. Does the policy tool recommend or require periodic reviews? ○ No \circ Recommended Required

44. Select the option that best describes the frequency of the recommended or required periodic reviews.

0-2 years
2-5 years
5-10 years
10 or more years
Not specified
Other

45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?

 $\circ \mathrm{No}$

Yes

46. Describe the mechanisms for enhancing regulatory coordination with subnational governments. Reference the relevant section/subsection/paragraph of the policy tool where mechanisms for coordination with subnational governments are set.

<u>The National Center for Environmental Compliance undertakes (pursuant to Article 3) the tasks</u> <u>related to the regulation, administration, and monitoring of the activities related to ozone-depleting</u> <u>substances and hydrofluorocarbons. This includes:</u>

(1) Implementing international and regional conventions pertaining to ozone-depleting substances and hydrofluorocarbons, in which the Kingdom of Saudi Arabia is a state party.

(3) Developing, monitoring, and executing the necessary phase-out plans and measures for the controlled substances, appliances, equipment, and products, in addition to substituting these with alternative substances, technologies, and equipment in line with the national interest and in accordance with the provisions of the Montreal Protocol and the amendments thereof in order to achieve total phase-out.

(4) Developing and monitoring the implementation of rehabilitation plans for sectors whose operations rely on controlled substances, and providing them with support and assistance, to the extent possible, in order to abide by good practices in repair and maintenance operations and transition to suitable alternatives.

(5) Regulating the import, export, re-export, trade, manufacturing, use, storing, and disposal of controlled substances, appliances, equipment, and products.

(6) Developing the rules, controls, and requirements related to the handling of controlled substances, equipment, and appliances/products, including, but not limited to, their transport, storing, labelling, and maintenance.

(7) Developing the rules, controls, and requirements for licenses and permits related to controlled substances, appliances, equipment, and products, and computing and collecting the related financial dues.

(8) Issuing licenses and permits pertaining to activities involving controlled substances, appliances, equipment, and products.

(9) Coordinating with the Saudi Customs regarding the qualification of their employees to monitor all controlled substances, appliances, equipment, and products, and prevent their illicit trade or illegal practices.

(10) Coordinating with the Saudi Standards, Metrology and Quality Organization to develop and take the necessary measures to issue approved specifications of controlled appliances, equipment, and products in accordance with the law, the Executive Regulations, and all other requirements and amendments adopted by the Center.

(11) Inspecting, monitoring, and reporting all violations of these Executive Regulations, and coordinating with Ministry of Interior, whenever necessary, to apprehend violators.

(12) Developing national reports on ozone-depleting substances and hydrofluorocarbons in the Kingdom of Saudi Arabia and publishing them in line with the Ministry's directives.

(13) Organizing activities of environmental awareness on controlled substances, appliances, equipment, and products.

47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?

 $\circ \ No$

o Yes

Domain-Specific Questions: Disclosure Questions

What is being disclosed?

52. Are targeted entities recommended or required to disclose any of the following climate-related information? Select all that apply.

	Recommended	Required	Neither recommended nor required
1. Greenhouse gas (GHG) emissions			
2. GHG emissions offsets or removals			
3. GHG emissions reduction targets			
4. Other climate- related targets			
5. Physical climate risk			
6. Transition risk			
7. Transition plan			

Disclosure of other climate-related targets

84. Which of the following other climate-related targets does the policy tool recommend or require entities disclose? Select all that apply.

□ Targets for renewable energy procurement (Please reference the section/subsection/paragraph of the policy tool relevant to renewable energy procurement targets)

□ Targets for fossil fuel phase down/phase out (Please reference the section/subsection/paragraph of the policy tool relevant to fossil fuel phase down/phase out)

□ Targets or goals related to climate adaptation (Please reference the section/subsection/paragraph of the policy tool relevant to climate adaptation)

Targets or goals related to nature and/or biodiversity (Please reference the section/subsection/paragraph of the policy tool relevant to nature and/or biodiversity) <u>The regulation</u> relates to ozone depleting substances.

□ Targets or goals related to just transition (Please reference the section/subsection/paragraph of the policy tool relevant to just transition)

Other targets (Please reference the section/subsection/paragraph of the policy tool relevant to other targets)

Disclosure of Physical Risk

86. What types of physical risk must be disclosed?

To company

To society (double materiality)

87. What is the materiality standard for the disclosure of physical risk?

Self-assessed material risk

• Externally-defined material risk

• Other (Describe)

88. Are entities recommended or required to disclose the results of climate risk-related stress tests that are related to physical climate risk?

No

Recommended

Required

89. Are entities recommended or required to disclose their methodology for scenario analysis with relation to physical risk?

 $\circ \operatorname{No}$

 \circ Recommended

• Required

90. Are risk assessments of physical risk recommended or required to be third-party verified?

No

Recommended

\circ Required

Other disclosures

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended nor required
1. Climate-related opportunities			
2. Remuneration based on achieving climate-related goals			
3. Taxonomies			
4. Capital allocation and/or expenditure plans (in the context of climate change)			
5. Due diligence			
6. Assumptions and Dependencies			
7. Data limitations of scenario analyses			
8. Financial implications of climate-related matters (e.g., integration of climate- related disclosures into financial accounting standards)			
9. Stewardship (e.g., whether stewardship codes are in place, how entities vote in shareholder meetings, etc.)			
10. ESG methodologies and criteria (in the case of service providers)			
11. Asset planning or ownership in the context of climate change			
12. Sectoral investment policies			
13. Climate-related lobbying and/or policy engagement			
14. Locked-in emissions or information on			

emissive assets with long lifespans		
15. Dirty asset divestiture		
16. Nature-related		
impacts		
17. Just transition indicators		

Standards, Frameworks, and Guidelines

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1			
2. IFRS S2			
3. Task Force on			
Climate-related			
Financial Disclosures			
(TCFD)			
4. GHG Protocol			
Corporate Accounting			
and Reporting			
Standard			
5. GHG Protocol			
Corporate Value Chain			
(Scope 3) Accounting			
and Reporting			
Standard			
6. CDP (formerly			
known as Climate			
Disclosure Project)			
reporting framework			
7. International			
Integrated Reporting			
Framework 8. Global Reporting			
Initiative (GRI)			
9. Sustainability			
Accounting Standards			
Board (SASB)			
10. European			
Sustainability			
Reporting Standards			
(ESRS)			
11. Taskforce on			
Nature-related			
Financial Disclosures			
(TNFD)			
12. Partnership for			
Carbon Accounting			
Financials (PCAF)			
13. Glasgow Financial			
Alliance for Net Zero			
(GFANZ)			
14. Other			

Additional Important Information

128. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

Domain-Specific Questions: Transition Planning Questions

Disclosure of Plans and Targets

132. Are targeted entities recommended or required to publicly disclose climate-related targets or transition plans?

No

Recommended

 \circ Required

Targets

135. Does the policy tool recommend or require targeted entities to have or develop climate-related targets?

No

Recommended

 \circ Required

Transition Plans

164. Does the policy tool recommend or require targeted entities to have or develop a transition plan?

No

 \circ Recommended

 \circ Required

Monitoring, Oversight, and Implementation

176. Does the policy tool recommend or require entities undertake any of the following with regard to monitoring, oversight, and implementation? Select all that apply.

	Recommended	Required	No
Monitor progress in implementing their transition plan			
Develop financial plans for the implementation of their transition plan			
Integrate climate- related matters into their financial accounting			
Incorporate climate change considerations into their investment decision making and/or asset planning			
Incorporate climate change considerations into their capital allocation and/or expenditure plans			
Any other mechanisms for enhancing the achievement of targets and/or the implementation of transition plans			

Engagement, Lobbying, and Governance

184. Does the policy tool recommend or require targeted entities align any of the following engagement and/or governance practices with their targets and/or transition plans?

	Recommended	Required	No
Value chain			
engagement			
Investor engagement			
Consumer			
engagement			
Policy engagement			
and lobbying practices			
Corporate governance			
structure for transition			
and verification			
Climate-related			
financial incentives for			
employees and board			
members			

185. Does the policy tool recommend or require targeted entities to disclose how they have used due diligence and/or stewardship to achieve their targets and/or implement their transition plans?

No

 \circ Recommended

Required

Standards, Frameworks, and Guidelines

194. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
IFRS S1			
IFRS S2			
Task Force on Climate-related Financial Disclosures (TCFD)			
CDP (formerly known as Climate Disclosure Project) Technical Note: Reporting on Climate Transition Plans			
International Integrated Reporting Framework			
Global Reporting Initiative (GRI)			
Sustainability Accounting Standards Board (SASB)			
Science Based Targets initiative (SBTi)			
Science Based Targets initiative (SBTi) Net Zero Standard			
European Sustainability Reporting Standards (ESRS)			
Other			

Additional Important Information

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

Policy Tool Name: Air Quality Regulations regulated by Ministry of Environment, Water and Agriculture of Saudi Arabia

3. Source material link(s):

https://web.archive.org/web/20240827083307/https://www.mewa.gov.sa/en/InformationCenter/Docs Center/RulesLibrary/Docs/Executive%20Regulations%20for%20Air%20Quality.pdf

4. Which of the following governance domains does this policy tool relate to? Select all that apply.

Climate-related disclosure

Transition planning

 \Box Public procurement

5. If relevant, briefly explain how the policy tool applies or is linked to multiple domains.

<u>The regulation provides a comprehensive regime for monitoring air quality compliance across various</u> <u>sectors, including monitoring, reporting and transitional obligations.</u>

6. Select the category which best describes the author/issuer of the policy tool.

Head of state and/or government

□ Independent regulatory or supervisory body

□ Legislature

□ Judiciary

Ministry/Department/Agency

□ Other (Please describe)

7. Status of the policy tool

Approved, in force

 \circ Approved, not yet in force

Other (Please describe)

9. Year of (planned) entry into force or year of publication

<u>2020</u>

10. Does the policy tool have an end date?

No

 \circ Yes

12. Briefly describe the policy tool's goal and/or purpose:

For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.

<u>The policy tool enables the National Center for Environmental Compliance to pursue the following:</u> (1) Proposing environmental standards, requirements, and controls related to air quality and its protection against pollution.

(2) Tracking and evaluating air quality as well as sources and levels of air pollutants in accordance with environmental standards and requirements.

(3) Obtaining – from individuals, governmental and non-governmental entities – information and data related to air quality and emissions from various sources.

(4) Developing national project plans and implementing them with the aim of reducing and mitigating air pollution.

(5) Tracking air quality indicators.

(6) Developing the necessary controls, procedures, and measures required to be taken when persons are about to exceed air quality standards and monitoring their implementation when necessary.

(7) Developing and reviewing national studies and reports related to air quality.

(8) Cooperating with universities, research centers, and institutions for matters related to air quality. (9) Adopting rules, requirements, and controls for permits and licenses related to air quality.

(10) Issuing permits and licenses related to air quality and collecting the corresponding financial dues.

(11) Approving vocational training programs and specialized training entities that grant certifications in the field of taking measurements and installing equipment for measuring air quality and emissions from sources.

(12) Coordinating with MEWA to implement the provisions of international and regional agreements related to air quality of which the Kingdom is a state party.

(13) Proposing and implementing studies and research related to air quality.

(14) Organizing environmental awareness activities related to air quality, including organizing courses, seminars, specialized workshops, and media campaigns.
 (15) Inspecting and apprehending violations to the executive regulation; and coordinating with the

Ministry of Interior when necessary regarding the apprehension of violators.

13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.

• 1. Ministry of Environment, Water and Agriculture

• 2. National Center for Environmental Compliance

3.
4.
5.

15. To provide contextual information, rate the capacity of Ministry of Environment, Water and Agriculture to undertake the policy tool's implementation and/or enforcement.

0- No Capacity (Please explain)

• 1- Low Capacity (Please explain)

 \circ 2- Medium Capacity (Please explain)

• 3- High Capacity (Please explain)

 \circ Prefer not to answer

• Not Applicable

16. To provide contextual information, rate the capacity of National Center for Environmental Compliance to undertake the policy tool's implementation and/or enforcement.

0- No Capacity (Please explain)

 \circ 1- Low Capacity (Please explain)

• 2- Medium Capacity (Please explain)

 \circ 3- High Capacity (Please explain)

 \circ Prefer not to answer

 \circ Not Applicable

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

Mandatory	Voluntary	Not targeted
\checkmark		
_		

26. In cases where entities are targeted by sector, identify the sector to which the policy tool applies.

	Mandatory	Voluntary	Not applicable
All sectors			
Agriculture, forestry, and fishing			
Mining and quarrying			
Manufacturing			
Electricity, gas, steam, and air conditioning supply			
Water supply; sewerage; waste management and remediation activities			
Construction			
Wholesale and retail trade: repair of motor vehicles and motorcycles			
Transportation and storage			
Accommodation and food service activities			
Information and communication			
Financial and insurance activities			
Real estate activities			
Professional, scientific and technical activities			
Administrative and support service activities			
Public administration and defense; compulsory social security			
Education			
Human health and social work activities			
Arts, entertainment and recreation			
Other service activities			
Activities of households as employers; undifferentiated goods-and services- producing activities of			

households for own		
use		
Activities of extraterritorial organizations and bodies		

27. Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory.

Minimum number of employees (Enter min number of full-time employees - FTEs)	
Minimum revenue (Enter minimum revenue)	
Minimum assets (Enter minimum assets)	
Minimum contract value (Enter minimum contract value)	
Entity is headquartered in the jurisdiction	
Entities are subjected to disclosure or reporting requirements	

28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)?

No

 $\circ \, {\rm Yes}$

30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?

• Operations within jurisdiction only

• Operations beyond the jurisdiction

 \circ Not applicable

32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.

Monetary fine

□ Restriction on business activities

 \Box Voiding or setting aside of contract

□ Exclusion from government contracts

 $\hfill\square$ Award of damages or compensation

- \Box Penalty for senior managers
- □ Criminal penalties
- \Box Not specified

□ Not applicable (e.g. in cases of voluntary tools)

□ Other

33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:

• Below average

• Average

 \circ Above average

• Not applicable

• Unknown or prefer not to answer

35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.

Below average

• Average

 \circ Above average

• Not applicable

• Unknown or prefer not to answer

37. Have the climate-specific provisions in this instrument ever been enforced?

• No (If relevant, explain)

 \circ Yes

39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?

 $\circ \ No$

•	Yes
---	-----

40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.

The policy tools sets out various standards which are monitored for compliance:

Appendix (1) sets air quality standards for primary pollutants.

Appendix (2) sets air quality standards for dangerous pollutants.

General standards for emissions of pollutants from point sources are listed in

Appendix (3).

<u>Standards that are specific for pollutant emissions from point sources – based</u> on the industrial activity are listed in Appendix (4).

Persons that are operating point sources listed in Appendix (5) of the policy tool

must install systems that are approved by the Center for continuous monitoring of the emissions.

<u>Persons must set up and implement systems and programs for the detection of emission of fugitive</u> <u>organic matter and suspend the release of these emissions, which shall be pre-approved by the</u> <u>Center for the following activities:</u>

a. Oil refinement.

b. Manufacturing organic chemical material listed in Appendix (6).

<u>c. Operations related to natural gas, such as separation, processing, or treatment of more than seven</u> <u>hundred thousand (700,000) cubic meters of natural gas per day.</u>

d. Manufacturing organic chemicals that produce or use any of the hazardous organic air pollutants listed in Appendix (7).

Appendix (8) sets out required control devices for volatile organic compounds.

41. Does the policy tool recommend or require periodic impact assessments?

No

Recommended

 \circ Required

43. Does the policy tool recommend or require periodic reviews?

 $\circ \ \text{No}$

- Recommended
- Required

44. Select the option that best describes the frequency of the recommended or required periodic reviews.

 \circ 0-2 years

 \circ 2-5 years

 \circ 5-10 years

 \circ 10 or more years

Not specified

 \circ Other

45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?

 $\circ \operatorname{No}$

Yes

46. Describe the mechanisms for enhancing regulatory coordination with subnational governments. Reference the relevant section/subsection/paragraph of the policy tool where mechanisms for coordination with subnational governments are set.

The policy tool requires close cooperation between MEWA and the National Center (see Article (3)).

47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?

 $\circ \ \text{No}$

 $\circ \, \text{Yes}$

Domain-Specific Questions: Disclosure Questions

What is being disclosed?

52. Are targeted entities recommended or required to disclose any of the following climate-related information? Select all that apply.

	Recommended	Required	Neither recommended nor required
1. Greenhouse gas (GHG) emissions			
2. GHG emissions offsets or removals			
3. GHG emissions reduction targets			
4. Other climate- related targets			
5. Physical climate risk			
6. Transition risk			
7. Transition plan			

Disclosure of Greenhouse Gas (GHG) Emissions

.....

54. Which GHG emissions must be disclosed? Select all that apply.

Carbon dioxide (CO_2)

Methane (CH4)

 \Box Nitrous oxide (N₂O)

□ Hydrofluorocarbons (HFCs)

□ Perfluorocarbons (PFCs)

□ Sulphur hexafluoride (SF6)

□ Nitrogen trifluoride (NF3)

 \Box Carbon dioxide equivalent (CO₂e)

55. Are entities recommended or required to disclose gross emissions?

No

 \circ Recommended

• Required

56. Are entities recommended or required to disclose net emissions?
No
 Recommended
• Required
57. What Scope of emissions must be disclosed? Select all that apply.
□ Scope 1 emissions
C Scope 2 emissions
□ Scope 3 emissions, relevant or material
□ Scope 3 emissions, a specified proportion of coverage (Please describe)
□ Scope 3 emissions, all
Not specified
58. Are entities recommended or required to discloseGHG emissionsaccounting methodologies or standards?
GHG emissions
59. Does the policy tool recommend or require the GHG inventory be third-party verified?
○ No
 Recommended
• Required

60. If necessary, provide additional clarification to the above responses aboutgreenhouse gas (GHG) emissions disclosure.

Various parts of the policy tool require the audit of systems.

For example, under Article (5) (Emissions from Point Sources), section Third provides that " the Center may request operators of point sources not listed in Appendix (5) of the executive regulation to install systems (equipment, devices, technologies... etc.) approved

by the Center for continuous monitoring of the emissions specified by the Center based on the results of the environmental impact assessment studies, environmental audit studies, or the environmental inspection results of these sources."

Where a predictive emission monitoring system is used it must be audited in accordance with the latest edition of the U.S. Environmental Protection Agency (USEPA) on continuous emission monitoring systems (Article 5 (Third)(14)). Audit operations shall be conducted by a service provider that is licensed by the Center.

Other disclosures

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended nor required
1. Climate-related opportunities			
2. Remuneration based on achieving climate-related goals			
3. Taxonomies			
4. Capital allocation and/or expenditure plans (in the context of climate change)			
5. Due diligence			
6. Assumptions and Dependencies			
7. Data limitations of scenario analyses			
8. Financial implications of climate-related matters (e.g., integration of climate- related disclosures into financial accounting standards)			
9. Stewardship (e.g., whether stewardship codes are in place, how entities vote in shareholder meetings, etc.)			
10. ESG methodologies and criteria (in the case of service providers)			
11. Asset planning or ownership in the context of climate change			
12. Sectoral investment policies			
13. Climate-related lobbying and/or policy engagement			
14. Locked-in emissions or information on			

emissive assets with long lifespans		
15. Dirty asset		
divestiture		
16. Nature-related		
impacts		
17. Just transition		
indicators		

Standards, Frameworks, and Guidelines

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

Required	Referenced	Neither required nor referenced
Π		
Π	Π	
_		
Π		

126. List any other standards, frameworks or guidelines integrated into or referred to within the policy tool. Please provide a web-archived link to each standard/framework/guideline listed.

U.S. Environmental Protection Agency method no. twenty-one (21) for the determination of volatile organic compound leaks:

https://web.archive.org/web/20240827110317/https://www.epa.gov/emc/method-21-volatileorganic-compound-leaks

<u>US Environmental Protection Agency (USEPA) design guidelines for</u> stacks to discharge air pollutants:

https://web.archive.org/web/20240827110529/https://19january2021snapshot.epa.gov/sites/static/files/2020-07/documents/cs2ch1.pdf

<u>Predictive emission monitoring system (PEMS) must be audited in accordance with the latest edition</u> of the U.S. Environmental Protection Agency (USEPA) on continuous emission monitoring systems:

https://web.archive.org/web/20240827110817/https://www.epa.gov/emc/emc-continuous-emissionmonitoring-systems

<u>Appendix 4 – Standards for Pollutant Emissions Point Sources by Industrial Activity, Table 1 –</u> <u>Standards for Pollutants Emissions by Industrial Activities, note (1) provides that: "Compliance with</u> <u>the standards will be determined by comparison with hourly average data, unless otherwise</u> <u>specified, that are corrected to standard temperature and pressure, moisture and oxygen content as</u> <u>specified by USEPA Methods."</u>

Additional Important Information

128. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

Domain-Specific Questions: Transition Planning Questions

Disclosure of Plans and Targets

132. Are targeted entities recommended or required to publicly disclose climate-related targets or transition plans?

No

Recommended

Required

Targets

135. Does the policy tool recommend or require targeted entities to have or develop climate-related targets?

 $\circ \ No$

 \circ Recommended

Required

136. Does the policy tool recommend or require entities to monitor progress in achieving their targets?

 $\circ \operatorname{No}$

 \circ Recommended

Required

137. Describe and reference the section/subsection/paragraph of the policy tool relevant to monitoring progress in achieving targets.

Article (6) - Emissions of Fugitive Organic Matter

First: Tracking Fugitive Emissions

(3) Persons must set up a plan for fugitive emissions and must have it approved by the Center, provided that it includes, as a minimum, the following:

a. Method for identifying the sources of the fugitive emissions through inspection,

monitoring, and computation.

b. Inventory of the material containing volatile organic matter, including all storage

areas, pipelines, handover points, and emission points.

c. Responsibilities and targets regarding the management of fugitive emissions, their tracking and reduction.

d. Operational controls for the realization of the targets specified in the plan in

accordance with all the requirements of this article.

e. Periodic maintenance works

138. Does the policy tool recommend or require targeted entities to publicly report on progress in achieving their targets?

No

Recommended

 \circ Required

140. Which of the following targets, or data related to targets, does the policy tool recommend or require entities have or develop? Select all that apply.

	Recommended	Required	No
An absolute emissions			
reduction target			
An intensity-based			
emissions reduction			
target			
A net zero target			
Interim targets (e.g. 2030, 2050)			
Targets covering non- carbon GHG emissions			
A Scope 3 emissions target			
A target derived using a sectoral decarbonization approach			
A level of ambition for emissions reductions (e.g. 80% reduction)			
A baseline year from which progress is measured			
A target timeframe (e.g. by 2040)			
Targets for renewable energy procurement			
Targets for fossil fuel phase down/phase up			
Separate targets for GHG offsets and/or removals			
Targets or goals related to climate adaptation			
Targets or goals related to nature and biodiversity			
Other targets related to sustainability			

162. Describe and reference the section/subsection/paragraph of the policy tool related to setting other targets.

As indicated above, the target requirement relates to fugitive emissions.

Transition Plans
164. Does the policy tool recommend or require targeted entities to have or develop a transition plan?
• No
 Recommended
 Required
Monitoring, Oversight, and Implementation

176. Does the policy tool recommend or require entities undertake any of the following with regard to monitoring, oversight, and implementation? Select all that apply.

	Recommended	Required	No
Monitor progress in implementing their transition plan			
Develop financial plans for the implementation of their transition plan			
Integrate climate- related matters into their financial accounting			
Incorporate climate change considerations into their investment decision making and/or asset planning			
Incorporate climate change considerations into their capital allocation and/or expenditure plans			
Any other mechanisms for enhancing the achievement of targets and/or the implementation of transition plans			

Engagement, Lobbying, and Governance

184. Does the policy tool recommend or require targeted entities align any of the following engagement and/or governance practices with their targets and/or transition plans?

	Recommended	Required	No
Value chain			
engagement			
Investor engagement			
Consumer			
engagement			
Policy engagement			
and lobbying practices			
Corporate governance			
structure for transition			
and verification			
Climate-related			
financial incentives for			
employees and board			
members			

185. Does the policy tool recommend or require targeted entities to disclose how they have used due diligence and/or stewardship to achieve their targets and/or implement their transition plans?

No

 $\circ \, \text{Recommended}$

Required

Standards, Frameworks, and Guidelines

194. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
IFRS S1			
IFRS S2			
Task Force on Climate-related Financial Disclosures (TCFD)			
CDP (formerly known as Climate Disclosure Project) Technical Note: Reporting on Climate Transition Plans			
International Integrated Reporting Framework			
Global Reporting Initiative (GRI)			
Sustainability Accounting Standards Board (SASB)			
Science Based Targets initiative (SBTi)			
Science Based Targets initiative (SBTi) Net Zero Standard			
European Sustainability Reporting Standards (ESRS)			
Other			

195. List any other standards, frameworks or guidelines required by or referred to within the policy tool. Please provide a web-archived link to each standard/framework/guideline listed.

See prior response as regards certain elements of US EPA guidance.

Additional Important Information

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

Policy Tool Name: Waste Recycling Management Law regulated by Ministry of Environment, Water and Agriculture of Saudi Arabia نظام إدارة إلانفايات لعام 1443هـ) الوثائق والمحفوظات

3. Source material link(s):

https://web.archive.org/web/20240819080220/https://ncar.gov.sa/documentdetails/eyJpdil6lkk5YTdyRGM3Qk50Y0hsbjE4bkxCY1E9PSIsInZhbHVIIjoiOVMzdkNST1c1dExueHMz MWxaTm13QT09liwibWFjIjoiYWExMzZmY2Q0ZjllYjQ4NDE2ZDY1OWZhZDQ2MmJIYmMzMTgwZTc 3N2ZiMGFmMzdhMTAzYzBjNTNkZTVkODJmNCIsInRhZyI6liJ9

4. Which of the following governance domains does this policy tool relate to? Select all that apply.

Climate-related disclosure

□ Transition planning

□ Public procurement

6. Select the category which best describes the author/issuer of the policy tool.

Head of state and/or government

□ Independent regulatory or supervisory body

□ Legislature

□ Judiciary

□ Ministry/Department/Agency

 \Box Other (Please describe)

7. Status of the policy tool

Approved, in force

 \circ Approved, not yet in force

Other (Please describe)

9. Year of (planned) entry into force or year of publication

10. Does the policy tool have an end date?
No
○ Yes

12. Briefly describe the policy tool's goal and/or purpose:

For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.

The Law regulates the responsibility of waste producers and disposers. It aims to police the following measures:

<u>1. Rationalizing the use of natural resources and materials.</u>

2. Reusing products.

3. Reducing waste.

2021

<u>4. Storing waste in the designated sites in accordance with the requirements provided for in the Regulations.</u>

5. Sorting reusable or recyclable waste by placing it in the designated sites after such waste is generated.

13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.

• 1. <u>Minister of Environment, Water, and Agriculture, and Chairman of the Center's Board of</u> <u>Directors.</u>

• 2. National Center for Waste Management.

3.
4.
5.

15. To provide contextual information, rate the capacity of Minister of Environment, Water, and Agriculture, and Chairman of the Center's Board of Directors. to undertake the policy tool's implementation and/or enforcement.

0- No Capacity (Please explain)

- 1- Low Capacity (Please explain)
- 2- Medium Capacity (Please explain)
- 3- High Capacity (Please explain)
- Prefer not to answer
- Not Applicable

16. To provide contextual information, rate the capacity of National Center for Waste Management. to undertake the policy tool's implementation and/or enforcement.

- 0- No Capacity (Please explain)
- 1- Low Capacity (Please explain)
- 2- Medium Capacity (Please explain)
- 3- High Capacity (Please explain)
- Prefer not to answer
- Not Applicable

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded			
entities			
2. Private companies			
3. Financial institutions			
4. Small and medium-			
sized enterprises			
5. State-owned			
companies			
6. Not-for-profit			
organizations			
7. Government			
agencies and/or			
departments			
(supranational)			
8. Government			
agencies and/or			
departments (national)			
9. Government			
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region) 10. Government			
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government			
agencies and/or	_		
departments			
(unspecified)			
12. Sectoral actors			
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other			
13 Other Text The law do	ac not apply to radioactiv	ve puelear er militan () (a	ata

13. Other Text: The law does not apply to radioactive, nuclear, or military waste

27. Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory.

Minimum number of employees (Enter min number of full-time employees - FTEs)
Minimum revenue (Enter minimum revenue)
Minimum assets (Enter minimum assets)
Minimum contract value (Enter minimum contract value)
Entity is headquartered in the jurisdiction
Entities are subjected to disclosure or reporting requirements

28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)?

No

 $\circ \, {\rm Yes}$

30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?

• Operations within jurisdiction only

• Operations beyond the jurisdiction

 \circ Not applicable

32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.

Monetary fine

Restriction on business activities

Voiding or setting aside of contract

□ Exclusion from government contracts

Award of damages or compensation

 \Box Penalty for senior managers

Criminal penalties

 \Box Not specified

□ Not applicable (e.g. in cases of voluntary tools)

□ Other

33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:

• Below average

• Average

 \circ Above average

• Not applicable

 $\ensuremath{\textcircled{}}$ Unknown or prefer not to answer

35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.

• Below average

• Average

 \circ Above average

Not applicable

• Unknown or prefer not to answer

37. Have the climate-specific provisions in this instrument ever been enforced?

• No (If relevant, explain)

 \circ Yes

39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?

 $\circ \, \text{No}$

Yes

40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.

The Law provides for an inspection and reporting regime.

41. Does the policy tool recommend or require periodic impact assessments?

 $\circ \ \text{No}$

 \circ Recommended

Required

42. Select the option that best describes the frequency of periodic impact assessments recommended or required by the policy tool.

 \circ 0-2 years

 \circ 2-5 years

 \circ 5-10 years

 \circ 10 or more years

Not specified

 \circ Other

43. Does the policy tool recommend or require periodic reviews?

 $\circ \operatorname{No}$

 \circ Recommended

Required

44. Select the option that best describes the frequency of the recommended or required periodic reviews.

 \circ 0-2 years

 \circ 2-5 years

 \circ 5-10 years

 \circ 10 or more years

Not specified

 $\circ \ \text{Other}$

45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?

 $\circ \, \text{No}$

Yes

46. Describe the mechanisms for enhancing regulatory coordination with subnational governments. Reference the relevant section/subsection/paragraph of the policy tool where mechanisms for coordination with subnational governments are set.

The Law provides for the National Center for Waste Management to have licensing and permitting powers. The Center must prepare a comprehensive strategic plan for waste management in the Kingdom in coordination with the relevant agencies, and update such plan as necessary, and shall develop contingency plans, as specified in the Regulations. In turn, each competent agency shall develop executive plans for waste management that conform with the comprehensive strategic plan for waste management issued by the Center.

47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?

o No

Yes

48. Describe initiatives for enhancing the capacity of targeted entities to implement or comply with the policy tool. Reference the relevant section/subsection/paragraph of the policy tool where capacity-building initiatives are established. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

<u>The Circular Carbon Economy National Program as established in 2021 to foster and promote the circular economy throughout the Kingdom.</u> <u>https://web.archive.org/save/https://www.cce.org.sa/Pages/Aboutus.aspx</u>

Domain-Specific Questions: Disclosure Questions

What is being disclosed?

52. Are targeted entities recommended or required to disclose any of the following climate-related information? Select all that apply.

	Recommended	Required	Neither recommended nor required
1. Greenhouse gas (GHG) emissions			
2. GHG emissions offsets or removals			
3. GHG emissions reduction targets			>
4. Other climate- related targets			
5. Physical climate risk			
6. Transition risk			
7. Transition plan			

Other disclosures

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended
1. Climate-related			nor required
opportunities			
2. Remuneration			
based on achieving			_
climate-related goals			
3. Taxonomies			
4. Capital allocation			
and/or expenditure			
plans (in the context of			
climate change)			
5. Due diligence			
6. Assumptions and Dependencies			
7. Data limitations of			
scenario analyses			
8. Financial			
implications of			
climate-related			
matters (e.g.,			
integration of climate-			
related disclosures into financial			
accounting standards)			
9. Stewardship (e.g.,			
whether stewardship			
codes are in place,			
how entities vote in			
shareholder meetings,			
etc.)		_	
10. ESG			
methodologies and criteria (in the case of			
service providers)			
11. Asset planning or			
ownership in the			
context of climate			
change			
12. Sectoral			
investment policies			
13. Climate-related			
lobbying and/or policy			
engagement 14. Locked-in			
emissions or			
information on			

emissive assets with long lifespans		
15. Dirty asset divestiture		
16. Nature-related		
impacts		
17. Just transition indicators		

Standards, Frameworks, and Guidelines

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1			
2. IFRS S2			
3. Task Force on Climate-related Financial Disclosures (TCFD)			
4. GHG Protocol Corporate Accounting and Reporting Standard			
5. GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
6. CDP (formerly known as Climate Disclosure Project) reporting framework			
7. International Integrated Reporting Framework			
8. Global Reporting Initiative (GRI)			
9. Sustainability Accounting Standards Board (SASB)			
10. European Sustainability Reporting Standards (ESRS)			
11. Taskforce on Nature-related Financial Disclosures (TNFD)			
12. Partnership for Carbon Accounting Financials (PCAF)			
13. Glasgow Financial Alliance for Net Zero (GFANZ)			
14. Other			

Additional Important Information

128. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

Additional Important Information

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

None

Policy Tool Name: Saudi and Middle East Green Initiative (Middle Green Initiate and Saudi Green Initiative)

3. Source material link(s): https://web.archive.org/web/20240817062708/https://www.greeninitiatives.gov.sa/about-sgi

4. Which of the following governance domains does this policy tool relate to? Select all that apply.

□ Climate-related disclosure

Transition planning

□ Public procurement

6. Select the category which best describes the author/issuer of the policy tool.

Head of state and/or government

□ Independent regulatory or supervisory body

□ Legislature

□ Judiciary

□ Ministry/Department/Agency

 \Box Other (Please describe)

7. Status of the policy tool

Approved, in force

Approved, not yet in force

• Other (Please describe)

9. Year of (planned) entry into force or year of publication

<u>2021</u>

10. Does the policy tool have an end date?

No	
Yes	

12. Briefly describe the policy tool's goal and/or purpose:

For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.

<u>SGI unites environmental protection, energy transition and sustainability programs with the</u> overarching aims of offsetting and reducing emissions, increasing afforestation and land restoration, and protecting the Kingdom's land and sea.

13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.

• 1. Energy & Climate Change leadership His Royal Highness Prince Abdulaziz bin Salman, Minister of Energy

• 2. <u>Environment leadership His Excellency Abdulrahman Al-Fadley, Minister of Environment, Water</u> and Agriculture

o **3**.

o **4**.

o **5**.

15. To provide contextual information, rate the capacity of Energy & Climate Change leadership His Royal Highness Prince Abdulaziz bin Salman, Minister of Energy to undertake the policy tool's implementation and/or enforcement.

0- No Capacity (Please explain)

• 1- Low Capacity (Please explain)

 \circ 2- Medium Capacity (Please explain)

3- High Capacity (Please explain)

• Prefer not to answer

• Not Applicable

16. To provide contextual information, rate the capacity of Environment leadership His Excellency Abdulrahman Al-Fadley, Minister of Environment, Water and Agriculture to undertake the policy tool's implementation and/or enforcement.

- 0- No Capacity (Please explain)
- 1- Low Capacity (Please explain)
- 2- Medium Capacity (Please explain)
- 3- High Capacity (Please explain)
- Prefer not to answer
- Not Applicable

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded			
entities			
2. Private companies			
3. Financial institutions			
4. Small and medium-			
sized enterprises			
5. State-owned			
companies			
6. Not-for-profit			
organizations			
7. Government			
agencies and/or			
departments			
(supranational)			
8. Government			
agencies and/or			
departments (national)			
9. Government			
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region) 10. Government			
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government			
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other			

26. In cases where entities are targeted by sector, identify the sector to which the policy tool applies.

	Mandatory	Voluntary	Not applicable
All sectors			
Agriculture, forestry, and fishing			
Mining and quarrying			
Manufacturing			
Electricity, gas, steam, and air conditioning supply			
Water supply; sewerage; waste management and remediation activities			
Construction			
Wholesale and retail trade: repair of motor vehicles and motorcycles			
Transportation and storage			
Accommodation and food service activities			
Information and communication			
Financial and insurance activities			
Real estate activities			
Professional, scientific and technical activities			
Administrative and support service activities			
Public administration and defense; compulsory social security			
Education			
Human health and social work activities			
Arts, entertainment and recreation			
Other service activities			
Activities of households as employers; undifferentiated goods-and services- producing activities of			

households for own		
use		
Activities of extraterritorial organizations and bodies		

28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)?

 $\circ \ \text{No}$

 $\circ \, \text{Yes}$

30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?

• Operations within jurisdiction only

• Operations beyond the jurisdiction

• Not applicable

.....

32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.

□ Monetary fine

□ Restriction on business activities

 \Box Voiding or setting aside of contract

□ Exclusion from government contracts

 \Box Award of damages or compensation

□ Penalty for senior managers

□ Criminal penalties

 \Box Not specified

□ Not applicable (e.g. in cases of voluntary tools)

□ Other

33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:

- Below average
- Average
- \circ Above average
- \circ Not applicable
- Unknown or prefer not to answer

35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.

Below average

- Average
- Above average
- Not applicable
- Unknown or prefer not to answer

37. Have the climate-specific provisions in this instrument ever been enforced?

• No (If relevant, explain) The SGI is an policy initiative rather than a regulation.

 $\circ \, \text{Yes}$

39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?

No

 \circ Yes

41. Does the policy tool recommend or require periodic impact assessments?

 $\circ \ No$

Recommended

• Required

42. Select the option that best describes the frequency of periodic impact assessments recommended or required by the policy tool.

 \circ 0-2 years

 \circ 2-5 years

 \circ 5-10 years

 \circ 10 or more years

Not specified

 \circ Other

43. Does the policy tool recommend or require periodic reviews?

 $\circ \ \text{No}$

Recommended

• Required

44. Select the option that best describes the frequency of the recommended or required periodic reviews.

 \circ 0-2 years

 \circ 2-5 years

 \circ 5-10 years

 \circ 10 or more years

Not specified

• Other

45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?

 $\circ \ \text{No}$

Yes

46. Describe the mechanisms for enhancing regulatory coordination with subnational governments. Reference the relevant section/subsection/paragraph of the policy tool where mechanisms for coordination with subnational governments are set.

47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?

 $\circ \, \text{No}$

Yes

48. Describe initiatives for enhancing the capacity of targeted entities to implement or comply with the policy tool. Reference the relevant section/subsection/paragraph of the policy tool where capacity-building initiatives are established. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

Domain-Specific Questions: Transition Planning Questions

Disclosure of Plans and Targets

132. Are targeted entities recommended or required to publicly disclose climate-related targets or transition plans?

No

Recommended

Required

Targets

135. Does the policy tool recommend or require targeted entities to have or develop climate-related targets?

 $\circ \ No$

Recommended

 \circ Required

136. Does the policy tool recommend or require entities to monitor progress in achieving their targets?

 $\circ \operatorname{No}$

Recommended

Required

137. Describe and reference the section/subsection/paragraph of the policy tool relevant to monitoring progress in achieving targets.

<u>Through the Middle East Green Initiative (MGI). Saudi Arabia aims to bring together regional</u> <u>stakeholders to collectively achieve more than a 60% reduction in emissions from regional</u> <u>hydrocarbon production. The MGI target to reduce emissions by 670 million tons of CO2e constitutes</u> <u>the nationally determined contributions (NDCs) from all countries in the region. This represented 10%</u> <u>of global contributions at the time the target was announced in 2021.</u>

To achieve this, MGI will facilitate collaboration at the highest levels of government to enable businesses and civil society to scale up carbon capture, invest in the green economy and encourage innovation and growth in renewables.

138. Does the policy tool recommend or require targeted entities to publicly report on progress in achieving their targets?

No

Recommended

 \circ Required

140. Which of the following targets, or data related to targets, does the policy tool recommend or require entities have or develop? Select all that apply.

	Recommended	Required	No
An absolute emissions			
reduction target			
An intensity-based			
emissions reduction			
target			
A net zero target			
Interim targets (e.g. 2030, 2050)			
Targets covering non- carbon GHG emissions			
A Scope 3 emissions target			
A target derived using a sectoral decarbonization approach			
A level of ambition for emissions reductions (e.g. 80% reduction)			
A baseline year from which progress is measured			
A target timeframe (e.g. by 2040)			
Targets for renewable energy procurement			
Targets for fossil fuel phase down/phase up			
Separate targets for GHG offsets and/or removals			
Targets or goals related to climate adaptation			
Targets or goals related to nature and biodiversity			
Other targets related to sustainability			

141. What is the recommended or required scope of emissions for absolute emissions reduction targets? Select all that apply.

□ Scope 1 emissions

□ Scope 2 emissions

□ Scope 3 emissions, relevant or material

Scope 3 emissions, a specified proportion of coverage (Please describe) <u>SGI target: reduce carbon</u> emissions by 278 mtpa by 2030

□ Scope 3 emissions, all

 \Box Not specified

143. Does the policy tool recommend or require a scope of emissions which should be covered by the net zero target? Select all that apply.

□ Scope 1 emissions

□ Scope 2 emissions

□ Scope 3 emissions, relevant or material

□ Scope 3 emissions, a specified proportion of coverage (Please describe)

□ Scope 3 emissions, all

Not specified

144. What is the recommended or required year for the net zero target (e.g. net zero by...)?

 \circ Between 2030 and 2035

 \circ Between 2036 and 2040

 \circ Between 2041 and 2045

 \circ Between 2046 and 2050

Between 2051 and 2060

 \circ Between 2061 and 2070

• Other

• Not specified

145. What is the recommended or required year for interim targets?

2025-2030

o 2031-2040

o 2041-2050

 \circ Other

Not specified

146. What is the recommended or required level of ambition for interim targets?

 \circ Reduction between 1-25%

- Reduction between 26-50%
- Reduction between 51-75%
- \circ Reduction of over 76%
- \circ Other
- Not specified

147. For which of the following non-carbon GHGs are entities recommended or required to develop emissions reduction targets? Select all that apply.

□ Methane (CH₄)

□ Nitrous oxide (N₂O)

□ Hydrofluorocarbons (HFCs)

- □ Perfluorocarbons (PFCs)
- \Box Sulphur hexafluoride (SF6)

□ Nitrogen trifluoride (NF3)

□ Carbon dioxide equivalent (CO2e)

150. What is the recommended or required level of ambition for GHG emissions reductions targets?

- \circ Reduction between 1-25%
- \circ Reduction between 26-50%
- \circ Reduction between 51-75%
- \circ Reduction between 75-85%
- Reduction between 85-100%
- \circ Reduction of more than 100%
- \circ Other

153. What is the recommended or required timeframe for targets (e.g. by 2050, 2060)?

- \circ Between 2030 and 2035
- \circ Between 2036 and 2040
- \circ Between 2041 and 2045
- \circ Between 2046 and 2050
- \circ Between 2051 and 2060
- \circ Between 2061 and 2070
- \circ Other
- Not specified

.....

154. Describe and reference the section/subsection/paragraph of the policy tool relevant to targets for renewable energy procurement.

159. Describe and reference the section/subsection/paragraph of the policy tool related to climate adaptation targets.

160. Describe and reference the section/subsection/paragraph of the policy tool related to nature and biodiversity targets or goals.

161. Describe and reference the section/subsection/paragraph of the policy tool related to just transition targets or goals.

162. Describe and reference the section/subsection/paragraph of the policy tool related to setting other targets.

Transition Plans

164. Does the policy tool recommend or require targeted entities to have or develop a transition plan?

No

 $\circ \, \text{Recommended}$

• Required

Monitoring, Oversight, and Implementation

176. Does the policy tool recommend or require entities undertake any of the following with regard to monitoring, oversight, and implementation? Select all that apply.

	Recommended	Required	No
Monitor progress in implementing their transition plan			
Develop financial plans for the implementation of their transition plan			
Integrate climate- related matters into their financial accounting			
Incorporate climate change considerations into their investment decision making and/or asset planning			
Incorporate climate change considerations into their capital allocation and/or expenditure plans			
Any other mechanisms for enhancing the achievement of targets and/or the implementation of transition plans			

Engagement, Lobbying, and Governance

184. Does the policy tool recommend or require targeted entities align any of the following engagement and/or governance practices with their targets and/or transition plans?

	Recommended	Required	No
Value chain			
engagement			
Investor engagement			
Consumer			
engagement			
Policy engagement			
and lobbying practices			
Corporate governance			
structure for transition			
and verification			
Climate-related			
financial incentives for			
employees and board			
members			

185. Does the policy tool recommend or require targeted entities to disclose how they have used due diligence and/or stewardship to achieve their targets and/or implement their transition plans?

No

 \circ Recommended

• Required

186. Describe the obligation to the align targets and/or transition plans with value chain engagement, referencing the relevant section/subsection/paragraph of the policy tool.

Part of the SGI involved accelerating the Circular Carbon Economy program, further details of which can be found here:

https://web.archive.org/save/https://www.cce.org.sa/Pages/Home.aspx

188. Describe the obligation to the align targets and/or transition plans with consumer engagement, referencing the relevant section/subsection/paragraph of the policy tool.

<u>The policy initiative refers to the Circular Carbon Economy program:</u> <u>https://web.archive.org/save/https://www.greeninitiatives.gov.sa/about-sgi/sgi-targets/reduce-</u> <u>carbon-emissions/?csrt=12153826948178033276</u> Linked below:

https://web.archive.org/save/https://www.cce.org.sa/Pages/Home.aspx

Standards, Frameworks, and Guidelines

194. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
IFRS S1			
IFRS S2			
Task Force on Climate-related Financial Disclosures (TCFD)			
CDP (formerly known as Climate Disclosure Project) Technical Note: Reporting on Climate Transition Plans			
International Integrated Reporting Framework			
Global Reporting Initiative (GRI)			 Image: A start of the start of
Sustainability Accounting Standards Board (SASB)			
Science Based Targets initiative (SBTi)			
Science Based Targets initiative (SBTi) Net Zero Standard			
European Sustainability Reporting Standards (ESRS)			
Other			

Additional Important Information

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

Policy Tool Name: Saudi Exchange ESG Disclosure Guidelines

3. Source material link(s):

https://web.archive.org/web/20240819070717/https://www.saudiexchange.sa/wps/portal/saudiexchange/listing/issuer-guides/esg-guidelines

4. Which of the following governance domains does this policy tool relate to? Select all that apply.

Climate-related disclosure

□ Transition planning

□ Public procurement

6. Select the category which best describes the author/issuer of the policy tool.

 \Box Head of state and/or government

Independent regulatory or supervisory body

□ Legislature

□ Judiciary

□ Ministry/Department/Agency

 \Box Other (Please describe)

7. Status of the policy tool

Approved, in force

• Approved, not yet in force

• Other (Please describe)

9. Year of (planned) entry into force or year of publication

<u>2021</u>

10. Does the policy tool have an end date?

12. Briefly describe the policy tool's goal and/or purpose:

For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.

In 2018, Saudi Exchange (formerly the Saudi Stock Exchange 'Tadawul') became a partner exchange supporting the UN Sustainable Stock Exchanges Initiative and working to promote ESG awareness, initiatives and encourage sustainable investment, in collaboration with market participants such as issuers and investors.

Saudi Exchange has engaged with listed companies, standards-setters, index providers, ratings providers, investors, and other stock exchanges, to help advance ESG disclosure in the Saudi capital market. It remains focused on raising awareness and encouraging listed companies to disclose ESG.

The guidelines were created as a useful resource for listed companies to help them navigate ESG. As the Saudi capital market continues to develop, an updated version will be issued. The intention is to ensure the guidelines remain relevant and can continue to act as a catalyst supporting the sustainable and inclusive growth of the Saudi capital market, for the benefit of all market participants.

13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.

● 1.<u>Saudi Exchange</u>

2.
3.
4.
5.

15. To provide contextual information, rate the capacity of Saudi Exchange to undertake the policy tool's implementation and/or enforcement.

• 0- No Capacity (Please explain)

- 1- Low Capacity (Please explain)
- 2- Medium Capacity (Please explain)

• 3- High Capacity (Please explain) <u>Saudi Exchange is one of the leading bourses in the region and</u> <u>has significant institutional regulatory capacity.</u>

 \circ Prefer not to answer

• Not Applicable

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded			
entities			
2. Private companies			
3. Financial institutions			
4. Small and medium-			
sized enterprises			
5. State-owned			
companies			
6. Not-for-profit			
organizations			
7. Government			
agencies and/or			
departments			
(supranational)			
8. Government			
agencies and/or			
departments (national)			
9. Government			
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			
10. Government			
agencies and/or departments (local -			
e.g., county, district,			
municipality, city)			
11. Government			
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			
(e.g., healthcare,			-
defense, utilities,			
education)			
13. Other			

28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)?

No	
Yes	

30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?

• Operations within jurisdiction only

 \circ Operations beyond the jurisdiction

Not applicable

32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.

 \Box Monetary fine

□ Restriction on business activities

 \Box Voiding or setting aside of contract

□ Exclusion from government contracts

□ Award of damages or compensation

 \Box Penalty for senior managers

 \Box Criminal penalties

 \Box Not specified

Not applicable (e.g. in cases of voluntary tools)

□ Other

33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:

 \circ Below average

 \circ Average

 \circ Above average

• Not applicable

• Unknown or prefer not to answer

35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.

• Below average

 \circ Average

 \circ Above average

 \circ Not applicable

• Unknown or prefer not to answer

37. Have the climate-specific provisions in this instrument ever been enforced?

• No (If relevant, explain)

 $\circ \, \text{Yes}$

39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?

No

 $\circ \, \text{Yes}$

.....

41. Does the policy tool recommend or require periodic impact assessments?

No

 \circ Recommended

• Required

43. Does the policy tool recommend or require periodic reviews?

 $\circ \ \text{No}$

Recommended

 \circ Required

44. Select the option that best describes the frequency of the recommended or required periodic reviews.

 \circ 0-2 years

 \circ 2-5 years

 \circ 5-10 years

 \circ 10 or more years

Not specified

 $\circ \ \text{Other}$

45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?

No

 \circ Yes

47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?

 $\circ \ \text{No}$

Yes

48. Describe initiatives for enhancing the capacity of targeted entities to implement or comply with the policy tool. Reference the relevant section/subsection/paragraph of the policy tool where capacity-building initiatives are established. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

The Saudi Green Initiative is relevant as is the drive towards a circular economy being promoted by government.

Domain-Specific Questions: Disclosure Questions

What is being disclosed?

52. Are targeted entities recommended or required to disclose any of the following climate-related information? Select all that apply.

	Recommended	Required	Neither recommended nor required
1. Greenhouse gas (GHG) emissions			
2. GHG emissions offsets or removals			
3. GHG emissions reduction targets			
4. Other climate- related targets			
5. Physical climate risk			
6. Transition risk			
7. Transition plan			

Disclosure of Greenhouse Gas (GHG) Emissions

54. Which GHG emissions must be disclosed? Select all that apply.

 \Box Carbon dioxide (CO₂)

□ Methane (CH4)

 \Box Nitrous oxide (N₂O)

□ Hydrofluorocarbons (HFCs)

□ Perfluorocarbons (PFCs)

□ Sulphur hexafluoride (SF6)

□ Nitrogen trifluoride (NF3)

 \Box Carbon dioxide equivalent (CO₂e)

55. Are entities recommended or required to disclose gross emissions?

No

 \circ Recommended

Required

56. Are entities recommended or required to disclose net emissions?
No
 Recommended
• Required
57. What Scope of emissions must be disclosed? Select all that apply.
□ Scope 1 emissions
□ Scope 2 emissions
□ Scope 3 emissions, relevant or material
□ Scope 3 emissions, a specified proportion of coverage (Please describe)
Scope 3 emissions, all
□ Not specified
58. Are entities recommended or required to discloseGHG emissionsaccounting methodologies or standards?
GHG emissions
59. Does the policy tool recommend or require the GHG inventory be third-party verified?
○ No
 Recommended
o Required

60. If necessary, provide additional clarification to the above responses aboutgreenhouse gas (GHG) emissions disclosure.

Appendix B of the Guidelines sets out several themes for ESG reporting. The first sub-section under the Environmental heading addresses climate change and asks companies to consider reporting on the following:

<u>GHG Emissions not only in absolute, but also in intensity terms: Companies are assessed on how</u> <u>actively and effectively the entity is managing its direct and</u> <u>indirect exposure to GHG emissions risks and opportunities relative to other comparable entities in its</u> <u>sectors.</u> <u>Product Carbon Footprint. Companies are evaluated on the carbon intensity of their products and</u> <u>their ability to reduce the carbon footprint in their supply</u> <u>chains or in the use of their products and services.</u> <u>Financing Environmental Impact. Financial institutions are evaluated on the</u> <u>environmental risks of their lending and underwriting activities and their ability to</u> <u>capitalize on opportunities related to green finance.</u> <u>Climate Change Vulnerability: Insurance companies are assessed on the</u> <u>physical risk that climate change may pose to insured assets or individuals.</u>

Disclosure of Greenhouse Gas (GHG) Offsets or Removals

62. Does the policy tool recommend or require offsetting purchases be disclosed?

No

• Recommended (Please describe and reference the relevant section/subsection/paragraph of the policy tool)

 \circ Required (Please describe and reference the relevant section/subsection/paragraph of the policy tool)

63. Does the policy tool recommend or require entities disclose whether offsets are verified?

No

 \circ Recommended (Please describe and reference the relevant section/subsection/paragraph of the policy tool)

 \circ Required (Please describe and reference the relevant section/subsection/paragraph of the policy tool)

64. Does the policy tool recommend or require any certification standards for the use of GHG offsetting or removals?

 $\circ \operatorname{No}$

• Recommended (Please list the certification standards, describe their use, and reference the relevant section/subsection/paragraph of the policy tool) <u>Appendix C of the Guidelines directs</u> <u>companies to a variety of relevant standards bodies.</u>

 \circ Required (Please describe and reference the relevant section/subsection/paragraph of the policy tool)

65. Does the policy tool include any other recommendations or requirements regarding the appropriate use of offsets?

No

• Recommended (Please describe and reference the relevant section/subsection/paragraph of the policy tool)

 \circ Required (Please describe and reference the relevant section/subsection/paragraph of the policy tool)

Disclosure of Greenhouse Gas (GHG) Emissions Reduction Targets

67. Which of the following targets, or data related to targets, does the policy tool request entities disclose? Select any of the following which apply:

	Recommended	Required	Neither recommended nor required
An absolute emissions reduction target			
An intensity-based emissions reduction target			
A net zero target			
Targets covering non- carbon GHG emissions			
A Scope 3 emissions target			
A target derived using a sectoral decarbonization approach			
Interim targets			
A target timeframe (e.g. by 2040)			
A baseline year from which progress is measured			
A level of ambition for emissions reductions (e.g. 80% reduction)			

68. Does the policy tool recommend or require entities to disclose their progress in achieving their emissions reductions targets?

No

 \circ Recommended

• Required

70. Does the policy tool recommend or require a scope of emissions which should be covered by the absolute emissions reduction target? Select all that apply.

 \Box Scope 1 emissions

□ Scope 2 emissions

□ Scope 3 emissions (relevant or material)

□ Scope 3 emissions (a specified proportion of coverage)

□ Scope 3 emissions (all)

Not specified

71. Does the policy tool recommend or require a scope of emissions which should be covered by the intensity-based emissions reduction target? Select all that apply.
Scope 1 emissions
Scope 2 emissions
Scope 3 emissions (relevant or material)
Scope 3 emissions (a specified proportion of coverage)
Scope 3 emissions (all)
Not specified
Disclosure of other climate-related targets

84. Which of the following other climate-related targets does the policy tool recommend or require entities disclose? Select all that apply.

□ Targets for renewable energy procurement (Please reference the section/subsection/paragraph of the policy tool relevant to renewable energy procurement targets)

□ Targets for fossil fuel phase down/phase out (Please reference the section/subsection/paragraph of the policy tool relevant to fossil fuel phase down/phase out)

□ Targets or goals related to climate adaptation (Please reference the section/subsection/paragraph of the policy tool relevant to climate adaptation)

□ Targets or goals related to nature and/or biodiversity (Please reference the section/subsection/paragraph of the policy tool relevant to nature and/or biodiversity)

□ Targets or goals related to just transition (Please reference the section/subsection/paragraph of the policy tool relevant to just transition)

 \Box Other targets (Please reference the section/subsection/paragraph of the policy tool relevant to other targets)

Disclosure of Physical Risk

86. What types of physical risk must be disclosed? To company To society (double materiality)

87. What is the materiality standard for the disclosure of physical risk?

 \circ Self-assessed material risk

Externally-defined material risk

• Other (Describe) <u>The Guidelines go into some detail regarding materiality, drawing on the</u> <u>International Accounting Standards Board of materiality and offering companies analytical tools for</u> <u>their analysis.</u>

88. Are entities recommended or required to disclose the results of climate risk-related stress tests that are related to physical climate risk?

No

Recommended

Required

.....

89. Are entities recommended or required to disclose their methodology for scenario analysis with relation to physical risk?

No

Recommended

o Requ	uired
--------	-------

● No ○ Recommended	
 Recommended 	
○ Required	
Disclosure of Transition Risk	
92. What types of transition risk must be disclosed? Select all that apply	
\square Risks that societal transitions may pose to the disclosing entity	
\square Risks that the disclosing entity's transition may pose to society (double materiality)	
93. What is the materiality standard for the disclosure of transition risk?	
 Self-assessed material risk 	
 Externally-defined material risk 	
● Other (Describe) <u>See 9.87.</u>	
94. Are entities recommended or required to disclose the results of climate-related risk stress to that are related to transition risk?	ests
● No	
 Recommended 	
○ Required	

95. Are transition risk assessments recommended or required to be third-party verified?

No

Recommended

 $\circ \, \text{Required}$

96. Are entities recommended or required to disclose their methodology for scenario analysis related to transition risk?

No

Recommended

 \circ Required

Disclosure of Transition Plans

98. What is the recommended or required frequency of transition plan disclosures?

- Yearly
- Every two years
- \circ Every three years
- \circ Every four years
- \circ Every five years
- Every ten years or more
- \circ Other
- Not specified

99. Does the policy tool recommend or require audited accuracy and/or third-party verification of the transition plan?

No

Recommended

Required

100. Does the policy tool recommend or require entities to disclose progress in implementing transition plans?

No

 \circ Recommended

 \circ Required

102. Does the policy tool recommend or require targeted entities to disclose their financial plans for implementing transition plans?

No

 \circ Recommended

• Required

103. Does the policy tool recommend or require targeted entities to disclose their methodology for scenario analysis related to transition planning?

No

 \circ Recommended

• Required

Other disclosures

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended nor required
1. Climate-related opportunities			
2. Remuneration based on achieving climate-related goals			
3. Taxonomies			
4. Capital allocation and/or expenditure plans (in the context of climate change)			
5. Due diligence			
6. Assumptions and Dependencies			
7. Data limitations of scenario analyses			
8. Financial implications of climate-related matters (e.g., integration of climate- related disclosures into financial accounting standards)			
9. Stewardship (e.g., whether stewardship codes are in place, how entities vote in shareholder meetings, etc.)			
10. ESG methodologies and criteria (in the case of service providers)			
11. Asset planning or ownership in the context of climate change			
12. Sectoral investment policies			
13. Climate-related lobbying and/or policy engagement			
14. Locked-in emissions or information on			

emissive assets with long lifespans		
15. Dirty asset divestiture		
16. Nature-related		
impacts		
17. Just transition indicators		

Standards, Frameworks, and Guidelines

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1			
2. IFRS S2			
3. Task Force on			
Climate-related			
Financial Disclosures			
(TCFD)			
4. GHG Protocol			
Corporate Accounting			
and Reporting			
Standard			
5. GHG Protocol			
Corporate Value Chain			
(Scope 3) Accounting			
and Reporting Standard			
6. CDP (formerly			
known as Climate		_	
Disclosure Project)			
reporting framework			
7. International			
Integrated Reporting			
Framework			
8. Global Reporting			
Initiative (GRI)			
9. Sustainability			
Accounting Standards			
Board (SASB)			
10. European Sustainability			
Reporting Standards			
(ESRS)			
11. Taskforce on			
Nature-related			
Financial Disclosures			
(TNFD)			
12. Partnership for			
Carbon Accounting			
Financials (PCAF)			
13. Glasgow Financial			
Alliance for Net Zero			
(GFANZ)			
14. Other			

126. List any other standards, frameworks or guidelines integrated into or referred to within the policy tool. Please provide a web-archived link to each standard/framework/guideline listed.

UN Global Compact

UNCTAD INTERGOVERNMENTAL WORKING GROUP OF EXPERTS ON INTERNATIONAL STANDARDS OF ACCOUNTING AND REPORTING (ISAR) GRI

Additional Important Information

128. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

Additional Important Information

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

<u>None</u>