

**ANNEX 3: DELIVERY OF ELECTRICITY
(COUNTRY SPECIFIC ANNEX: KINGDOM OF SAUDI ARABIA)**

WAIVER: The waiver on page 1 of the template Power Purchase Agreement (CBAM Compliant) applies to this Annex 3. Any questions or comments regarding the usage of this Country Specific Annex and its relation to the template Power Purchase Agreement more generally may be directed to secretariat@trackingstandard.org and adam.haque@dlapiper.com

1. Delivery of Generated Quantity

- 1.1 Every Delivery Period, the Seller shall Deliver or cause Delivery of the Generated Quantity to the Buyer.
- 1.2 For the purposes of this Annex 2 (*Delivery of Electricity*), "**Deliver**" shall mean the making available of electricity onto the grid, and "**Delivered**" and other cognate expressions shall be construed accordingly.

2. Forecasting

- 2.1 Not less than fifteen (15) Business Days prior to the start of a calendar year, the Seller shall provide the Buyer a non-binding forecast of the anticipated Generated Quantity in such calendar year. Where the Supply Commencement Date does not occur on 1 January or does not finish on 31 December, the Seller shall also provide to the Buyer a non-binding forecast of the anticipated Generated Quantity for the relevant period(s).
- 2.2 Such forecasts shall be prepared in accordance with Applicable Law and Good Electricity Industry Practice. The Seller shall not be liable to the Buyer for any difference between such forecasts and the Generated Quantity.
- 2.3 Where the Seller revises any forecast to reflect a change in the Seller's expected Generated Quantity, the Seller shall provide the Buyer with such revised forecast as soon as reasonably practical.
- 2.4 Either Party may, by notice in writing to the other Party, initiate a process whereby the scope of forecasting and/or the modalities for communicating such forecasts between the Parties are to be specified and agreed in detail. In such case, the Parties shall work together in good faith to ensure a reasonable and practicable scope of forecasting and/or modalities for communication of the same is/are agreed between them within a reasonable period.
- 2.5 Each Party shall undertake such actions within its power that are required for the purpose of ensuring that the Generated Quantity is firmly nominated by all relevant transmission system operators (in accordance with the CBAM Regulation requirements), where the nominated capacity and the production of electricity refer to the same time-period.

**ANNEX 4: ENVIRONMENTAL ATTRIBUTES
(COUNTRY SPECIFIC ANNEX: KINGDOM OF SAUDI ARABIA)**

1. Sale and purchase of Environmental Attributes

In furtherance of clause 2 (*Sale and Purchase*), the Seller agrees to sell to the Buyer, free and clear of any Liens by any third-party, and the Buyer agrees to purchase from the Seller, all Environmental Attributes that can be created under an Environmental Attribute Scheme or otherwise under Applicable Law arising from or referable to the Generated Quantity for each Delivery Period, on the terms and conditions set out in this Agreement.

2. No Encumbrance Obligation

2.1 The Seller undertakes that the Environmental Attributes sold and Delivered, and Replacement Environmental Attributes (if applicable) Delivered, to the Buyer in accordance with this Agreement are sold and/or Delivered, as applicable, free and clear of any Liens by any third-party ("**No Encumbrance Obligation**").

2.2 Where there is breach of No Encumbrance Obligation, the following shall apply:

2.2.1 where this is a result of any act or omission of the Buyer (or the Buyer's Affiliate(s), supplier(s) or contractor(s)), the Seller shall not be required to Deliver any Replacement Environmental Attributes in order to remedy such a No Encumbrance Obligation breach; or

2.2.2 where this is as a result of any act or omission of the Seller (or the Seller's Affiliate(s), supplier(s) or contractor(s)), the following shall apply:

(a) in case of an Environmental Attribute, following written notice from the Buyer to the Seller, the Seller shall Deliver to the Buyer Replacement Environmental Attributes within ten (10) Business Days. Where the Buyer has not yet paid for such Environmental Attribute, the amount payable by the Buyer shall be included in the next EA Invoice;

(b) in case of a Replacement Environmental Attribute, following written notice of breach from the Buyer to the Seller, the Seller shall pay for each Replacement Environmental Attribute subject to any Lien by any third-party an amount equal to the current Average Environmental Attribute Value. This amount shall be included in the next EA Invoice.

3. Accreditation of the Facility

3.1 Unless already having such accreditation, the Seller shall:

3.1.1 within the period set out in clause 7.3.12 of this Agreement, submit an application for the Facility to be accredited to receive Environmental Attributes; and

3.1.2 within the period set out in clause 7.3.13 of this Agreement, obtain accreditation of the Facility to receive Environmental Attributes.

3.2 The Seller shall notify the Buyer promptly upon such accreditation of the Facility.

4. Creation and registration of Environmental Attributes

4.1 By no later than five (5) Business Days after the end of each Delivery Period, the Seller shall, at its own cost, procure the creation and registration (if any) of Environmental Attributes (calculated by reference to the Generated Quantity which was generated by the Facility during such Delivery Period).

4.2 The Seller shall ensure that all Environmental Attributes created, registered (if any) and Delivered under this Agreement meet all eligibility or validity requirements imposed by the relevant Environmental Attribute Scheme and otherwise under Applicable Law.

4.3 The obligations of the Parties under this Annex 4 (*Environmental Attributes*) are subject to the rules and procedures of each relevant Environmental Attribute Scheme to the extent that those rules and procedures are unable to be varied by agreement.

5. Transfer of title to Environmental Attributes

5.1 Title to:

5.1.1 the Environmental Attributes sold by the Seller to the Buyer under this Agreement (and, where applicable, title to any Retirement Statement) will pass to the Buyer upon the Buyer's payment of the EA Price; and

5.1.2 the Replacement Environmental Attributes Delivered by the Seller to the Buyer under this Agreement will pass to the Buyer on Delivery.

5.2 To the extent that title to an Environmental Attribute passes to the Buyer prior to the time set out in clause 5.1.1 of this Annex 4 (*Environmental Attributes*), the Seller shall, at its own cost, procure that each such Environmental Attribute is held on trust for the Buyer until the time set out in clause 5.1.1 of this Annex 4 (*Environmental Attributes*).

5.3 The Seller shall ensure that the Buyer (or its nominee, as applicable) receives the benefit of all Environmental Attributes and Replacement Environmental Attributes to which it is entitled under this Annex 4 (*Environmental Attributes*), subject to the Buyer (or its nominee, as applicable) having undertaken all actions required of it under the relevant Environmental Attribute Scheme to enable it to take the benefit of the Environmental Attributes and the Replacement Environmental Attributes.

6. Retirement and Transfer of Environmental Attributes and Replacement Environmental Attributes

6.1 As at the Execution Date, the Parties' agree that the Environmental Attributes and the Replacement Environmental Attributes shall be Transferred by the Seller to the Buyer.

6.1.1 Prior such Transfer, the Buyer shall nominate an Account for such Environmental Attributes and/or, as applicable, such Replacement Environmental Attributes to be Transferred to, and shall provide the relevant Account details to the Seller; and

6.1.2 The Buyer shall ensure that the Account notified to the Seller is maintained.

6.2 The Buyer may at any time (subject to clause 6.3 of this Annex 4 (*Environmental Attributes*)) notify the Seller that some or all of:

6.2.1 the Environmental Attributes; and/or

6.2.2 the Replacement Environmental Attributes,

should instead be Retired on behalf of the Buyer.

6.3 In case of such notification by the Buyer:

6.3.1 relevant Environmental Attributes arising in respect of the next Delivery Period following the Buyer's notification; and/or

6.3.2 relevant Replacement Environmental Attributes Deliverable to the Buyer following the Buyer's notification (and thereafter),

shall be Retired by the Seller on behalf of the Buyer, unless and until the Buyer notifies the Seller that some or all of the Environmental Attributes and/or, as applicable, some or all of the Replacement Environmental Attributes should again be Transferred, *provided that* the Buyer shall not be entitled to make a notification pursuant to clause 6.2 of this Annex 4 (*Environmental Attributes*) more than once in any six (6) Month period.

7. **Delivery of Environmental Attributes and Replacement Environmental Attributes**

7.1 If the Buyer elects (pursuant to clause 6.2 of this Annex 4 (*Environmental Attributes*)) for:

7.1.1 the Retirement of some or all of the Environmental Attributes and/or, as applicable, some or all of the Replacement Environmental Attributes, clauses 7.6 and 7.7 of this Annex 4 (*Environmental Attributes*) shall not apply; or

7.1.2 the Transfer of some or all of the Environmental Attributes and/or, as applicable, some or all of the Replacement Environmental Attributes, clauses 7.3 to 7.5 of this Annex 4 (*Environmental Attributes*) shall not apply.

7.2 Without prejudice to clause 7.3 and clause 7.6 of this Annex 4 (*Environmental Attributes*), the Seller shall ensure that the title to and benefit in all Environmental Attributes and/or, as applicable, all Replacement Environmental Attributes is transferred to the Buyer in accordance with the requirements and processes of the relevant Environmental Attributes Scheme and other Applicable Law.

Retirement of Environmental Attributes and Replacement Environmental Attributes

- 7.3 If the Buyer notifies the Seller pursuant to clause 6.2 of this Annex 4 (*Environmental Attributes*) that Environmental Attributes or Replacement Environmental Attributes are to be Retired, the Seller shall:
- 7.3.1 Retire the Environmental Attributes by the Retirement Deadline, in the amount of the Generated Quantity for the respective Delivery Period; and
 - 7.3.2 provide the Retirement Statement in respect of such Environmental Attributes to the Buyer at [*insert email address*] (or to such other email addresses as the Buyer may notify to the Seller from time to time).
- 7.4 The Seller shall:
- 7.4.1 Retire the Replacement Environmental Attributes claimed by the Buyer by the Retirement Deadline; and
 - 7.4.2 provide the Retirement Statement in respect of such Replacement Environmental Attributes to the Buyer at [*insert email address*] (or to such other email addresses as the Buyer may notify to the Seller from time to time).
- 7.5 The Retirement Statement shall be in the form reasonably satisfactory to the Buyer.

Transfer of Environmental Attributes and Replacement Environmental Attributes

- 7.6 If the Buyer does not notify the Seller pursuant to clause 6.2 of this Annex 4 (*Environmental Attributes*), or the Buyer notifies the Seller that Environmental Attributes or Replacement Environmental Attributes are to be Transferred to the Buyer, the following shall apply:
- 7.6.1 the Seller shall, by the Transfer Deadline, procure submission of a Transfer Request in respect of all Environmental Attributes and/or, as applicable, all Replacement Environmental Attributes; and
 - 7.6.2 following the issue of a Transfer Request, the Seller shall promptly notify the Buyer that such Transfer Request has been made, and the Buyer shall (or shall procure that its nominee shall) Accept such Transfer Request within five (5) Business Days of it being made; and
 - 7.6.3 the Parties shall otherwise (or shall procure that their respective nominees shall otherwise) do (or procure the taking of) all such things in compliance with all Applicable Laws and any procedures set down by the relevant Competent Authority to Transfer such Environmental Attributes and/or, as applicable, Replacement Environmental Attributes to the Buyer's (or its nominee's) Account.
- 7.7 The Seller shall, at its own cost, effect Transfer to the Buyer (or its nominee, as applicable) of all Environmental Attributes and/or, as applicable, all Replacement Environmental Attributes (other than any Environmental Attributes and/or, as

applicable, Replacement Environmental Attributes for which Transfer has already been effected), including, without limitation:

- 7.7.1 notifying the Buyer of the identification code for any Environmental Attributes and/or, as applicable, Replacement Environmental Attributes to be Transferred; and
- 7.7.2 procuring the execution and delivery of any instruments of Transfer or other documents or instruments required to evidence the Transfer and, if applicable, registration of any Environmental Attributes and/or, as applicable, any Replacement Environmental Attributes to the Buyer (or its nominee, as applicable) in accordance with clause 7.6 of this Annex 4 (*Environmental Attributes*) or otherwise, and, where applicable, to enable the relevant registry to be updated to reflect the Transfer of Environmental Attributes and/or, as applicable, Replacement Environmental Attributes to the Buyer (or its nominee, as applicable).

8. Notice of certain events

- 8.1 Without limiting any obligations of the Parties under this Agreement, the Seller shall notify the Buyer as soon as reasonably practicable:
 - 8.1.1 after it becomes aware that its registration or the Facility's accreditation has been or may be revoked, cancelled or suspended; and
 - 8.1.2 on receipt of any notice from a Competent Authority that its registration or issuance of Environmental Attributes (under the relevant Environmental Attribute Scheme) has been or may be revoked, cancelled or suspended.

9. Failure to Deliver or Accept Environmental Attributes and Replacement Environmental Attributes

- 9.1 Subject to clause 9.2 of this Annex 4 (*Environmental Attributes*), to the extent that the Seller fails to Deliver to the Buyer the relevant quantity of Environmental Attributes and/or, as applicable, Replacement Environmental Attributes by the Retirement Deadline or, as applicable, the Transfer Deadline, and such failure is not remedied by the Seller within ten (10) Business Days and is not excused by an event of Force Majeure or the Buyer's breach under this Agreement, the Seller shall pay the Buyer, as compensation for damages ("**EA Delivery Failure Compensation**"), an amount for such quantity of non-Delivered Environmental Attributes and/or, as applicable, non-Delivered Replacement Environmental Attributes that is equal to the product of:
 - 9.1.1 the Average Environmental Attribute Value; and
 - 9.1.2 the quantity of non-Delivered Environmental Attributes and/or, as applicable, non-Delivered Replacement Environmental Attributes.
- 9.2 To the extent that the Buyer fails to Accept from the Seller the relevant volume of Environmental Attributes and/or, as applicable, Replacement Environmental Attributes by the Retirement Deadline or, as applicable, the Transfer Deadline, and such failure is not remedied within ten (10) Business Days and is not excused by an event of Force Majeure or the Seller's breach under this Agreement, the Buyer shall pay the Seller, as

compensation for damages ("**EA Acceptance Failure Compensation**"), an amount for such quantity of non-Accepted Environmental Attributes and/or, as applicable, non-Accepted Replacement Environmental Attributes that is equal to the product of:

- 9.2.1 the Average Environmental Attribute Value; and
- 9.2.2 the quantity of non-Accepted Environmental Attributes and/or, as applicable, non-Accepted Replacement Environmental Attributes.
- 9.3 Amounts that are due according to clause 9.1 or clause 9.2 of this Annex 4 (*Environmental Attributes*) shall be included in the next EA Invoice.
- 9.4 Upon payment of the entire amount determined in accordance with clause 9.1 or clause 9.2 of this Annex 4 (*Environmental Attributes*), no breach by a Party shall exist in relation to a specific failure to Deliver or a specific failure to Accept.

10. **Revocation of Environmental Attributes and Replacement Environmental Attributes**

- 10.1 Where an Environmental Attribute and/or, as applicable, a Replacement Environmental Attribute is Revoked, the Party receiving the Revocation notice (or otherwise becoming aware of such Revocation) shall, as soon as reasonably practicable, but in any event within five (5) Business Days thereafter, notify the other Party of it.
- 10.2 Where an Environmental Attribute and/or, as applicable, Replacement Environmental Attribute, is Revoked as a result of any act or omission of the Seller (or the Seller's Affiliate(s), supplier(s) or contractor(s)), the following shall apply:
 - 10.2.1 in case of an Environmental Attribute, following written notice from the Buyer to the Seller, the Seller shall promptly Deliver to the Buyer the Replacement Environmental Attributes. Where the Buyer has not yet paid for such Environmental Attribute, the amount payable by the Buyer shall be included in the next EA Invoice; and
 - 10.2.2 in case of a Replacement Environmental Attribute, following written notice from the Buyer to the Seller, the Seller shall pay for each Revoked Replacement Environmental Attribute an amount equal to the current Average Environmental Attribute Value. This amount payable by the Seller to the Buyer shall be included in the next EA Invoice.
- 10.3 Upon Delivery of the Replacement Environmental Attributes or, as it may be, the payment of the amount calculated on the basis of the Average Environmental Attribute Value in accordance with clause 10.2.2 of this Annex 4 (*Environmental Attributes*), no breach by the Seller shall exist in relation to a specific instance of Revocation of an Environmental Attribute or a Replacement Environmental Attribute.
- 10.4 For the avoidance of doubt, an Environmental Attribute or Replacement Environmental Attribute shall not be deemed Revoked if it is: (a) cancelled by the Competent Authority in accordance with Applicable Law at its expiry, (b) cancelled by the Buyer, or (c) Retired by the Seller.
- 10.5 Where an Environmental Attribute and/or, as applicable, Replacement Environmental Attribute is Revoked as a result of any act or omission of the Buyer (or the Buyer's

Affiliate(s), supplier(s) or contractor(s)), the Seller shall not be required to Deliver any Replacement Environmental Attributes, or pay any compensation, to the Buyer to remedy such Revocation.

11. Accounts

- 11.1 The Seller shall be responsible for all expenses associated with establishing and maintaining the Seller's Account with the Renewable Energy Tracking System, paying all expenses associated with the issuance and Delivery (including export) of Environmental Attributes.
- 11.2 The Buyer shall be responsible for all expenses associated with establishing and maintaining the Buyer's account with the Renewable Energy Tracking System, paying all expenses associated with the acceptance (including import) of Environmental Attributes.

12. Specific Seller's Representations and Warranties

- 12.1 The Seller furthermore represents and warrants that the system under which the Environmental Attributes are issued and transferred fulfils the following conditions:

12.1.1 high quality and international recognition requirements:

- (a) adherence to international best practice; and
- (b) coordination with national authorities; and
- (c) incorporate a complaint management and error management system; and

12.1.2 information accessibility requirements:

- (a) transparency with publicly available registries; and
- (b) open access to all devices; and
- (c) periodic release of statistics (issuances and redemptions); and
- (d) auditable user redemption statements, including all Environmental Attributes being visible to end-users; and

12.1.3 independence requirements:

- (a) periodic independent audits of operational work of the Environmental Attribute system; and
- (b) adheres to principles of independence regarding the facilitation of the market; and

12.1.4 certificate registry requirements:

- (a) trade transfer and redemption functionality; and

- (b) immutability of redeemed certificates for core elements; and
- (c) calculation of residual mix facilitated by or coordinated with registry providers;
- (d) guaranteed uniqueness of all Environmental Attribute certificates (i.e. no double counting), including having robust checks in place to prevent the issuance of Environmental Attribute certificates to Facilities which simultaneously receive Environmental Attribute certificates of another system; and
- (e) the Environmental Attribute certificate is evidence-based and has a standard size (e.g. one (1) certificate for one (1) MWh of electricity); and
- (f) the Environmental Attribute certificate must present a clear and uninterrupted chain of registered businesses or individuals from issuance to the Facility operator to the present holder of such certificate; and

12.1.5 entry barriers and non-discrimination requirements:

- (a) uniform pricing and fair implementation of pricing to users; and
- (b) no anticompetition discriminatory restrictions of opening trader broker accounts; and
- (c) information of Installation (From Singapore Standard).

12.2 The Seller represents and warrants that each Environmental Attribute delivered under this Agreement states, at a minimum:

- 12.2.1 the identity, location, type and nameplate capacity of the Facility; and
- 12.2.2 the start and end dates of production; and
- 12.2.3 that it relates to renewable source electricity; and
- 12.2.4 the energy source from which the energy was produced (e.g. wind, solar photovoltaic, hydroelectric, etc.); and
- 12.2.5 whether the installation has benefited from any form of investment support and whether the unit of energy has benefited in any other way from a national support scheme, providing details of the type of support scheme; and
- 12.2.6 the date on which the Facility became operational; and
- 12.2.7 the date and country of issue; and
- 12.2.8 a unique identification number.