



FMO

Entrepreneurial
Development
Bank

2020

Sustainability Bonds Newsletter

Newsletter **no.11**

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INTRODUCTION

FMO and the COVID-19 pandemic

Learn how we are working to support our clients and partners to manage the impact of the global pandemic.

FMO is providing support to clients and partners that are suffering from the impact of the COVID-19 pandemic. It is precisely now, during these times of crisis, that it is important to continue to invest in developing economies which are expected to be hit hard by the pandemic. On top of that, these economies suffer from record-breaking capital outflows. This means that, while local governments are working hard to minimize the impact on their people and economies, we are needed now more than ever. Hence, we continue to support entrepreneurs in developing economies to build a better world and boost resilience post-corona. We are in close contact with our clients all over the world. To understand how they have been or expect to be impacted by

the pandemic, and to hear how we can help them deal with the situation we are all in.

In our recently launched [Annual Report](#) and on our [website](#) we reflect on how we are working to support our clients and partners to manage the impact of the global pandemic. The current COVID-19 outbreak most likely impacts the global economy and FMO's financial performance. Impact is mainly expected on our Debt and Equity portfolios. Given the uncertainties, ongoing developments and measures taken by governments around the globe, FMO cannot estimate the quantitative impact in an accurate and reliable way at this point in time.

OUR VISION

We believe in a world in which, in 2050, more than 9 billion people live well and within the means of the planet's resources.

OUR SDGs



OUR MISSION

We empower entrepreneurs to build a better world.

STRATEGIC GOAL

Your preferred partner to invest in local prosperity.

OUR STRATEGY

→ Higher Impact Portfolio → Deeper Relationships → Higher Productivity

OUR MARKETS

- Agribusiness, Food & Water
- Energy
- Financial Institutions
- Dutch Business

• **Decent work and economic growth (SDG 8):** By investing in underserved markets, we support job growth, improved labor standards and economic prosperity. Jobs allow people to develop themselves and lift their families out of poverty;

• **Reduced inequalities (SDG 10):** is about promoting social and economic inclusion of all, which we support by investing in the world's poorest countries and inclusive business;

• **Climate action (SDG 13):** We provide finance to projects that reduce greenhouse gas emissions, increase resource efficiency, preserve and grow natural capital and support climate mitigation. We aim to align our portfolio to a 1.5-degree pathway

FMO EUR Sustainability Bonds March 2020

On Friday 27th March 2020, we have issued a EUR 500 million 7-year Sustainability Bond. This is the first EUR benchmark issue since May 2017 and the 4th EUR 500 million Sustainability Bond to date. The deal garnered positive investor interest from the offset, with a final spread at mid-swaps+31 basis points (coupon of 0.125%). This EUR Sustainability Bond represents FMO's largest order book, with books closing in excess of EUR 2.1 billion. Furthermore, about 70 accounts participated in this transaction of which

28 new and strong interest from sustainable investors. The transaction attracted support from a broad range of geographies, with final allocations split between Benelux (26.2%), the Nordics (17.8%), France (14.6%), Germany/Austria/Switzerland (12.8%), Asia (8.6%), other EU nations (8.0%), the Middle East and Africa (6.0%) and the UK (6.0%). In terms of investor type, asset managers took 37.2% of allocations, followed by banks (26.8%), central banks/official institutions (20.7%) and pension/insurance accounts (15.3%).



GREEN BONDS

Green and Sustainability Bonds outstanding

FMO has been active in the thematic bond market with the issuance of Green and Sustainability Bonds. FMO has developed a leading role as established issuer in the Sustainability Bond market, as we have successfully issued 4 Sustainability Bonds in EUR (€500 million each) and 1 in SEK (SEK 2.7 billion). So far, we have issued 2 Green Bonds, one in USD (\$500 million) and recently a SEK 1,500 million Green bond.

Yr of Issue	Amount	Tenor	Isin code
Sustainability Bonds			
2013	EUR 500 mln, 1.25% 13/11/2018 (matured)	5 year	XS0993154748
2015	EUR 500 mln, 0.125% 20/04/2022	7 year	XS1219963672
2016	SEK 2,700 mln, 0.75% 29/11/2023	7 year	XS1527323411
2017	EUR 500 mln, 0.125% 01/06/2023	6 year	XS1622394143
2020	EUR 500 mln, 0.125% 01/04/2027	7 year	XS2150158405
Green Bonds			
2019	USD 500 mln, 2.75% 20/02/2024	5 year	XS1527323411
2020	SEK 1,500 mln, 0.86% 27/03/2028	8 year	XS2146570077

Key features FMO Sustainability Bonds Framework



Industry leading Sustainability Ratings

Sustainalytics

FMO is industry leader based on its overall ESG rating as well as its performance in each of the areas of environmental, social, and governance performance (September 2017).

Oekom

FMO received a rating from the German rating agency Oekom Research that classified FMO as Prime with a C+ score (March 2017).



Member of the Green Bond Principles (GBP)

Reporting

- Use of Proceeds reporting via Sustainability Bonds Newsletter
- FMO joined the International Financial Institutions working group on impact reporting harmonization
- Project disclosure on [FMO world map](#)



External assurance to ensure alignment with Green Bond Principles and industry best practices

Second Party Opinion provided by Sustainalytics:

"FMO Sustainability Bonds Framework is credible and impactful and aligns with the four core components of the Green Bond Principles 2018, Social Bond Principles 2018 and Sustainability Bond Guidelines 2018"

Sustainalytics' review of eligible projects in 2015-2020

All of the climate change mitigation projects were assessed and all of them meet the eligibility criteria

- All of the other footprint projects were assessed and all of them meet the eligibility criteria
- All of the inclusive finance were assessed and all of them meet the eligibility criteria

FMOs inaugural USD Green Bond is listed on Bloomberg Barclays MSCI Green Bond Index

Reasonable assurance

FMO has obtained reasonable assurance on Green investments. The reasonable assurance on Green Investments is an integrated part of the overall assurance engagement on the sustainability information in the FMO annual report and therefore no specific assurance is provided on the Green Investments standalone. Please refer to the combined independent auditor's and assurance report. Investors invest in green and social projects, without running project risks; benefit from an impact return (Avoided GHG emissions and jobs supported)

EDFI impact harmonization

In 2019, EDFIs further intensified their cooperation in a number of fields, including Impact and Environmental, Social & Governance (IESG).

The EDFIs launched a multi-year harmonization project to ensure we all define and measure our impact the same way. FMO has taken the lead in harmonizing the indicators on jobs supported (SDG 8) and GHG avoided (SDG 13), and the first results are shown in the harmonization of the E&S approach of the EDFIs towards local financial institutions.



National pioneer

First Green Bond issuer in the Netherlands



Partnership

Partnership FMO and Climate Bonds Initiatives





Transforming the aquaculture industry in sub-Saharan Africa

Not that long ago, food supplies in Zambia floundered due to overfishing of inland waters. So much so that in 2014, the sub-Saharan country only produced half of the fish required to feed its growing population. The remaining 80,000 tons of fish consumption had to be imported.

“Fish farming can provide sustainable and healthy sources of protein with lower carbon footprints than meat or poultry.”

Aquaculture in the Zambian lakes plays an important role in satisfying vital food demand in the country. Although this sector is still nascent, several hurdles have been encountered. It has proven difficult to build a consistently profitable aquaculture enterprise on a large scale (over 10,000 tons per year).

Due to diseases, environmental risks and the difficulty to get farm management right, aquaculture is considered a risky sector. Failed investments in the past have resulted in many commercial banks shying away from investing.

However, with its ability to structurally transform food supply in Zambia, fish farming can provide sustainable and healthy sources of protein with lower carbon footprints than meat or poultry. Tilapia is one such example.

Changing the script on all fronts

FMO's client Yalelo is a sustainable tilapia farm in Zambia. Its activities cover the whole value chain, from breeding and feed production to end-consumer distribution.

With their management systems and a data-driven scientific approach to fish farming, Yalelo unites world-leading practices with a local-to-local vision that transcends the region.

Tilapia feed on Zambian soy, maize and wheat grown by local farmers. Yalelo sells their produce to the local markets which results in a booming local economy. This increased availability of healthy food can be availed of at an affordable price that has come down by 15-20% since Yalelo entered the market.

So far, Yalelo has created over 800 jobs. All in an area where no prior industrial activity existed. Female managers make up 30% of the staff, most of them being Zambian nationals. Yalelo's impact stretches far and wide. Continuous investment in employee training, education and literacy classes for local residents has increased both opportunity and employment prospects.

Paving the way for others to follow

Yalelo is a large-scale player in providing affordable protein to local markets.

FMO invested 10.5 million USD to support sustainable business growth, lower greenhouse gas emissions and expand Yalelo's social impact. FMO's investment empowers Yalelo to double its production volumes and transform the aquaculture industry in the region. Yalelo's approach has inspired others to set up their own farms. From our perspective, we hope the financial injection in this expanding industry inspires other commercial investors to take part too.

Sustainable business growth and social impact

Committed to scrutinizing every step of their processes, Yalelo is cooperating with local authorities to ensure the on-going environmental health of the Lake Kariba region.

Yalelo has proven that there is a sustainable and reliable way to increase the quantity and affordability of healthy nutrition. The integrated local-for-local approach combined with inclusive development and data-driven management has proven to be both profitable and scalable. Above all, Yalelo has transformed the aquaculture industry through positively impacting the local economy through job creation, inclusiveness and increased prospects for the community at large.



A partnership to promote sustainable banking

At the turn of the century, international commercial investors and development financial institutions considered breaking into the Nigerian financial sector. However, Nigeria was classified as 'very high risk' and investors considered their options in the country with extreme care, due to lack of corporate governance, transparency and supervision.

“As the bank had envisioned, adoption and integration of the best practices had gone hand-in-hand with commercial success.”

In 2003, we began to cautiously explore business possibilities in Nigeria, searching for selected banks that wanted to raise the standard and do business differently and who understood that adopting best international practices was necessary for long-term success. We found one in Access Bank.

Clear vision

In 2002, two executive directors from a competing local bank took over leadership of Access Bank, ranked as Nigeria's 65th largest bank at the time. They had a vision to grow rapidly in size and in reputation without compromising on best practices. They faced a long journey and we would be with them every step of the way, with a series of revolving investments starting in 2002 and continuing to the present day.

Like most Nigerian banks, Access Bank is a fully fledged commercial bank serving multiple client segments, including a large corporate portfolio. They were among the first banks to explore less popular segments such as specific lending for agricultural clients. In 2008, they became the first Nigerian bank to strategically develop products and services for women entrepreneurs, including financial technical support and creating web communities.

From policy to practice

Since 2014 Access Bank expanded its environmental and social (E&S) work force and started to integrate E&S factors throughout its credit process. Currently they are a front-runner in the field of E&S governance and business practices. They have also led the way in the adoption of sustainable banking principles. The groupwide environmental and social risk management framework, for example, places a strong emphasis on putting appropriate safeguards in place.

In 2019, the bank issued the first private sector Certified Climate Bond in Africa. It was also the first bank in Africa to join the global Taskforce on Climate-related Financial Disclosures (TCFD). TCFD is an initiative that helps the bank to better measure climate-related risks and opportunities, as well as provides recommendations for climate-related financial disclosure to stakeholders.

As the bank had envisioned, adoption and integration of the best practices had gone hand-in-hand with commercial success. In 2019, following its merger with Diamond Bank, it became Nigeria's number one bank by assets, deposits and customer base, with operations in Sub-Saharan Africa, the UK, Asia and the Middle East. The bank received also recognition for its efforts in areas such as sustainable banking and support of female entrepreneurs.

Chemistry sparks enduring partnership

The chemistry between us and Access Bank was cultivated from the onset based on our shared goals and ideals. We saw the ripple effect of financing corporates and SMEs, such as; how it enabled the companies to invest in their business, create local jobs, and contribute to real economic development.

Over the years, we have provided Access Bank with a range of equity, mezzanine loans and funding facilities. For example, syndicated transactions, leading a group of European Development Finance Institution lenders and impact investors, thereby mobilizing larger amounts of public and private funds into Africa while diversifying Access Bank's funding base.

We have also funded technical assistance to help strengthen the bank in key areas such as implementing an SME retail lending strategy and developing environmental and social risk management practices. We helped them to develop their banking on women strategy and set up a joint female leadership journey. In 2019, we supported Access Bank in the pilot of the TCFD.

Since 2017, we have extended our collaboration beyond Nigeria to the bank's subsidiaries in Ghana and Access Bank in the Democratic Republic of Congo (DRC), with several other subsidiaries targeted for 2020/21. Supporting Access Bank DRC, in particular, is an exciting prospect. First, because there are marked parallels with the start of our relationship with Access Bank Nigeria, in terms of the current state of the economy and being the first bank in DRC planning to work on E&S practices. Secondly, because of Access Bank DRC's commitment to collaborate with us on developing an E&S risk management framework with a strong focus on human rights, a critical area given the country's war-torn recent history.

Progress report on use of the proceeds

More project information can be found on <https://www.fmo.nl/worldmap>

Reporting

FMO will report to stakeholders on an annual basis via the Sustainability Bonds Newsletter in line with the Green Bond and Social Bond reporting templates published during the Green Bond Principles (GBP) 2018 Annual General Shareholder Meeting.

Allocation reporting

- The progress on allocation of use of proceeds for new and existing projects on a portfolio basis
- The bond allocations are based on outstanding portfolio and 85% of the committed non-disbursed project portfolio, per region, MDB category

Impact reporting

We will continue to report on impact on a portfolio basis for the direct green investments (Avoided GHG emissions) and the jobs supported with our investments. FMO will report annually on the UoP, each year after publication of the annual report.

The table below outlines the reporting changes in Use of Proceeds

Item	From 2019
Frequency	Annually
Impact	Portfolio level
Use of Proceeds	Sustainability Bond allocations to outstanding + committed non-disbursed eligible project portfolio
Templates	Use templates released during GBP 2018
Reporting Ccy	EUR

- An estimation of annual GHG emission reduction from direct green investments on a portfolio level
- An estimation of the number of (in)direct jobs supported with our investments on per target group

Sustainability Project Portfolio

The Sustainability Bonds allocation report shows that FMO has allocated EUR 1.26 billion to eligible green and inclusive projects in the period November 2012-December 2019, against a total Sustainability Bonds outstanding of EUR 1.26 billion. The unallocated Green & Social assets anticipates the issuance of a EUR 500 million sustainability bond in March 2020. Allocations of foreign currency investments of the eligible project portfolio are converted into EUR at the exchange rate of the reporting date (December 2019). The committed non-disbursed eligible project portfolio equals EUR 77 million as per December 2019.

Green Project Portfolio

The Green Bond allocation report shows that FMO has allocated EUR 449 million to eligible green projects in the period January 2018-December 2019, against a Green Bond outstanding of EUR 446 million. Allocations of foreign currency investments of the eligible project portfolio are converted into EUR at the exchange rate of the reporting date (December 2019). The committed non-disbursed eligible project portfolio equals EUR 149 million as per December 2019.

We measure our impact on employment and environment, through jobs supported and avoided greenhouse gas emissions (GHG).

More information on impact methodologies can be found on <https://www.fmo.nl/impact/how-we-measure-impact>

FMO estimates the environmental impact of FMO's Sustainability Bond and its EUR 775 million direct green investments (total Sustainability Bond allocation to green EUR 1,260 billion) will be an avoidance of approximately 710,000 tons of GHG (SDG13).

FMO estimates the environmental impact of FMO's Green Bond and its EUR 320 million direct green investments (total Green Bond allocation EUR 449 million) will be an avoidance of approximately 225,000 tons of GHG (SDG13).

The estimated GHG reduction is based on the ex-ante estimates of the annual reductions in an operational year of the direct green investments, multiplied by the ratio between the Sustainability / Green Bond allocation and the Project Size.

In 2020, FMO will launch the Joint Impact Model to measure employment and environmental impact among its portfolio of investments. The model has been developed in a joint effort with partner development finance institutions that agreed on harmonizing their methodology and assumptions. The model will be made publicly available for impact investors, bilateral and multilateral development banks and other interested parties. It works using input/output modelling, combining the latest available macroeconomic statistics from several reliable sources, and it gives fair estimation on key indicators such as

direct and indirect jobs supported, GHG emissions and total value added supported by clients in the portfolio. Therefore, we will report on the new methodology in Sustainability Bond Newsletter No.12 (Q2 2021), where numbers will not be comparable with previously published results but will be comparable across institutions using this model.

For more information, please visit: <https://jointimpactmodel.com/>.

FMO GREEN BONDS ALLOCATION REPORTING 2019

Report date: December 2019

Use of Proceeds for Eligible Green Projects

Eligible Green Project Portfolio	Amount (mEUR)	Allocation of Green Bonds (in period)	Amount (mEUR)
Climate Change Mitigation	Total	Green Bonds	
Renewable Energy	241	2019: XS1953035844	446
Mixed	92		
Agriculture, forestry and landuse	48		
Lower-carbon and efficient energy generation	21		
Energy efficiency	19		
Total Climate Change Mitigation	420		
Other Footprint	Total		
Pollution mitigation	14		
Biodiversity	9		
Conservation of natural resources	6		
Total Other Footprint	29	Unallocated Amount of Eligible Green Project Portfolio	3
Total Eligible Green Project Portfolio	449	Green funding	449
Percentage of net proceeds of Green Bonds allocated to Eligible Green Project Portfolio			101%
Existing projects ¹			67%
New projects ²			33%

¹ Existing projects = outstanding green project portfolio for projects contracted in 2018-2019 per reporting period (Dec-19)

² New projects = committed non-disbursed green project portfolio for projects contracted in 2018-2019 as per reporting period (Dec-19)

FMO SUSTAINABILITY BONDS ALLOCATION REPORTING 2019

Portfolio date: December 2019

Eligible Sustainability Project Portfolio	Amount (mEUR)	Allocation of Sustainability Bonds (in period)	Amount (mEUR)
Green projects	Total	Sustainability Bonds	
Renewable energy	728	2015: XS1219963672	500
Mixed	174	2016: XS1527323411	257
Energy Efficiency	57	2017: XS1622394143	500
Agriculture, Forestry and landuse	36		
Conservation of natural resources	13		
Total Green projects	1,007		1,257
Social projects	Total		
Gender: Woman-owned SME	81		
Microfinance	80		
Least developed countries	31		
Agricultural SME lending	29		
Mixed	19		
Innovative solutions for the BOP	13		
Total Social Projects	253		
Green & Social Projects still unallocated ³	443	Unallocated Amount of Eligible Sustainability Project Portfolio	446
Total Eligible Sustainability Project Portfolio	1,703	Total issued Sustainability Bonds	1,703
Percentage of net proceeds of Sustainability Bonds allocated to Eligible Sustainability Project Portfolio			100%
Existing projects ¹			94%
New projects ²			6%

1 Existing projects = outstanding sustainability project portfolio for projects contracted in 2012-2019 per reporting period (Dec-19)

2 New projects = committed non-disbursed sustainability project portfolio for projects contracted during 2012-2017 as per reporting period (Dec-19)

3 Green & Social Projects still unallocated = assets to be allocated for issuances executed in 2020

FMO GREEN BOND IMPACT REPORTING 2019

Portfolio based Green Bond report according to the Harmonized Framework for Impact Reporting

Portfolio date: December 2019

Eligible Project Category	Signed Amount (in EUR mln)	Share of Total Portfolio Financing	Eligibility for Green Bonds	GHG emissions avoided in tCO ₂ eq
a	b	c	d	e
Climate change mitigation	420	94%		
Renewable Energy	240	53%	100%	170,547
Agriculture, forestry and landuse	48	11%	100%	54,045
Energy efficiency	19	4%	100%	2,946
Lower-carbon and efficient energy generation	21	5%	100%	
Mixed	92	21%	100%	
Other Footprint	29	6%		
Biodiversity	9	2%	100%	
Pollution mitigation	14	3%	100%	
Conservation of natural resources	6	1%	100%	
Total	449	100%	100%	227,538

FMO SUSTAINABILITY BONDS IMPACT REPORTING 2019

Portfolio based Sustainability Bonds report according to the Harmonized Framework for Impact Reporting

Portfolio date: December 2019

Eligible Project Category	Signed Amount (in EUR mln)	Share of Total Portfolio Financing	Eligibility for Sustainability Bonds	GHG emissions avoided in tCO ₂ eq
a	b	c	d	e
Green Investments	1,007	80%		
Renewable Energy	728	58%	100%	633,447
Mixed	174	14%	100%	
Energy efficiency	57	4%	100%	71,667
Agriculture, forestry and landuse	36	3%	100%	5,888
Conservation of natural resources	13	1%	100%	
Social projects	253	20%		
Gender: Women-owned SME	81	6%	100%	
Microfinance	80	6%	100%	
Least Developed Countries	31	2%		
Agricultural SME lending	29	2%		
Mixed	19	2%		
Innovative solutions for the BOP	13	1%	100%	
Total	1,260	100%	100%	711,002

a Eligible category

b Signed amount represents the amount legally committed by the issuer for the portfolio or portfolio components eligible for Green \ Sustainability Bonds financing

c This is the share of the total portfolio cost that is financed by the issuer

d This is the share of the total portfolio costs that is that is Green / Sustainability Bonds eligible (debt funded)

e Sample of impact indicators (impact for debt funded part) for direct green investments

*-GHG emissions avoided in tCO₂eq

Use of Proceeds criteria

Green investments

FMO looks for investments in the following three “Green” categories:

- **Climate Change Mitigation:** An activity is mitigating climate change if it contributes to either reducing GHG emissions into the atmosphere, or sequester GHG emissions from the atmosphere. If the project or activity relates to Energy efficiency, it should achieve at least 20% reduction in energy consumptions or GHG emissions
- **Climate Change Adaptation:** An activity is considered as climate change adaptation if the intention of the activity or project design is to reduce the vulnerability of human or natural systems to the impacts of climate change and climate-related risks, by maintaining or increasing adaptive capacity and resilience
- **Other Footprint:** This category includes those activities that do not directly target climate change mitigation or adaptation yet have a positive impact on the environment including water, waste and biodiversity

FMOs green eligibility criteria are aligned with the MDBs/IDFC Common Principles for Climate Mitigation Finance and the Common Principles for Climate Adaptation Finance

Eligible projects may include:

- Renewable energy projects such as solar, wind, ocean, geothermal power and hydro
- Energy efficiency projects, such as improvements in existing buildings, upgrade heating controls, IFC EDGE certified building projects
- Waste management
- Agriculture, forestry and other land use

Social projects aiming at reducing inequality

FMO defines two sub categories in social projects aiming at reduced inequalities: investments in the poorest countries (reducing inequality among countries) and investments in inclusive business (reducing inequality within countries).

Category	Definition
Investment in LDCs	These are countries identified by the United Nations as “low-income countries” which are confronted with severe structural impediments
Investment in inclusive business	An inclusive business “expands access” to goods, services and livelihood opportunities on a commercially viable basis, either at scale or scalable, to people at the Base of the Pyramid (BOP) by making them part of the value chain of companies’ core business of suppliers, distributors, retailers or customers

Note that, as part of the inclusive business definition, “expands access” refers to a first time or improved access to goods or services which strengthen the livelihoods of the end-beneficiaries by being verifiably of higher quality than the goods or services which they replace or an access that is more cost effective or efficient. Investments that expand access should lead to clear improvements in the lives of the BOP populations. BOP population is defined as the portion of the global population that lives on less than \$8 per day in purchasing power parity (PPP) terms or lacks access to basic goods, services, and income. Reaching the BOP populations is in line with FMO’s commitment to reducing inequality (SDG 10). In practice, because of lack of data, it is not feasible to measure the income of the end-beneficiaries of a business. FMO defined a number of proxies for the BOP/people lacking access to basic goods and services:

- The un(der)banked
- The unconnected / poorly connected
- Smallholder farmers and rural populations
- Youth
- Women

Eligible social projects aiming at reducing inequality include, but are not limited to, investments in:

- Microfinance
- Women Owned SMEs (WSMEs)
- Agricultural SMEs
- Smallholder finance
- Youth finance

For further information is referred to [FMOs Sustainability Bonds Framework](#)

Management of Proceeds

The net proceeds of any issue under the SBF are held within FMO's Treasury in a sub-portfolio that is linked to FMO's lending operations in the fields of green finance and inclusive finance. As long as the notes issued under the SBF are outstanding, the balance of the sub-portfolio will be reduced by amounts corresponding to the financing or refinancing of eligible projects, or to repay a note issued under the SBF. Pending allocations, the net proceeds of the notes will be held in FMO's liquidity portfolio and may temporarily be used for different purposes in case of liquidity stress situations. FMO expects the bond proceeds to be fully allocated within 2 years from the issue date.

Projects eligible to be financed with the proceeds of FMO's Green \ Social \ Sustainability Bonds include projects that meet the eligibility criteria described above and are:

- Projects committed after the issuance of the Green \ Social \ Sustainability Bond; or
- Projects committed before the issuance of the Green \ Social \ Sustainability Bond but funded (disbursed) after the issuance of the Bond;





Process to define green and social¹ projects

IMPACT

- Green and Reduce Inequality (RI) definition
- IFI definition of climate finance

INVESTMENT

- Apply for green and RI label
- Exclusion list
- ESG standards

CREDIT

- Approve green and RI label
- Take note of green and RI label
- Impact narrative

TREASURY

- Consider for thematic bond
- Green label
- RI label
- Issue mgt

¹ Social projects aiming at reducing inequality