Hellenic Association of Treasurers

1st Annual Summit December 10th, 2021

"Sustainable Finance and Green Bonds as a Financing Tool in Promoting Clean Fuels"

INSTITUTE OF ENERGY
FOR SOUTH EAST EUROPE

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Sustainability - Sustainable Finance

Sustainability describes the business programs, products, and practices built around environmental, social and governance considerations.

Sustainable finance refers to the process of taking environmental, social and governance (ESG) considerations into account, when making investment decisions in the financial sector, leading to more long-term investments in sustainable economic activities and projects. In a corporate context, it is used to refer to the incorporation of non-financial considerations into business strategy and decision-making.

The term ESG encompasses the wide set of environmental, social and corporate governance considerations that can impact a company's ability to generate value.

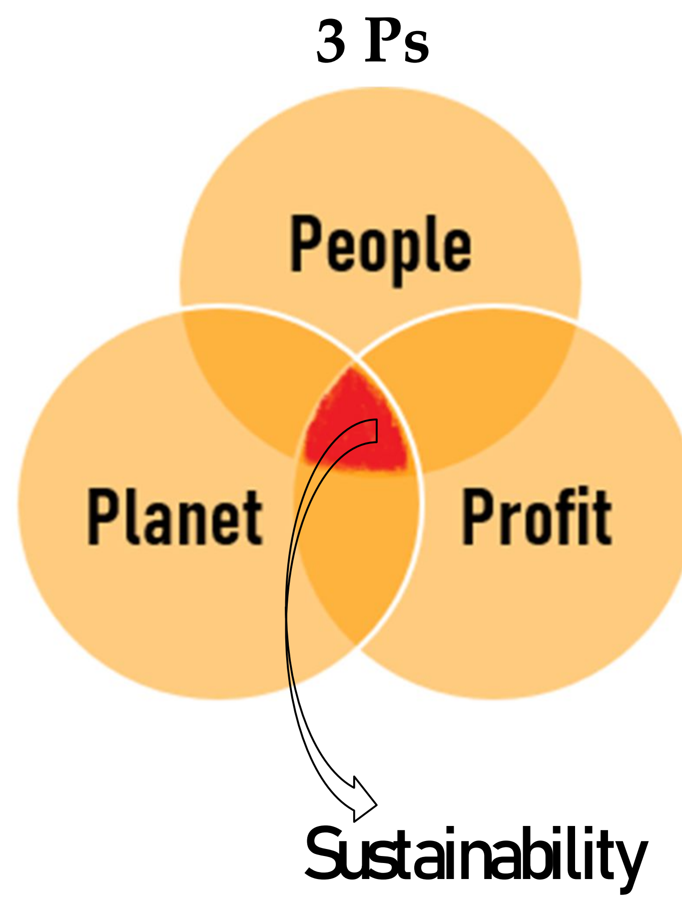
ESG

- ✓ Climate change strategy
- ✓ Water efficiency
- ✓ Energy efficiency
- ✓ Carbon intensity
- ✓ Biodiversity
- ✓ Environmental Management System

- ✓ Equal opportunities
- ✓ Human rights
- ✓ Health and safety
- ✓ Customer and products responsibility
- ✓ Child labour

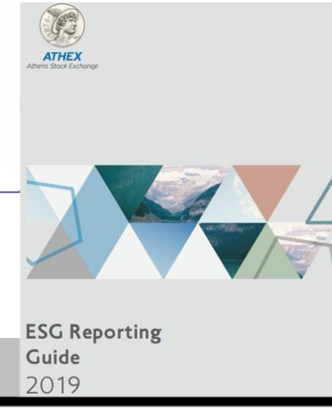
- ✓ Business ethics
- ✓ Compliance
- ✓ Shareholder democracy

Sustainable Business Strategy



According to McKinsey, companies with high ESG ratings consistently outperform the market in both the medium and long term.

ATHEX - ESG Reporting



Core Metrics

ESG Classification	ID	Metric Title
Environmental	C-E1	Scope 1 emissions
	C-E2	Scope 2 emissions
	C-E3	Energy consumption within the organisation
Social	C-S1	Female employees
	C-S2	Female employees in management positions
	C-S3	Turnover rates
	C-S4	Employee training
	C-S5	Human rights policy
	C-S6	Collective bargaining agreements
	C-S7	Supplier assessment
Governance	C-G1	Sustainability oversight
	C-G2	Business ethics policy
	C-G3	Data security policy

Advanced Metrics

ESG Classification	ID	Metric Title
Environmental	A-E1	Scope 3 emissions
	A-E2	Climate change risks and opportunities
Social	A-S1	Stakeholder engagement
	A-S2	Employee training expenditure
	A-S3	Gender pay gap
	A-S4	CEO pay ratio
	A-S5	Sustainable product revenue
Governance	A-G1	Business model
	A-G2	Materiality
	A-G3	ESG targets
	A-G4	Variable pay
	A-G5	External assurance

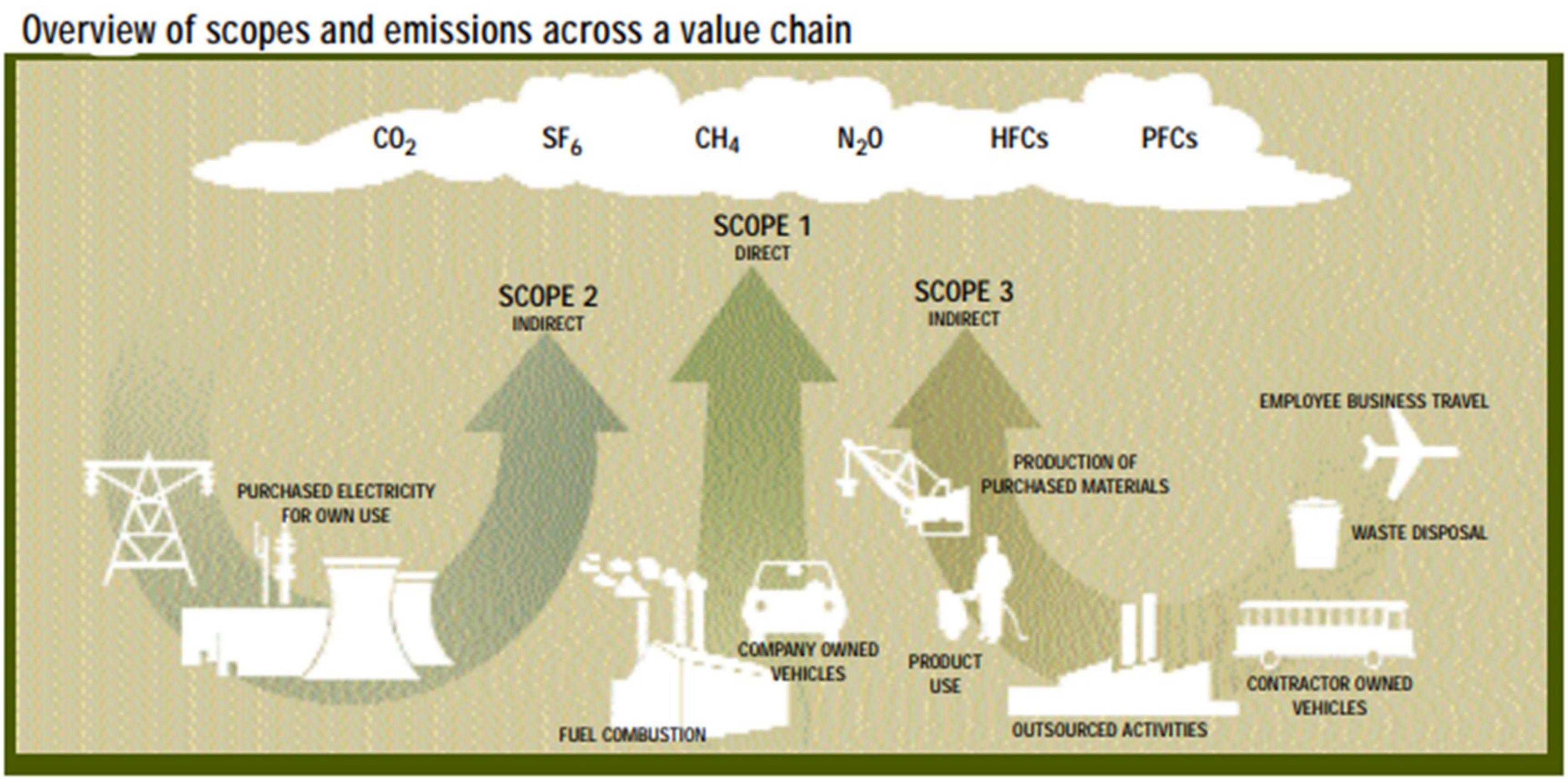
Sector Specific Metrics

ESG Classification	ID	Metric Title
Environmental	SS-E1	Emission strategy
	SS-E2	Air pollutant emissions
	SS-E3	Water consumption
	SS-E4	Water management
	SS-E5	Waste management
	SS-E6	Environmental impact of packaging
	SS-E7	Backlog cancellations
	SS-E8	Critical materials
	SS-E9	Chemicals in products
Social	SS-S1	Product recalls
	SS-S2	Customer privacy
	SS-S3	Legal requests of user data
	SS-S4	Labour law violations
	SS-S5	Data security and privacy fines
	SS-S6	Health and safety performance
	SS-S7	Marketing practices
	SS-S8	Customer satisfaction
	SS-S9	Customer grievance mechanism
	SS-S10	ESG integration in business activity
Governance	SS-G1	Business ethics violations
	SS-G2	Whistleblower policy

Source: Athens Stock Exchange

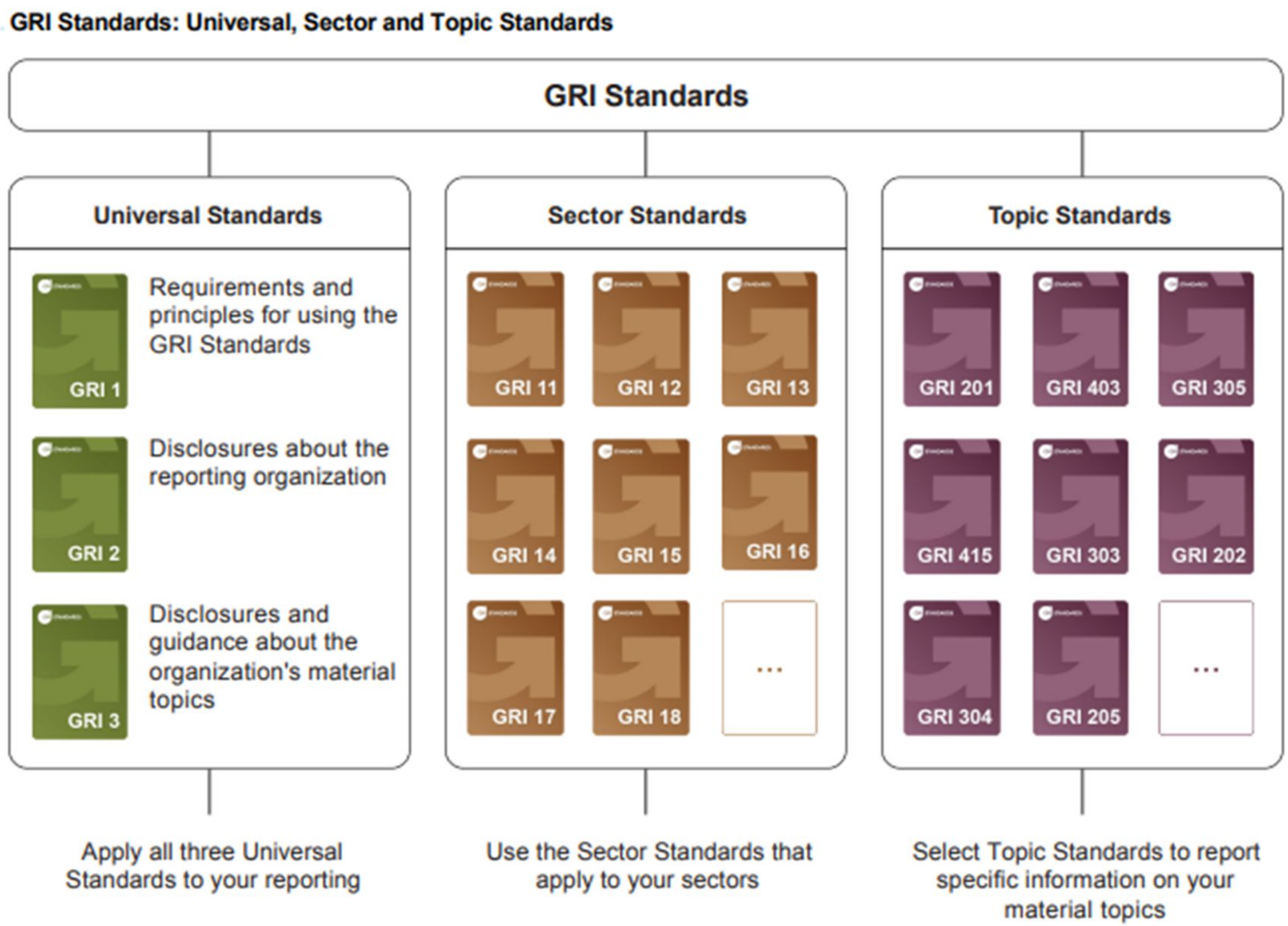
<u>Greenhouse Gas Protocol Corporate and Accounting Standard</u>

Example: Emissions



Source: Greenhouse Gas Protocol Corporate and Accounting Standard

Global Reporting Initiative (GRI)



Source: GRI 1: Foundation 2021

Benefits of ESG Information Disclosure

Improved access to capital

Firms that are more transparent and perform well on material ESG issues have greater access to capital with a lower cost. Enhance a company's ability to attract long term investors, especially institutional investors whose policies mandate the incorporation of ESG information into their capital allocation decisions.

Complying with regulatory changes

Governments are increasingly putting in place different mandatory requirements for corporate ESG disclosure, like the European Union's Non-Financial Reporting Directive 2014/95/EU. Companies that establish clear processes for identifying, measuring and managing ESG factors will quickly respond to regulatory developments, reduce compliance risks and secure their license to operate within a changing environment.

Strengthening corporate performance

Good performance on material ESG indicators can generate value for shareholders and improve long-term corporate performance. Companies that exhibit strong performance on material ESG issues display improved operational efficiency and perform better than firms with poor ESG performance in terms of stock returns and future profitability.

Enhancing corporate reputation and stakeholder engagement

Disclosing ESG information and improving performance on material factors demonstrates a company's ethical alignment with international frameworks like the Sustainable Development Goals (SDGs), and a commitment to long-term value creation. Providing information on material non-financial topics enables effective communication with both internal and external stakeholders and offers opportunities for meaningful engagement during the reporting process.

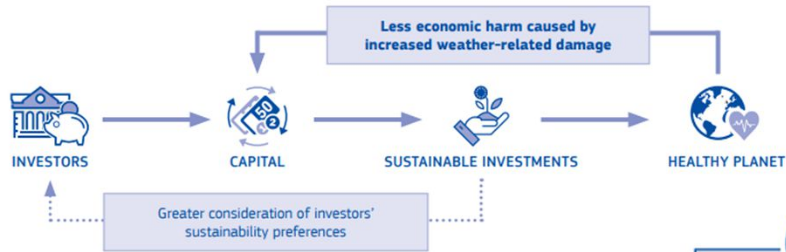
Source: Athens Stock Exchange

A Road to Sustainable Finance

- In December 2015 the United Nations Framework Convention on Climate Change (UNFCCC) established the **Paris Climate Agreement**, considered as a landmark in global efforts to tackle climate change.
- The agreement sets the ambitious target of limiting the rise in global warming to well below 2°C compared to pre-industrial levels by the end of the century (Art. 2.1(a)), which would require massive reductions in CO_2 emissions in the next decades.
- At the same time, the Agreement recognizes the role of financing de-carbonization by putting forward a commitment to **"making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development"** (Art. 2.1(c)).
- On 11 December 2019, the Commission presented the European green deal, a growth strategy aiming to make Europe the first climate-neutral continent by 2050.
- As part of the green deal, the Commission presented on 14 January 2020 the European green deal investment plan, which will mobilise at least **€1 trillion of sustainable investments** over the next decade. It will create the right environment – or 'enabling framework' – to facilitate and stimulate the public and private investments needed for the transition to a climate-neutral, green, competitive and inclusive economy.
- The Commission presented on 17 September 2020 its 2030 climate target plan, with an increased **emissions reduction target of 55% by 2030 as compared to 1990 levels**.
- Commission has since 2018 been developing a comprehensive **policy agenda on sustainable finance**, comprising the action plan on financing sustainable growth and the development of a renewed sustainable finance strategy in the framework of the European green deal and the new strategy for financing the transition to a sustainable economy. The Commission is also coordinating international efforts through its International **platform on sustainable finance**.

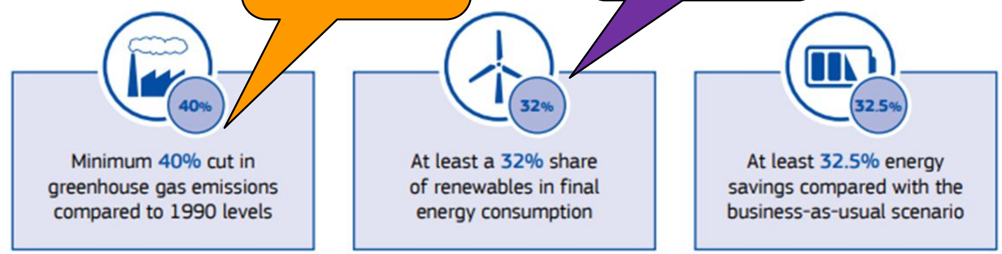
EU Goals and Sustainable Investment

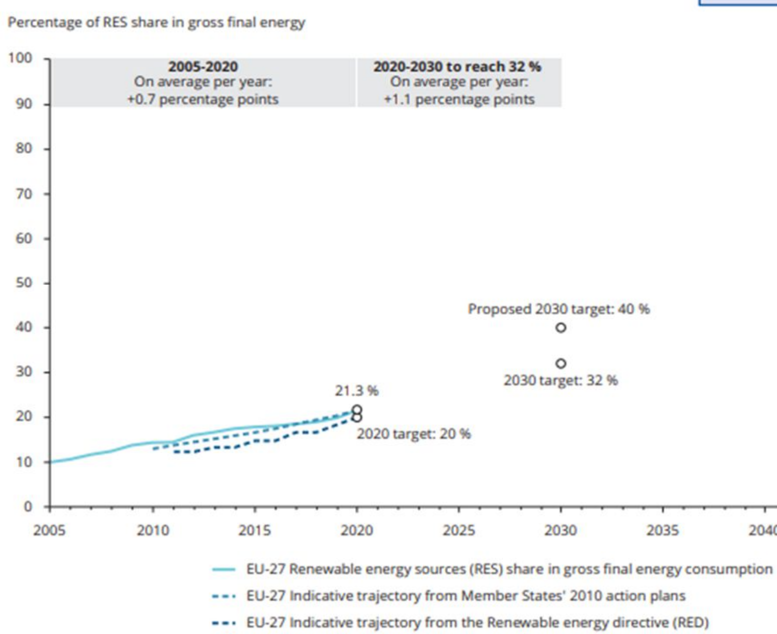
Major investments are needed to transform the EU economy to deliver on climate, environmental and social sustainability goals, including the Paris Agreement and the UN Sustainable Development Goals (SDGs).



Fit for 55/Climate Law 55%

Fit for 55: 40%





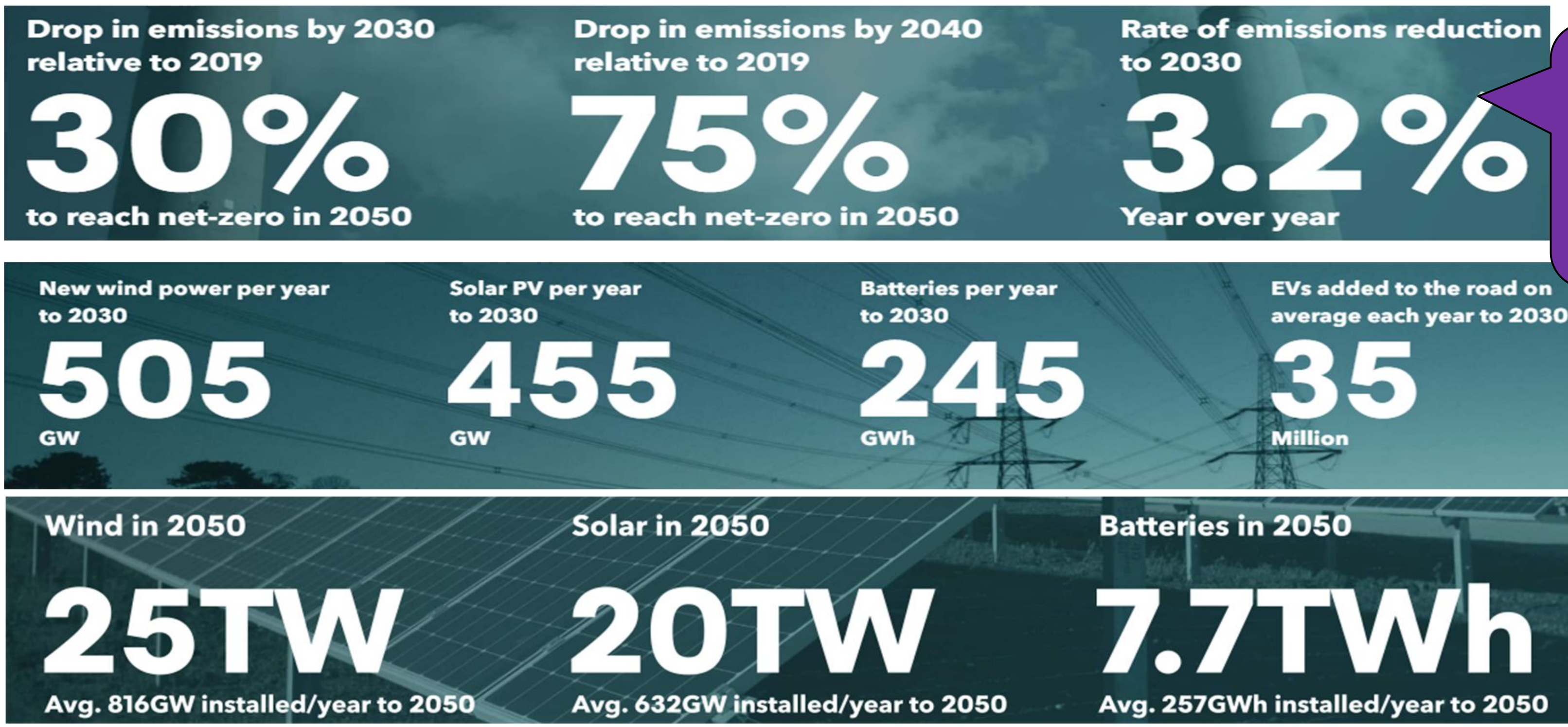
- The European Investment Bank: end financing for fossil fuel energy projects by 2022 and unlock **€1 trillion** in investments in climate action and environmental sustainability in the decade to 2030.

Fit for 55 targets:
350 billion euro more every year during the 2021-2030 decade than during the previous decade

Source: European Commission

Getting on Track

- More than three quarters of the effort to cut emissions in the next nine years falls to the power sector and to faster deployment of wind and solar PV.
- Another 14% is achieved with greater use of electricity in transport, in heating for buildings and in providing lower-temperature heat in industry.
- Greater recycling in steel, aluminum and plastics accounts for a 2% drop in emissions, greater building efficiency 0.5%, and growth of bioenergy for sustainable aviation fuel and shipping another 2%.



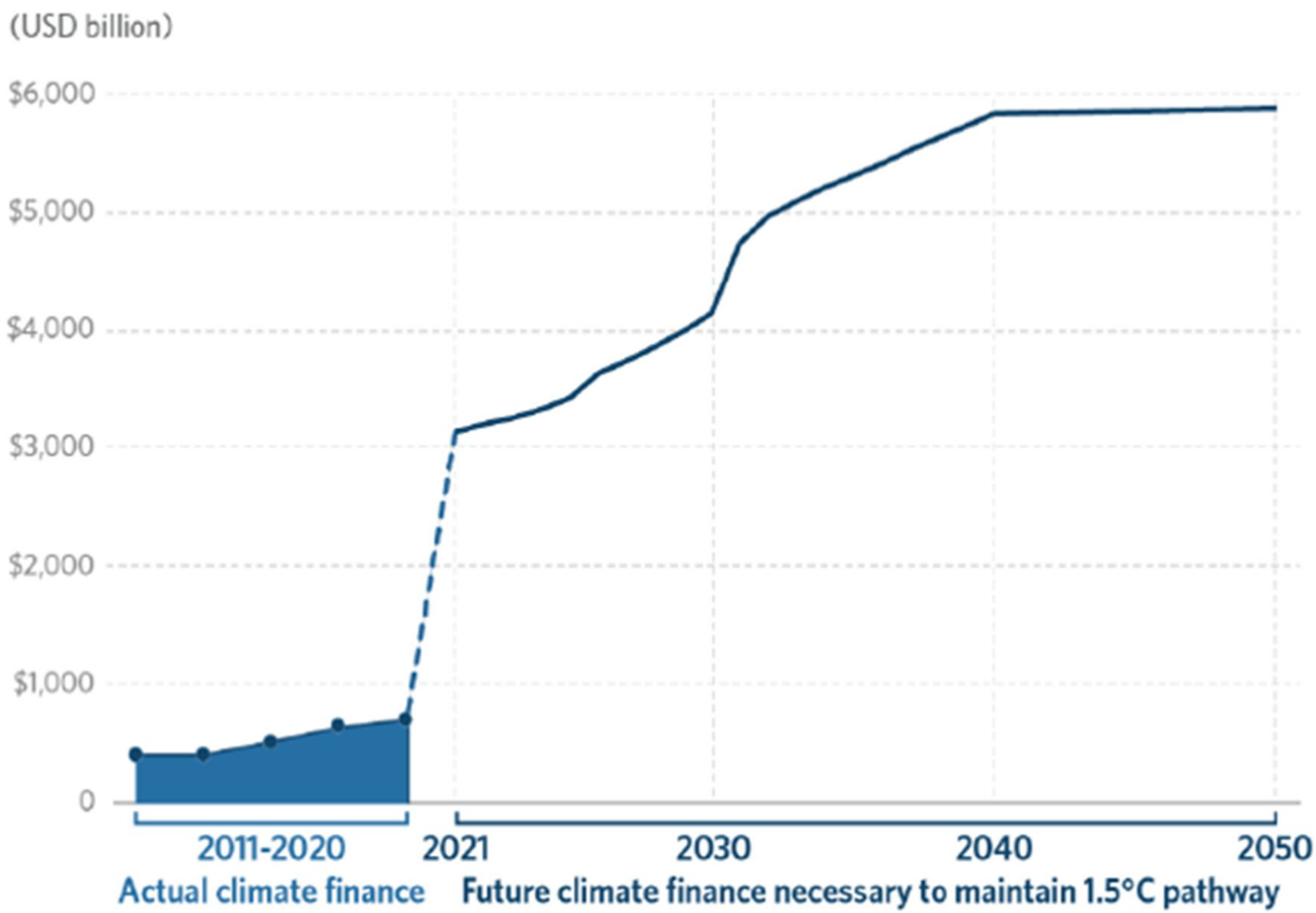
0.9% emissions increase a year, from 2015 to 2020.

1.400 GW renewables/year globally till 2050

Green Scenario: Fossil fuels 10%, Renewables 85% and Nuclear 5% of primary energy in 2050

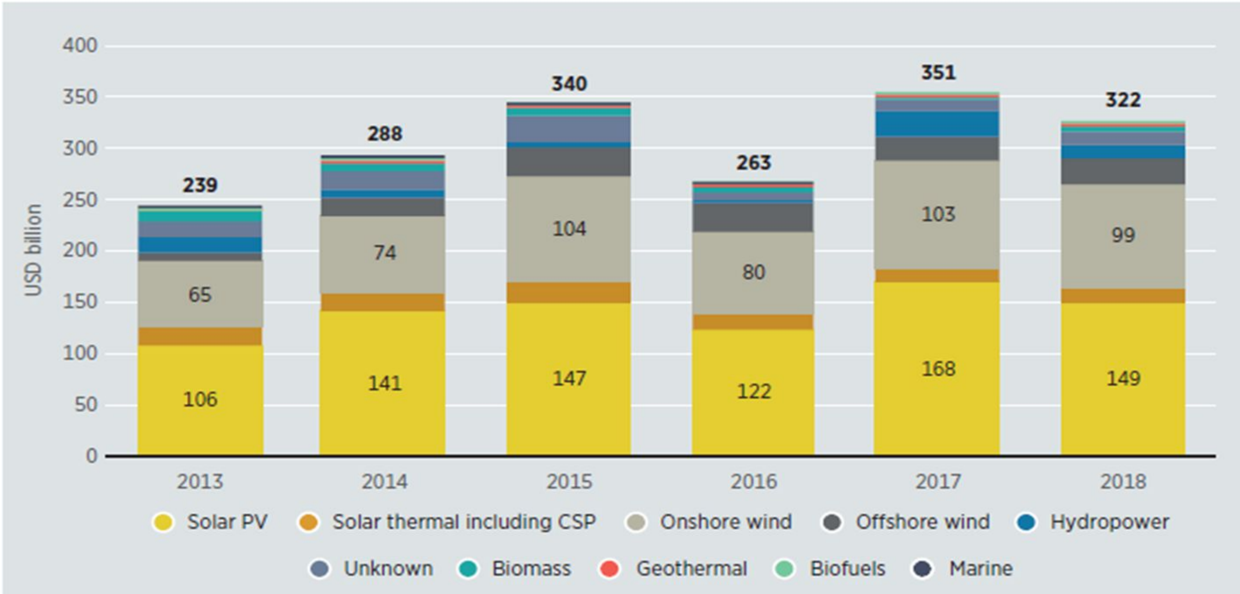
Source: Bloomberg New Energy Outlook 2021

Global Climate Finance Flows and Annual Investment Needs Through 2050



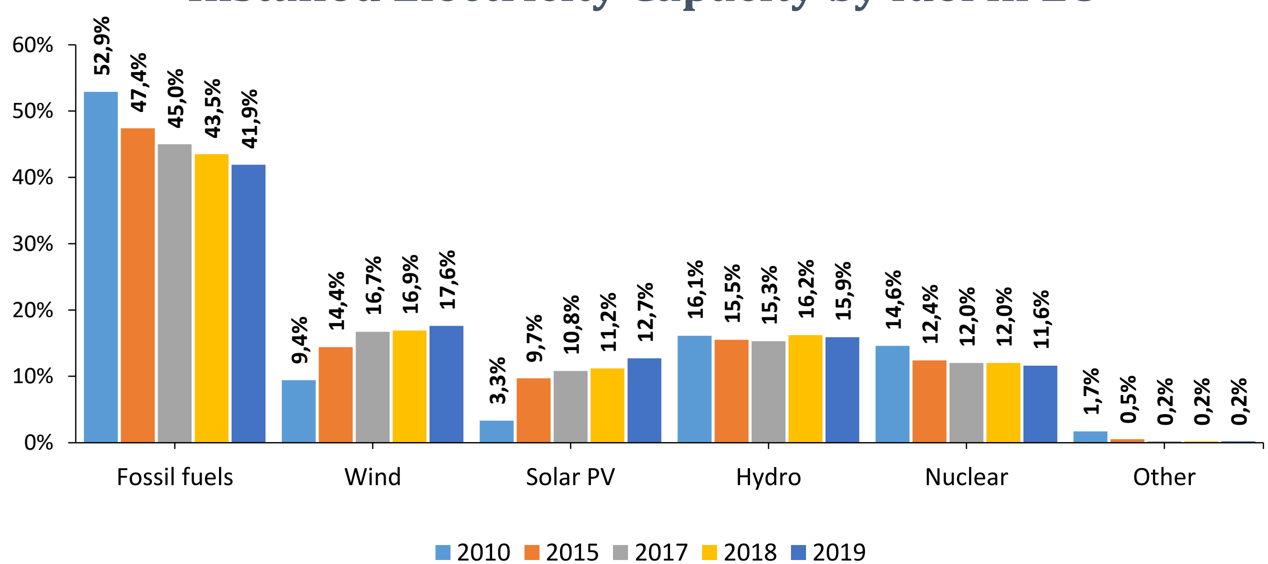
Source: Climate Policy Initiative

Financing Renewables Globally



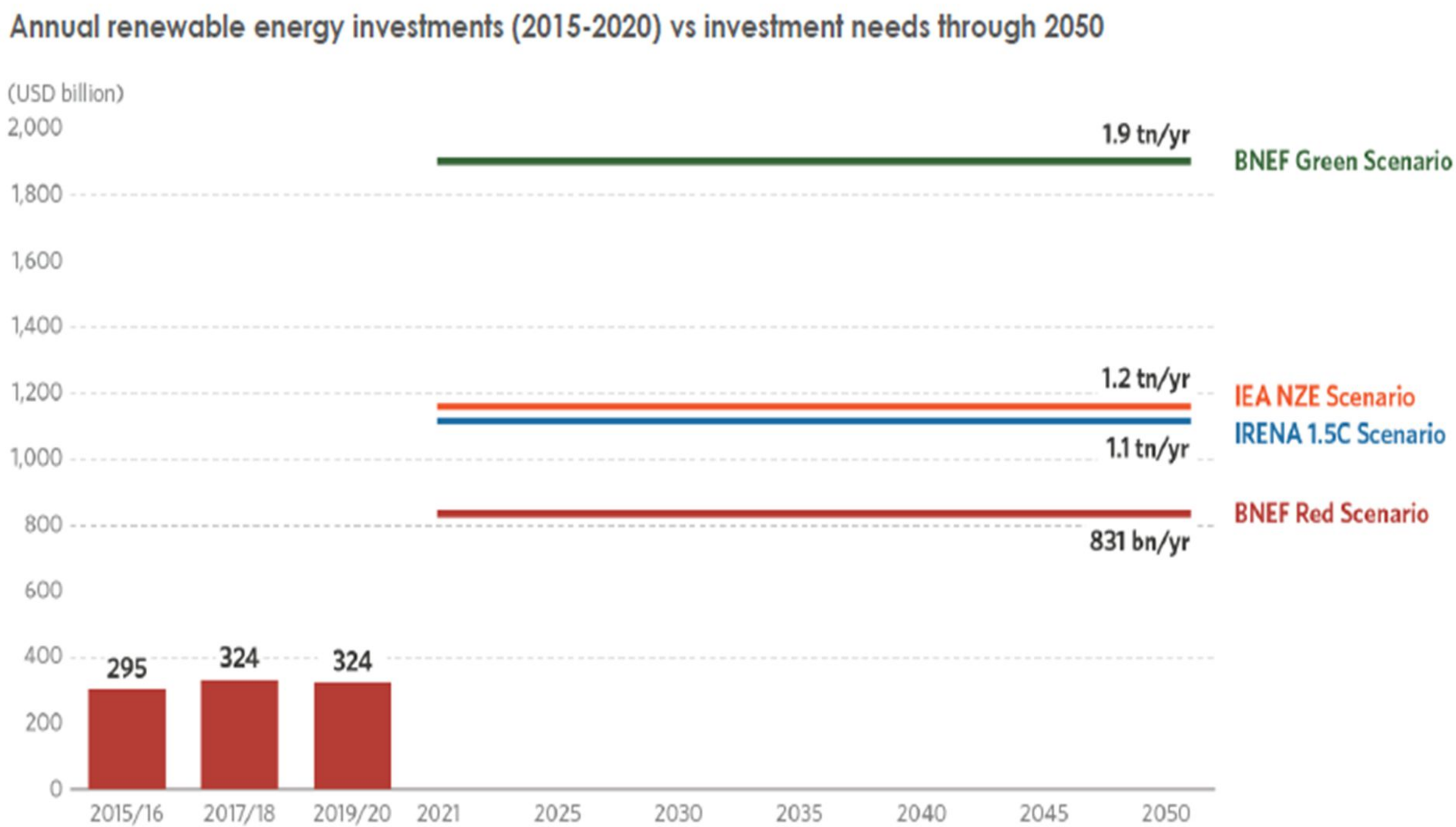
Πηγή: IRENA Global Landscape of Renewable Energy Finance 2020

Installed Electricity Capacity by fuel in EU



Πηγή: Eurostat

Renewable Energy Investment Needs Globally



Source: Climate Policy Initiative

Major Green Finance Announcements from COP26

Financial institutions representing **$130 trillion** in capital have pledged to transform the global economy to net-zero through the Glasgow Financial Alliance for Net Zero, a global alliance of banks, insurers and investors.

South Africa will receive **$8.5 billion** over the next three to five years to phase out coal through a partnership with the U.K., the U.S. and members of the EU.

The World Bank's International Finance Corp. and Europe's largest asset manager, Amundi, plan to establish a new **$2 billion** emerging market sustainable bond fund to finance climate-friendly COVID-19 recovery plans.

More than 100 countries, representing over 85% of the world's forests and backed by **$12 billion in public funds and $7.2 billion in private investment**, committed to reverse deforestation and land degradation by 2030.

Forty-six nations, including three of the world's top 10 coal generators, pledged to **phase out** their coal fleets and stop building or investing in new capacity.

More than 20 countries and five development banks have committed to end the public financing of overseas **fossil fuel projects** by the end of 2022.

Source: SPG Global

Green Bond Definitions

International Capital Market Association (ICMA) – A "green bond" is differentiated from a regular bond by its label, which signifies a commitment to exclusively use the funds raised to finance or re- finance "green" projects, assets or business activities.

The World Bank – A green bond is a debt security that is issued to raise capital specifically to support climate – related or environmental projects.

European Commission – A Green Bond is any type of listed or unlisted bond or capital market debt instrument issued by a European or international issuer that is aligned with the European Union Green Bond Standard (EU GBS)

Types of Labelled Bonds

Green Bond	A bond is labelled 'green 'or 'environmental' where the proceeds from the bond are directed to projects or assets with environmental benefits
Climate Bond	A subset of green bonds, where proceeds are directed to projects/assets that have specific climate benefits
Certified Climate Bond	Where a green bond has been certified against the Climate Bonds Standards as having met the criteria for Use and Management of Proceeds, External Review and disclosure for Pre- and Post-Issuance Reporting
Social Bond	Where the proceeds of the bond are used for projects and assets with positive social outcomes such as health care and education
Sustainability Bond	A bond that is financing a range of both social and environmental projects/assets
SDG Bond	An SDG bond invests in projects and assets that are aligned and contribute to the achievement of the Sustainable Development Goals (SDGs)
Transition Bond	Transition finance refers to investments that are not yet low- or zero-emission (i.e. not green) but have a short-term role to play in decarbonising an activity or supporting an issuer in its transition to Paris Climate Agreement alignment. This widely debated concept is built on the premise that "transition bonds" can fill a market gap by extending the labelling to a more diverse set of sectors and activities. Many of the candidates are currently highly polluting, hard to abate, and do not fall within existing sets of green definitions but are key to meeting global climate targets. Examples include extractives like mining; materials such as steel and cement; and industrials, including certain types of transportation,
Other types of bonds	There are other types of bonds that support the development of climate-related activities including sustainability-linked bonds, pandemic bonds, catastrophe bonds, or blue bonds. In traditional sustainability bonds, issuers have to prove that the capital they raise will be allocated to specific sustainable projects and assets. Sustainability-linked bonds qualify as sustainable because they are issued with a structural component (for example, a coupon) that varies depending on whether or not a defined environmental, social, and/or governance (ESG) objective is achieved. Pandemic bonds, using Climate Bonds definition of the pandemic theme (i.e. deals with a label related to COVID-19), emerged in early 2020 as actors across the global economy organised themselves to facilitate an immediate, effective response to the COVID-19 outbreak and subsequent pandemic. Catastrophe bonds are insurance-linked investment securities that can be used to manage risks that are associated with catastrophic events, such as hurricanes or earthquakes. Companies issue catastrophe bonds to insure themselves against major disasters, and investors who buy catastrophe bonds profit if the underlying catastrophe does not occur. In blue bonds, the proceeds are used for projects and assets related to the marine and coastal industries and ecosystems. A blue bond could be categorised as a green bond if the project brings climate and/or other environmental benefits

Sustainable Bonds vs Sustainability Linked Bonds

SUSTAINABLE BONDS
(use of proceeds)

- Green Bonds
- Social Bonds
- Sustainability Bonds

SUSTAINABILITY-LINKED BONDS (SLB)

Structurally linked to the issuer's achievement of climate goals or broader Sustainable Development Goals (SDG), such as through a covenant linking the coupon of a bond.

Example: Public Power Corporation €650 million SLB

Source: Climate Bond Initiative

The Green Bond Principles

The Principles

The Green Bond Principles | The Social Bond Principles | The Sustainability Bond Guidelines | The Sustainability-Linked Bond Principles

Use of Proceeds*

Green, Social, Sustainability Bonds ("GSS" or "UoP")

Core Components:

1. Use of Proceeds
2. Process for Project Evaluation and Selection
3. Management of Proceeds
4. Reporting

Key Recommendations:

1. Bond Frameworks
2. External Reviews

General Purposes*

Sustainability-Linked Bonds ("SLBs")

Core Components:

1. Selection of Key Performance Indicators (KPIs)
2. Calibration of Sustainability Performance Targets (SPTs)
3. Bond characteristics
4. Reporting
5. Verification

Financial Instrument Guidance

Climate Transition Finance

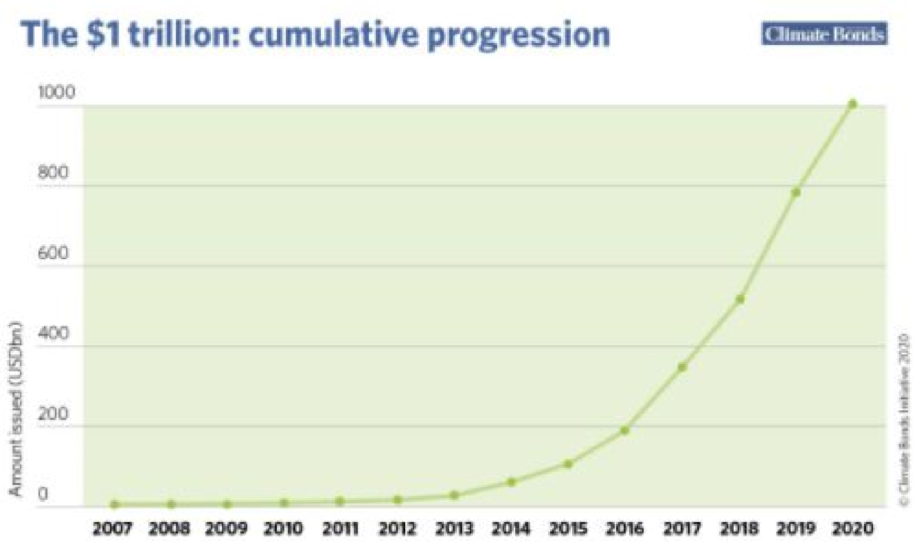
Climate Transition Finance Handbook (CTFH)

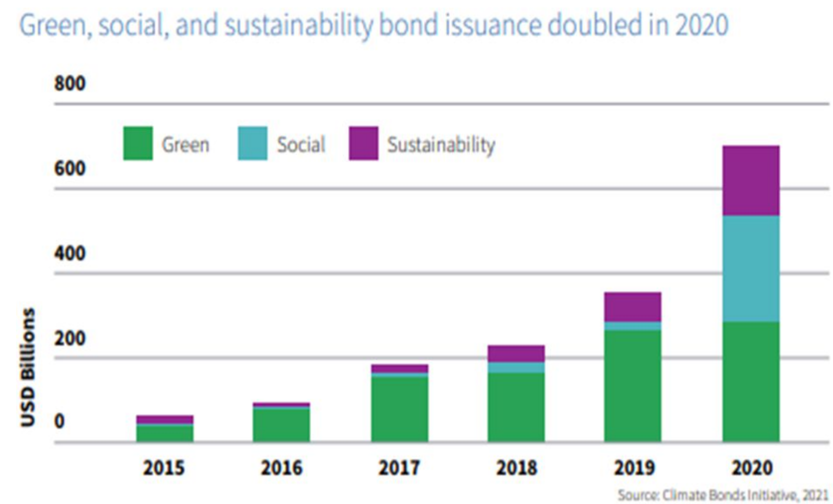
(Guidance may be applied to GSS/UoP Bonds or SLBs)

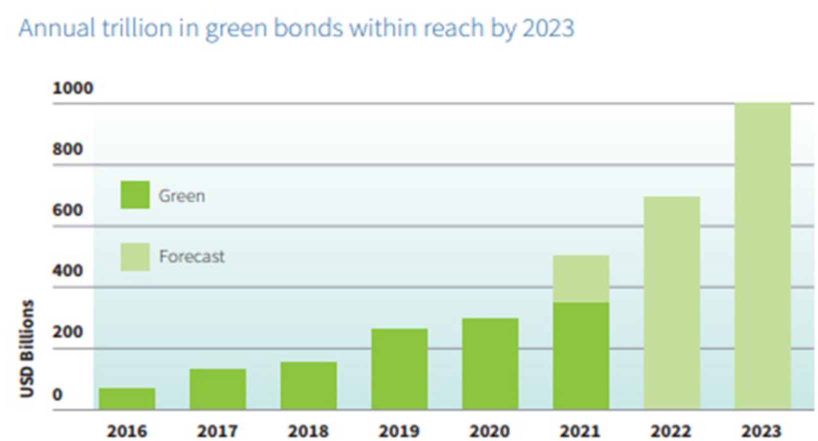
Thematic Guidance

* Under the GBP, SBP and SBG, an amount equal to the net bond proceeds is dedicated to financing eligible projects (Use of Proceeds Bonds) while under the SLBP, proceeds are primarily for the general purposes of an issuer in pursuit of identified KPIs and SPT (Sustainability-Linked Bonds). A bond that combines SLB and Use of Proceeds features should apply guidance for both types of bonds.

Market Overview

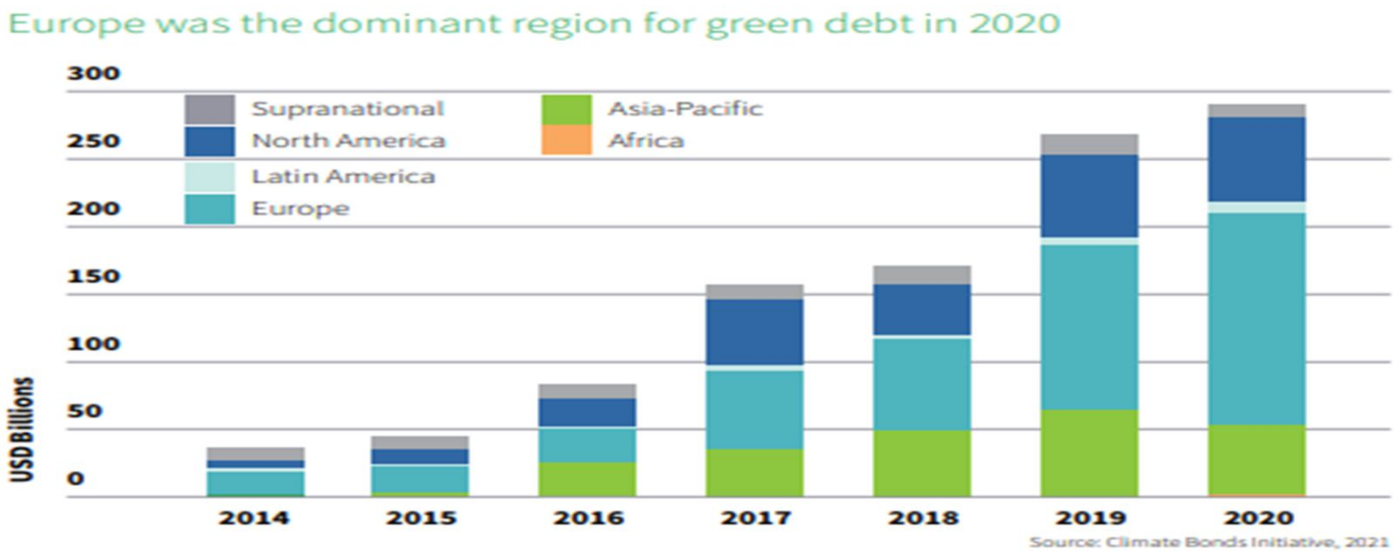






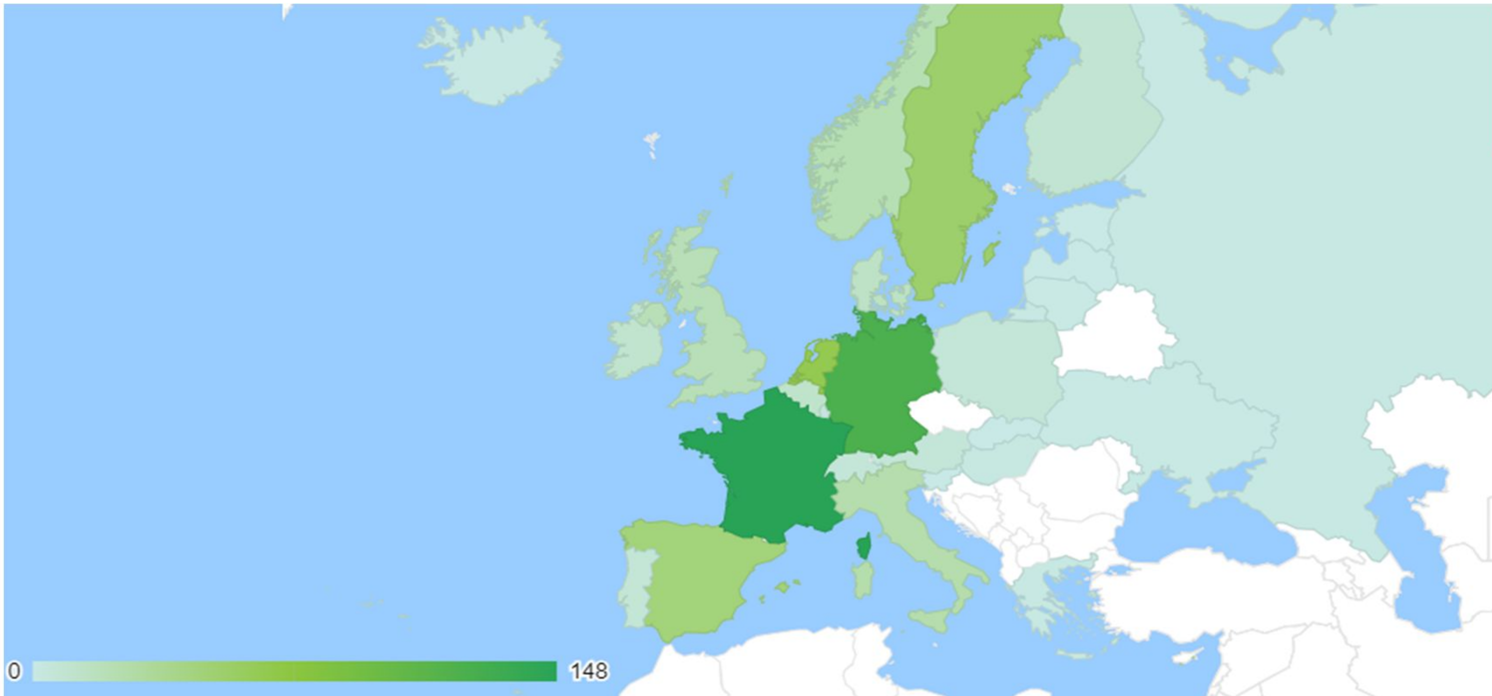
Source: Climate Bond Initiative

Top Regions & Countries for Green Bond Issuance

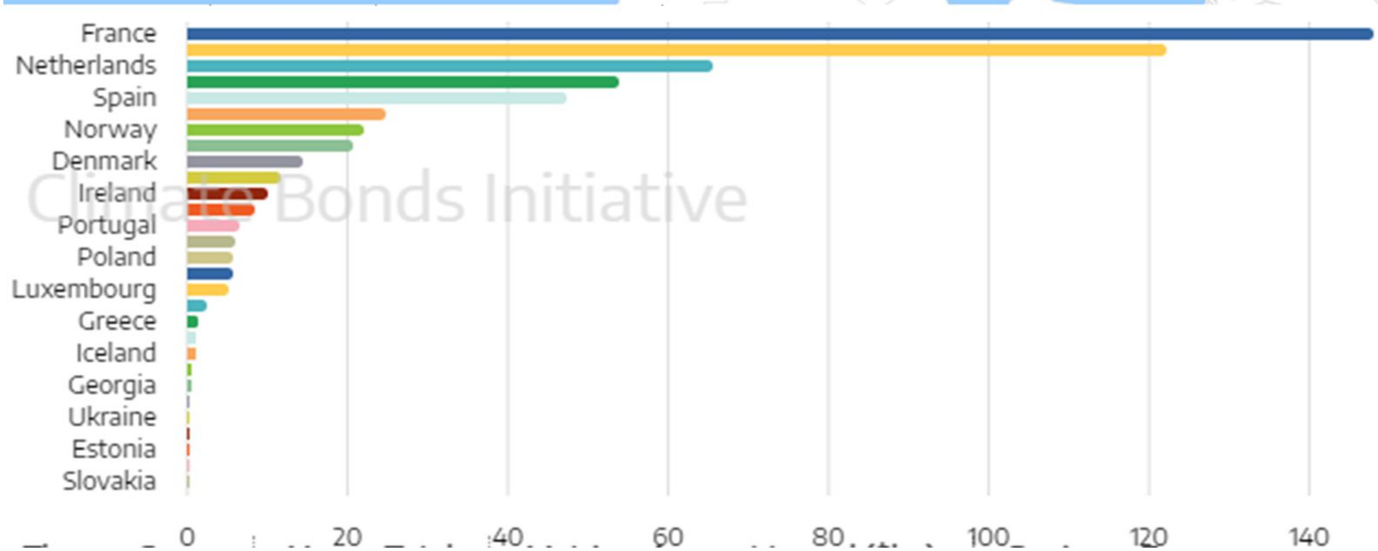


Source: Climate Bond Initiative

Europe Green Bond Issuance



$690.4bn
Total



France: $148bn

Germany: $122,4bn

Ολλανδία: $65,8bn

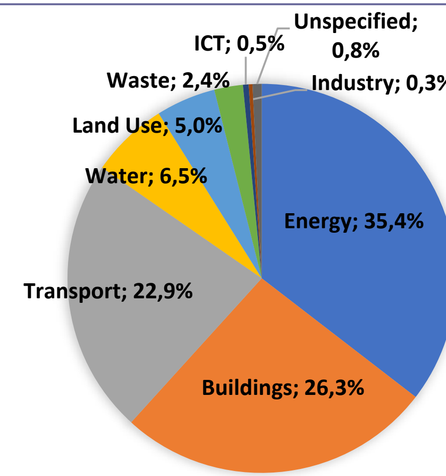
Σουηδία: $54,1bn

Greece: $1,5bn

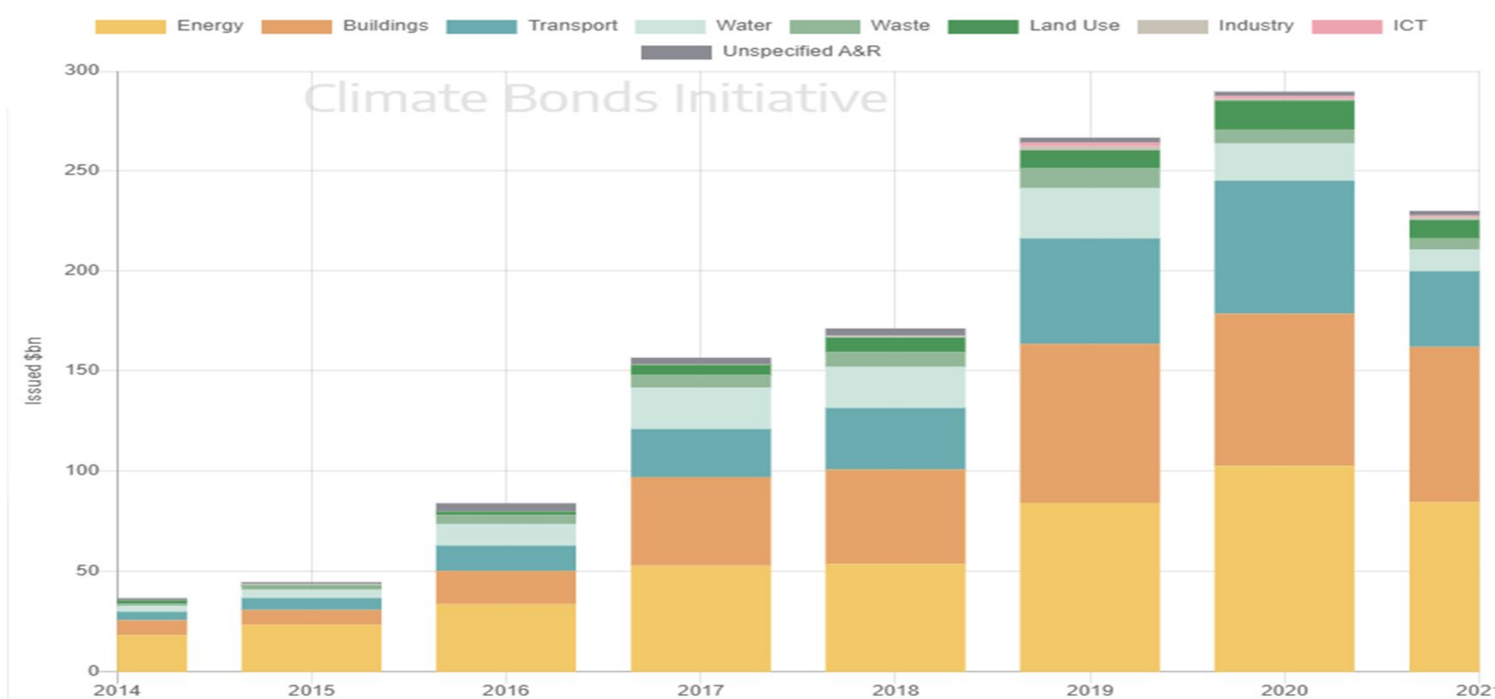
Source: Climate Bond Initiative

Use of Proceeds Breakdown 2020

- Energy sector: USD102,7bn
- Low Carbon Buildings: USD76,2bn
- Low Carbon Transport: USD66,4bn
- Water Infrastructure: USD18,7bn
- Waste: USD6,9bn
- Land Use: USD14,4bn
- ICT : USD1,4bn
- Industry: USD0,9bn



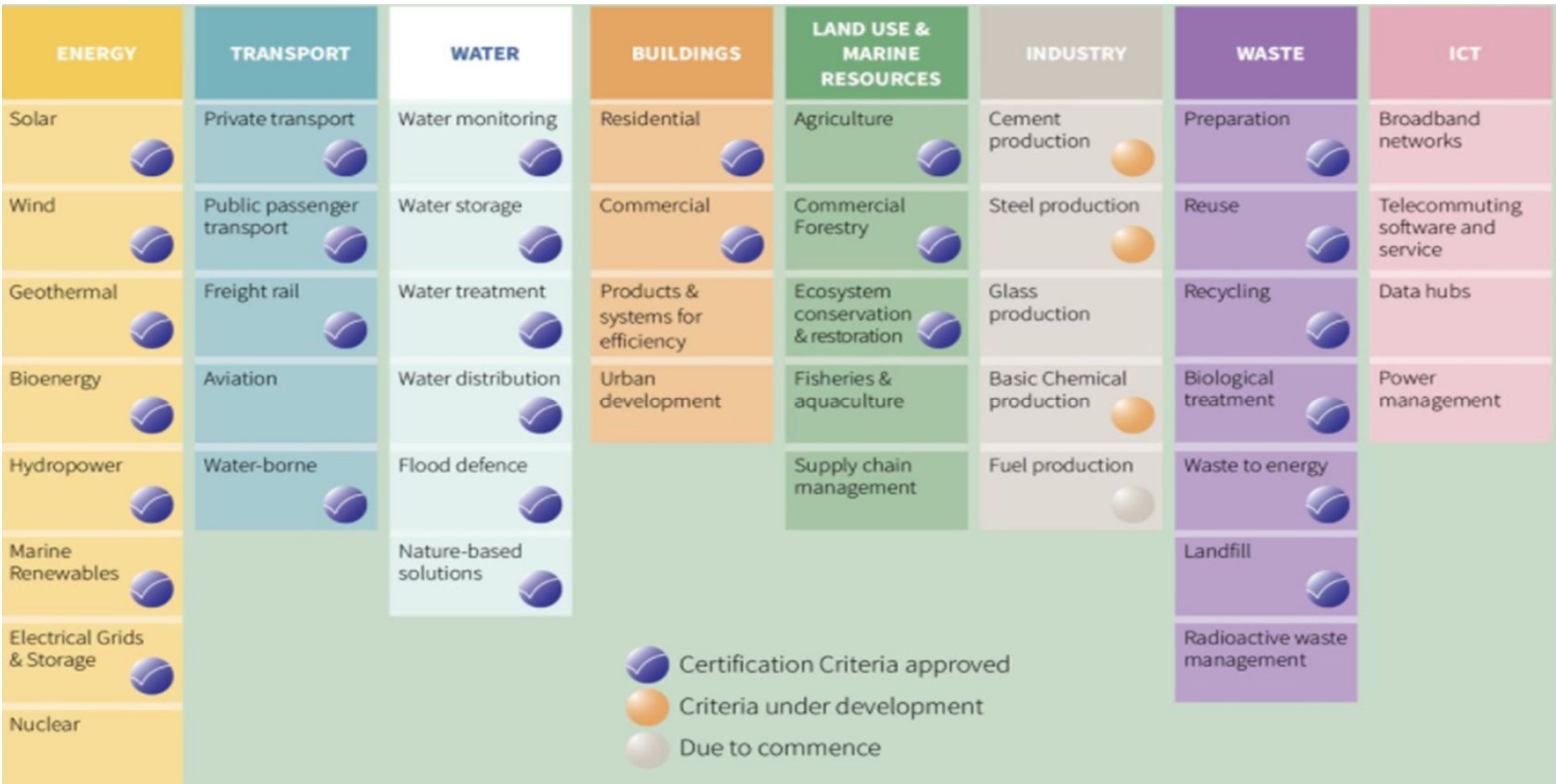
Green Bonds: Use of Proceeds Breakdown 2014-2020



Source: Climate Bonds Initiative

CBI's Taxonomy

- The Climate Bonds Taxonomy identifies the assets and projects needed to deliver a low carbon economy and gives GHG emissions screening criteria consistent with the 1.5^{0}C global warming limit set by COP 21 Paris Agreement.
- The Sector Criteria contain the requirements that specify what assets and infrastructure can be financed with bonds/loans, which have received Climate Bonds Certification.



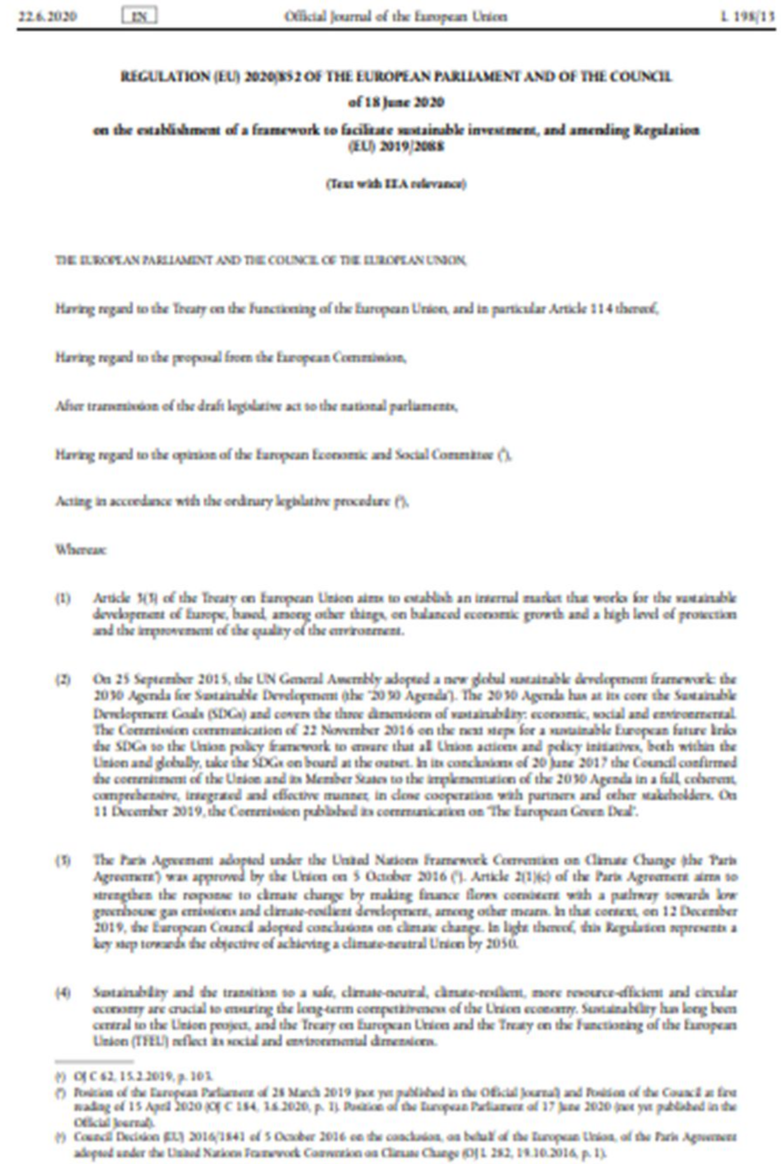
Source: Climate Bonds Initiative

EU Taxonomy

- ❑ The EU taxonomy is a classification system, establishing a list of environmentally sustainable economic activities.
- ❑ The Taxonomy Regulation 2020/852 entered into force on 12 July 2020.
- ❑ The Taxonomy Regulation establishes six environmental objectives:
  - ➢ Climate change mitigation
  - ➢ Climate change adaptation
  - ➢ The sustainable use and protection of water and marine resources
  - ➢ The transition to a circular economy
  - ➢ Pollution prevention and control
  - ➢ The protection and restoration of biodiversity and ecosystems.

Criteria for environmentally sustainable economic activities:

1. contributes substantially to one or more of the environmental objectives,
2. does not significantly harm any of the environmental objectives,
3. is carried out in compliance with the minimum safeguards laid down in Article 18,
4. complies with technical screening criteria.


22.6.2020 EN Official Journal of the European Union L 198/13

REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of 18 June 2020

on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 114 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee (1),

Acting in accordance with the ordinary legislative procedure (2),

Whereas:

(1) Article 3(3) of the Treaty on European Union aims to establish an internal market that works for the sustainable development of Europe, based, among other things, on balanced economic growth and a high level of protection and the improvement of the quality of the environment.

(2) On 25 September 2015, the UN General Assembly adopted a new global sustainable development framework: the 2030 Agenda for Sustainable Development (the '2030 Agenda'). The 2030 Agenda has at its core the Sustainable Development Goals (SDGs) and covers the three dimensions of sustainability: economic, social and environmental. The Commission communication of 22 November 2016 on the next steps for a sustainable European future links the SDGs to the Union policy framework to ensure that all Union actions and policy initiatives, both within the Union and globally, take the SDGs on board at the outset. In its conclusions of 20 June 2017 the Council confirmed the commitment of the Union and its Member States to the implementation of the 2030 Agenda in a full, coherent, comprehensive, integrated and effective manner, in close cooperation with partners and other stakeholders. On 11 December 2019, the Commission published its communication on 'The European Green Deal'.

(3) The Paris Agreement adopted under the United Nations Framework Convention on Climate Change (the 'Paris Agreement') was approved by the Union on 5 October 2016 (3). Article 2(1)(c) of the Paris Agreement aims to strengthen the response to climate change by making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development, among other means. In that context, on 12 December 2019, the European Council adopted conclusions on climate change. In light thereof, this Regulation represents a key step towards the objective of achieving a climate-neutral Union by 2050.

(4) Sustainability and the transition to a safe, climate-neutral, climate-resilient, more resource-efficient and circular economy are crucial to ensuring the long-term competitiveness of the Union economy. Sustainability has long been central to the Union project, and the Treaty on European Union and the Treaty on the Functioning of the European Union (TFEU) reflect its social and environmental dimensions.

(1) OJ C 62, 15.2.2019, p. 103.
(2) Position of the European Parliament of 28 March 2019 (not yet published in the Official Journal) and Position of the Council at first reading of 15 April 2020 (OJ C 184, 3.6.2020, p. 1). Position of the European Parliament of 17 June 2020 (not yet published in the Official Journal).
(3) Council Decision (EU) 2016/1841 of 5 October 2016 on the conclusion, on behalf of the European Union, of the Paris Agreement adopted under the United Nations Framework Convention on Climate Change (OJ L 282, 19.10.2016, p. 1).

Classification systems to identify green assets and projects

Source: Climate Bond Initiative - Growing green bond markets: The development of taxonomies to identify green assets

Who Can Issue a Green Bond?

- Any entity with bonding capability or authority may issue Green Bonds, including private companies, financial institutions or governments. These include:

  - **Private companies:** Non-financial corporations, particularly energy and utility companies, finance specific environmental projects through Green Bonds issuance. Such issuances allow investors to know their investments are going to green solutions, as companies issuing Green Bonds obligate themselves to ring-fence the proceeds to specific, previously-outlined projects.

  - **Financial institutions:** Commercial, investment and development banks can all issue Green Bonds. Such issuances signal the companies' commitment to sustainable development.

  - **Municipalities and national governments:** Government entities can issue Green Bonds as a means to finance specific local projects or meet selected environmental targets. For municipalities, Green Bonds are a sure way to engage local stakeholders into financing sustainable solutions, while for national governments, sovereign Green Bonds aid in carrying out sustainable policy agendas and stimulate the flow of private capital investments.

Issuing of Green Bonds in Europe

- **European Union**
  - 30% of the EU's up-to 800 billion euro COVID-19 recovery scheme NextGenerationEU, which gives grants and loans to member states until end-2026, will be raised through the issuance of green bonds and use the proceeds to finance green investments and reforms, in a clear sign of its commitment to sustainability.
  - The Commission proceeded with the issuance of the first NextGenerationEU green bond in October 2021, worth €12 billion, the world's largest green bond to date.
- **Greece**
  - **TERNA Energy** issued a seven-year €150mn green bond in October 2019. EBRD invested €18mn in the green bond issuance, being the first certified climate bond that the EBRD is supporting in the country. Ernst & Young has verified that the bond meets the Climate Bonds Initiative's classification as a certified climate bond.
  - 2019 was also the year in which **ELLAKTOR Group**, taking into account the favorable conditions in the international capital markets, proceeded to the issuance of an international, green bond, with fixed rate without collateral, totaling €670mn over a five-year period.
  - **MYTILINEOS S.A.** announced in April 2021 the successful pricing of its inaugural green bond offering of €500mn aggregate principal amount of 2.25% senior notes due 2026 at an issuance price of 100%.
  - **NATIONAL BANK OF GREECE** completed successfully the placement of a green senior bond in the Greek market in October 2020, totaling €500 million.
  - **PIRAEUS BANK** has successfully completed the book building process for the issuance of a €500 million green bond in October 2021.
  - The **Greek Government** prepares to issue green state bonds in second half of 2022.

Complementary Steps To Issue A Green Bond

- Define a Green Bond Framework
- Engage a verifier/service provider

- Include the green attributes in marketing materials and investor documents

- Allocate proceeds to the projects.
- Monitor the projects and track allocation over time.
- Publish Impact Report.
- Post issuance Audit if necessary.

Types of External Review

Pre-issuance review	Scope	Providers
Assurance	Positive or negative assurance on compliance with the Green Bond Principles (GBP) or the Green Loan Principles (GLP)	EY, Deloitte, KPMG, etc
Second Party Opinion	Confirm compliance with GBP / GLP. Provide assessment of issuer's green bond framework, analysing the "greenness" of eligible assets	CICERO, Sustainalytics, DNV GL, Vigeo Eiris, ISS-Oekom, etc
Green bond rating	Rating agencies assess the bond's alignment with the Green Bond Principles and the integrity of its green credentials	Moody's, S&P, RAM (Malaysia), R&I (Japan)
Pre-issuance verification	Third party verification confirms that the use of proceeds adheres to the Climate Bonds Standard and sector specific criteria	Approved verifiers under the Climate Bonds Standard

External Review Methodology Examples

PRE-ISSUANCE CLIMATE BOND CERTIFICATION

Verification Report for Pre-Issuance Certification for the Green Bond Issued by ELLAKTOR GROUP

SCOPE

ELLAKTOR Group (Ellaktor) commissioned ISS ESG to compile a Verifier's Report for Pre-Issuance Certification of its Green Bond by the Climate Bonds Initiative (CBI). The Climate Bonds Certification process includes verifying whether the provisions of the Climate Bonds Standards issued by the CBI are met and obtaining evidence to support the verification.

CRITERIA

Relevant CBI Standards for this Climate Bonds Certification:

- Climate Bonds Standard (Version 2.1)

ISSUER'S RESPONSIBILITY

ELLAKTOR's responsibility was to provide information and documentation on:

- Selection of nominated projects & assets
- Technical aspects of projects & assets
- Internal processes & controls
- Proposed reporting

Based on the limited assurance procedures conducted and evidence obtained, nothing has come to our attention that causes us to believe that, in all material respects ELLAKTOR's 2019 Green Bond is not in conformance with the Climate Bonds Standard's Pre-Issuance Requirements.

SECOND PARTY OPINION (SPO)

Sustainability Quality of the Issuer and Green Bond Framework

MYTILINEOS S.A.
13 April 2021

VERIFICATION PARAMETERS

Type(s) of instruments contemplated	• Green Bonds
Relevant standards	• International Capital Market Association's (ICMA) Green Bond Principles (GBPs)
Scope of verification	• MYTILINEOS Green Bond Framework (as of April 2021)
Lifecycle	• Pre-issuance verification
Validity	• As long as the Green Bond Framework does not change

Opinion: *….. finds that Management of Proceeds proposed by MYTILINEOS' Green Bond Framework is well aligned with the Green Bond Principles. The issuer has set up a Green Bond register in order to track the proceeds in a transparent manner, reflecting good market practices. Furthermore, the issuer has defined the expected allocation period for all proceeds.*

Climate Bond Standard and European Green Bond Standard

TEG REPORT

PROPOSAL FOR AN EU GREEN BOND STANDARD

June 2019

- 2022 will see a major update, expanding to include transition to net zero.

Source: Climate Bonds Initiative

Certification Process

Certification Process for a bond, loan or other debt instrument

1 Issuer begins by preparing the bond

- Identify assets that meet the relevant sector criteria and compile supporting information
- Create Green Bond Framework setting out how proceeds of the bond will be used the Issuer's internal controls

2 Engage a verifier

- Engage an Approved Verifier for Pre- and Post-Issuance Certification
- Provide them with relevant information
- Receive a Verifier's Report giving assurance that Climate Bonds Standard requirements are met

3 Get Certified & issue a Certified Climate Bond

- Submit the Verifier's Report and Information Form to the Climate Bonds Initiative
- Receive a decision on Pre-Issuance Certification
- Issue the bond, using the Certified Climate Bond mark

4 Confirm the Certification Post-Issuance

- Within 24 months of issuance, submit the Verifiers Post-Issuance report
- Receive notification of Post-Issuance Certification

5 Report annually

- Prepare a simple report each year for term of the bond
- Provide it to bond holders and Climate Bonds Initiative
- Provide updates through public disclosure

Source: Climate Bonds Initiative

IENE – Approved Verifier

- As of January 2021, **IENE became the first organization in Greece and SE Europe to be granted Approved Verifier status** under the Climate Bond Standard. This is a significant milestone in the development of Green Bond markets in SE Europe.
- As an Approved Verifier, IENE is in a position to **assess project eligibility** against the solar, wind, biomass, geothermal, energy efficiency, cogeneration and low carbon buildings criteria under the Climate Bonds Standard for green bond issuance.
- Verification services will be provided across all low carbon energy sectors for **pre-issuance** and **post-issuance assurance**.

Thank you for

your attention

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