European Bank for Reconstruction and Development

Focus on Environment

June 2025

European Bank
for Reconstruction and Development

Contents

European Bank
for Reconstruction and Development

Section 1

European Bank
for Reconstruction and Development

Overview of EBRD and the Environment

Introduction
About EBRD

European Bank
for Reconstruction and Development

Who we are:

- Supranational Institution founded in 1991 owned by 75 countries, plus the European Community and the European Investment Bank

Our mandate:

- **Promoting transition** to open, market-based economies in more than 30 countries from central Europe to central Asia and the southern and eastern Mediterranean;
- **Sound banking principles:** ensuring the project returns are commensurate with the risks;
- **Additionality:** financing projects, which would not solely be funded by commercial banks;
- **Sustainability:** ensuring socially and environmentally sound development

What we do:

- Provide project finance mainly to the private sector

Key facts:

- €41.1 billion operating assets at cost (2,422 active projects) at Q1 2025
- €26.4 billion available capital (paid in capital plus retained earnings and reserves) with an additional €23.6 billion of callable capital Q1 2025 (over 60% rated AA/Aa or better)
- 2025 Borrowing Programme up to €14.5 billion net new issuance*
- AAA/Aaa/AAA Credit Rating

* "Net new issuance" refers to the total amount of new debt securities issued minus any buybacks and early redemptions.

Introduction
Focus on Environment

European Bank
for Reconstruction and Development

- The EBRD is the first Multilateral Development Bank with an explicit requirement in its mandate to promote environmentally sound and sustainable development.
- We apply strict environmental and social standards to all projects we finance, which are governed by the Environmental and Social Policy and Performance Requirements.
- We are one of the largest investors in environmental projects in our countries of operations, including €25.7 billion in energy efficiency, climate change and sustainable resource finance as at December 2024 under our Green Economy Transition ("GET") approach. (GET investments include projects undertaken under two previous initiatives: the Sustainable Energy Initiative and the Sustainable Resource Initiative).
- The Just Transition Initiative seeks to harness the power of the private sector to accelerate the transition towards sustainable and inclusive market economies, focusing on (i) the Green economy transition, (ii) Supporting workers, and (iii) Regional economic development. For further information please see: https://www.ebrd.com/what-we-do/just-transition-initiative
- Our annual Greenhouse Gas ("GHG") assessment provides an estimate of the net carbon footprint that will result from all EBRD-financed projects signed during a given year, once the projects are fully implemented.

Our aim is to ensure that all projects we finance are socially and environmentally sustainable.

Introduction
ESG and Environmental & Social Sustainability

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ESG integration

- EBRD's robust ESG criteria focus on identifying and mitigating risk, as well as measuring impact;
- The Environmental and Sustainability Department is responsible for environmental and social risks, mitigants and impacts;
- Project summary documents (publicly available) include main environmental and social benefits, risks, mitigants and action plans;
- The Compliance, Legal, Risk Management and Banking departments collectively oversee governance issues;
- EBRD policies, procedures and reports:-
  - ✓ Sustainability Report;
  - ✓ TCFD;
  - ✓ Updated and enhanced ESG reporting under GRI;
  - ✓ Impact Report;
  - ✓ EBRD Environmental and Social Policy;
  - ✓ The Enforcement Policy and Procedures;
  - ✓ Corporate Governance Review Toolkit;
  - ✓ Domiciliation Policy;
  - ✓ Integrity and Anti-Corruption Report; and
  - ✓ Integrity Risks Policy;

Environmental and social sustainability

- EBRD must "promote in the full range of its activities environmentally sound and sustainable development" (Article 2.1 (viii) of the Agreement Establishing the EBRD);
- Projects are required to meet a comprehensive set of minimum environmental and social performance requirements covering key areas of sustainability;
  - ✓ Assessment and Management of Environmental and Social Impacts and Issues;
  - ✓ Labour and Working Conditions;
  - ✓ Resource Efficiency and Pollution Prevention and Control;
  - ✓ Health and Safety;
  - ✓ Land Acquisition, Involuntary Resettlement and Economic Displacement;
  - ✓ Biodiversity Conservation and Sustainable Management of Living Natural Resources;
  - ✓ Indigenous Peoples;
  - ✓ Cultural Heritage;
  - ✓ Financial Intermediaries; and
  - ✓ Information Disclosure and Stakeholder Engagement.

For further strategies and policies, please see: EBRD Strategies and Policies
For further reports, please see: Publications (ebrd.com)

Paris Alignment and GET 2.1

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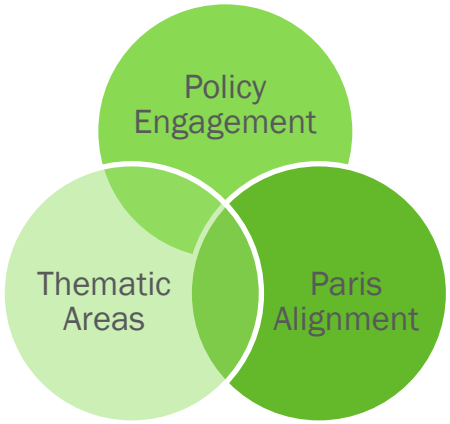
Committed to Paris Alignment of all the Bank's financial flows
GET 2.1 aims to accelerate the transition to a green, low-carbon and resilient economy and to contribute to achieving a net zero carbon world by 2050.

- Policy engagements that focus on long-term and low-carbon strategies and greening financial systems;
- Building capacity and awareness for climate risk management

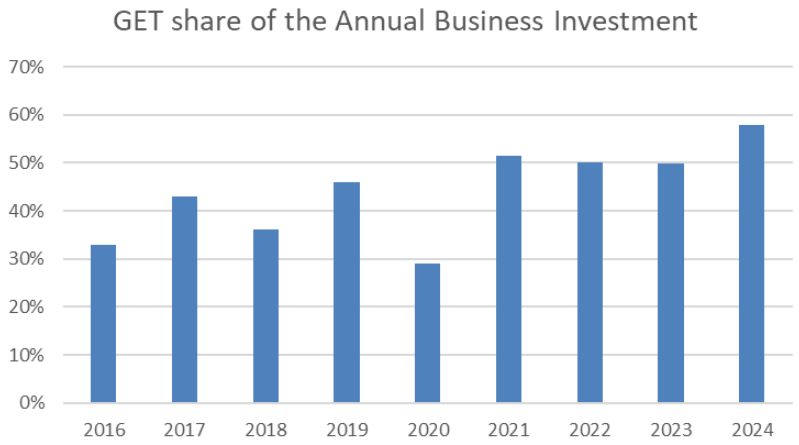
- Green Financial Systems
- Industrial Decarbonisation
- Sustainable Food Systems
- Energy Systems Integration
- Cities and Environmental Infrastructure
- Sustainable Connectivity
- Green Buildings
- Natural Capital



- Screening all investments to ensure they are in line with the Paris Agreement;
- Increasing capacity to support countries, regions and sectors develop low-carbon and climate resilient strategies; and
- Scaling efforts to mobilise climate finance
- Just transition approaches for countries, communities, sectors and workers

GET 2.1 Builds on a Track Record of Financing
Green Investments €60 billion in 3,300 green projects since 2006.

GET 2.1 sets to achieve a green finance target ratio of more than 50% by 2025.



Joint MDB Paris Agreement alignment framework: six building blocks

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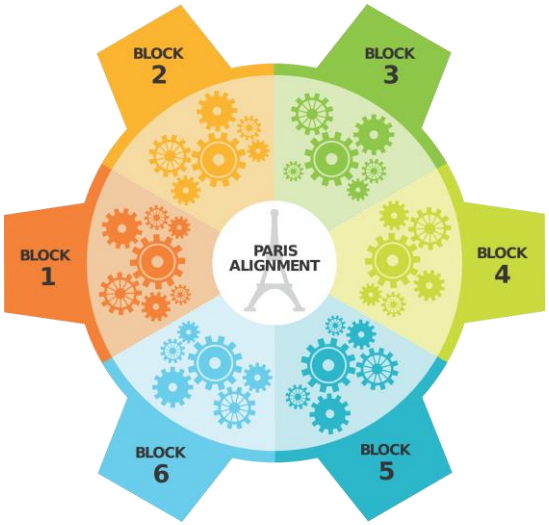

1 Alignment with mitigation goals
Operations consistent with national low-emissions development pathways and compatible with objectives of the Paris Agreement.

2 Adaptation and climate-resilient operations
Operations systematically screened for climate-resilience. Support increase in clients' ability to adapt to climate change.

3 Accelerated contribution to the transition through climate finance
Further scale up climate finance, operationalize new approaches to support NDCs, and accelerate realization of ambitions agreed under UNFCCC and in line with science-based evidence identified by IPCC.

4 Strategy, engagement and policy development
Develop new services to support clients put in place long-term strategies for low-emissions and climate-resilient development while ensuring consistency with SDGs.

5 Reporting
Develop tools and methods for characterizing, monitoring and reporting on Paris-aligned activities.

6 Align internal activities
Progressively ensure that internal operations, including facilities and other internal policies, are in line with the Paris Agreement

Source: 2018 MDB statement: The MDBs' alignment approach to the objectives of the Paris Agreement: working together to catalyse low-emissions and climate-resilient development:

Note: The nine MDBs are: The African Development Bank Group, the Asian Development Bank, the Asian Infrastructure Investment Bank, the EBRD, the European Investment Bank, the Inter-American Development Bank Group, the Islamic Development Bank, the New Development Bank, and the World Bank Group (World Bank, IFC, MIGA).

Introduction
Green Economy Transition ("GET") (I)

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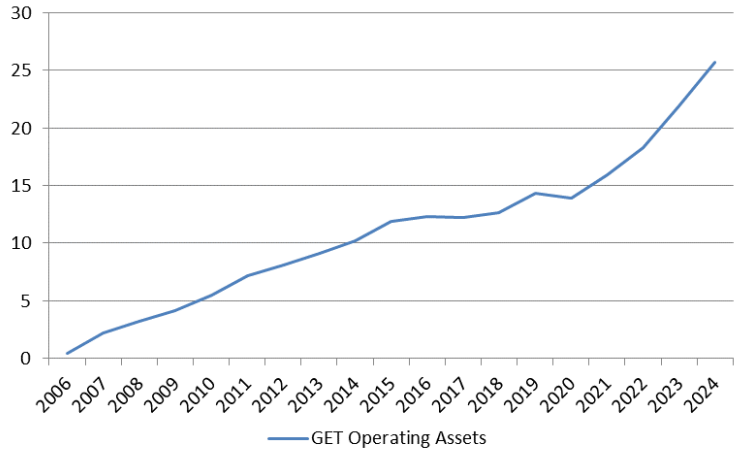
- From 2006 EBRD's Sustainable Energy Initiative scaled up sustainable energy investments in our region in:
  - Corporate energy efficiency
  - Clean and renewable energy
  - Municipal and infrastructure energy efficiency
- In 2014 the SEI's scope was broadened with the launch of the Sustainable Resource Initiative (SRI) to promote the efficient use of materials and water.
- In 2016 the EBRD officially adopted and rolled out its GET approach. It builds on a decade of pioneering work in scaling-up climate financing and investments that prioritise energy and resource efficiency, as well as our tried and tested business model of combining investments with technical assistance and policy dialogue.
- In 2020, the Bank scaled-up the approach (GET 2.1), which supports a green economic recovery in the Bank's region taking account of the impact of the coronavirus pandemic. By 2025, GET 2.1 aims to devote over 50 per cent of its annual investments to green projects and to achieve cumulative greenhouse gas (GHG) emissions reduction of 25 to 40 million tonnes.
- At the Bank's AGM in May 2025, the Strategic Capital Framework (SCF) 2026-2030 was approved, reaffirming the EBRD's commitment to environmental sustainability by supporting countries of operations to realise opportunities from the transition to green economies targeting systemic change to support competitiveness, resilience and energy security. The Bank continues to target at least 50% of Annual Business Volume to green finance.

Green Economy Transition*
(€25.7 billion operating assets)



In 2024, 58% of our annual Bank investments were in GET projects, including in energy efficiency, renewable energy, climate resilience and resource efficiency.

* GET investments include projects undertaken under two previous initiatives: the Sustainable Energy Initiative and the Sustainable Resource Initiative

Introduction
Green Economy Transition (II)

European Bank
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- The GET approach aims to:
  - ✓ advance the transition to an environmentally sustainable, low-carbon and climate-resilient economy; and
  - ✓ prevent economies from being locked into carbon-intensive, climate-vulnerable and/ or environmentally damaging pathways.
- The three main categories for environmental benefits of GET projects and project components are:
  1. **climate change mitigation** (reduction of greenhouse gas emissions);
  2. **climate change adaptation** (enhancement of climate change resilience); and
  3. **other environmental benefits** (e.g. improved resource efficiency, reduced local pollution and restoration of ecosystems).
- EBRD's GET 2.1 approach targets green financing of at least 50% of the Bank's annual investment by 2025 and includes:
  - ✓ Green investment and concessional financing;
  - ✓ Policy engagement; and
  - ✓ Technical support
- Projects that qualify for GET need to demonstrate to "clearinghouse" experts that they:
  - ✓ result in clearly identifiable and measurable environmental benefits;
  - ✓ address environmental challenges that impact economic activity and human health; and
  - ✓ bring incremental environmental benefits that are not seen as "business as usual".

* For more information on GET, please see: https://www.ebrd.com/what-we-do/get.html
For more information on the EBRD energy sector strategy, please see: https://www.ebrd.com/content/dam/ebrd_dxp/assets/pdfs/natural-resources/energy-sector-strategy/Energy-Sector-Strategy-2024-2028.pdf

Introduction
Green Economy Transition (III)

European Bank
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Climate Change Mitigation

- A project module is considered to mitigate climate change if it contributes to
  - ✓ 1) reducing GHG emissions into the atmosphere; or
  - ✓ 2) sequesters GHG emissions from the atmosphere.
- The main categories include e.g.:
  - ✓ renewable energy
  - ✓ lower-carbon and efficient energy generation
  - ✓ energy efficiency
  - ✓ agriculture, forestry, and land use
  - ✓ non-energy GHG reductions
  - ✓ waste and wastewater
  - ✓ transport
  - ✓ low-carbon technologies
  - ✓ cross-cutting issues

Climate Change Adaptation

- A project module is considered to qualify as climate change adaptation if its intention 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.
- Project modules that fulfil the following three design process criteria, can be considered as climate change adaptation if they:
  1. Set out the climate vulnerability context of the project
  2. Make an explicit statement of intent to address climate vulnerability
  3. Articulate a clear and direct link between the climate vulnerability context and the specific project activities

Introduction
Green Economy Transition (IV)

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Other Environmental Benefits

- GET includes projects with material environmental benefits that are not primarily climate change mitigation or climate change adaptation.
- Project outcomes may include:
  - ✓ sustainable and efficient water use and wastewater management;
  - ✓ sustainable and efficient use of materials and resources, including waste management, recovery, and recycling and re-use;
  - ✓ pollution prevention and control affecting air quality, surface water, soil, and groundwater;
  - ✓ projects that increase the resilience of, reduce the degradation of, or restore ecosystems;
  - ✓ development of new environmental technologies, environmental policy, and management;
  - ✓ sustainable transport that reduces impacts connected to the movement of goods and people, and reduces emissions of local air pollutants; and
  - ✓ production of environmental goods, and provisions.

Specific Exclusions

- Projects with significant adverse environmental and social impacts and risks are not eligible for GET. Therefore, the activities listed below are excluded from GET financing:
  - ✓ project components of greenfield, or capacity increasing projects consisting of:
    - environmental protection measures required under applicable national law and regulations
    - measures to mitigate or offset biodiversity impacts to achieve no net loss of biodiversity;
  - ✓ greenfield projects involving coal and oil extraction; and
  - ✓ greenfield construction, or lifetime extension of large-scale industrial installations (as per EU IED BREF documents), involving technologies that either increase the use of coal or fuel oil, or lock the installation into the use of coal or fuel oil.

Introduction
Green Bond Issuance by EBRD

European Bank
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- Since 2010, EBRD has issued Environmental Sustainability Bonds ("ESB")
  - ✓ Issued against a Green Project Portfolio ("GPP") of "dark green" assets;
  - ✓ The GPP can potentially cover all project categories under the Green Bon Principles ("GBP").

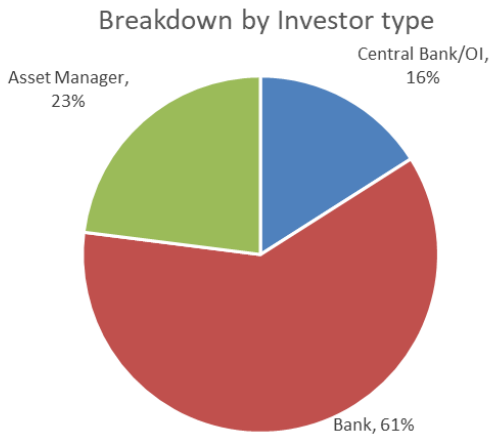
    EUR 7.0 billion issued in 108 transactions
- In 2019, EBRD introduced Climate Resilience Bonds ("CRB")
  - ✓ Underpinned by a Climate Resilience Project Portfolio ("CRPP") of assets that are consistent with the CBI's Climate Resilience Principles;
  - ✓ Investments in the CRPP focus on the GBP category of "climate change adaptation".

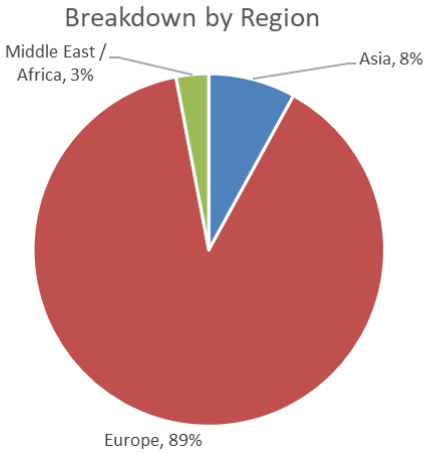
    EUR 1.2 billion issued in 13 transactions
- In 2019, EBRD instigated Green Transition Bonds ("GTB")
  - ✓ Financing a Green Transition Project Portfolio ("GTPP") that focuses on key sectors of the economy, which are currently highly dependant on the use of fossil fuels, to enable their transition to low carbon and resource-efficient operations;
  - ✓ Projects in the GTPP concentrate on manufacturing, food production and the construction and renovation of buildings, with an emphasis on four GBP categories.

    EUR 2.2 billion issued in 23 transactions

All EBRD's Green Bond ESB, CRB and GTB issuance is aligned with the Green Bond Principles

ESB Benchmark Issuance
EUR 1.0 billion March 2032





Please note all Green Bond Issuance data is as of December 2024

Section 2

European Bank
for Reconstruction and Development

EBRD's Green Bond Issuance:
Environmental Sustainability Bonds (ESBs)

Use of Proceeds
Environmental Sustainability Bonds ("ESBs")

European Bank
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- EBRD's ESBs provide an opportunity to invest in environmental and sustainable solutions that support public and private sector environmental projects in EBRD's countries of operations
- The proceeds of ESBs are specifically earmarked to support the Green Project Portfolio ("GPP"), comprising investments in:

Energy Efficiency

Renewable Energy

Water Management

Waste Management

Air Pollution Prevention / Sustainable Transport

Climate Projects

Sustainable Resource Projects

- The GPP criteria are established and periodically reviewed by the EBRD's Environment and Sustainability Department

Use of Proceeds
ESBs - Environmental Objectives

European Bank
for Reconstruction and Development

- ESBs finance specific projects that target substantial cost-effective improvements in energy efficiency and the expansion of renewable energy production in our region, as well as the provision of credit lines to local financial institutions. These facilities promote energy efficiency and small-scale renewable energy to clients such as SMEs, corporate and residential borrowers, and renewable energy project developers.
- ESBs support both public and private sector operators in the delivery of essential urban municipal services at national and local municipal levels. Projects include wastewater services, public transport, solid-waste management and district heating.
- ESBs enable improved water efficiency by financing municipal water infrastructure projects, including investments in demand-side water efficiency. They also help corporate clients optimise water management through improved operational efficiency, product design and sustainable manufacturing techniques.
- Bankable projects that help companies reduce their resource inputs and capture value from their waste may be funded by ESBs, as well as investments that help companies to reuse or recycle their unavoidable waste generation.
- Sustainable transport projects that are financed by ESBs aim to increase walking, cycling and public transportation usage, modal shift to low carbon transport, increase the energy efficiency and reduce air emissions of urban transport systems and introduce the use of sustainable renewable energy for urban public transport.

Use of Proceeds
EBRD's ESBs and the SDGs

European Bank
for Reconstruction and Development

- The projects in EBRD's Green Project Portfolio support the EBRD countries of operations to implement the Sustainable Development Goals (SDGs) in the following areas:

- Please also see Annex for a detailed mapping

Project Evaluation and Selection
Green Project Portfolio Selection Process

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EBRD Environmental and Social Policy is aligned with

- IFC Performance Standards/ Equator Principles
- EU environmental standards

Green Project Portfolio

General EBRD wide exclusions include:

- Defence-related activities, tobacco, selected alcohol products, substances banned by international law or gambling facilities
- Thermal coal mining, coal-fired electricity generation capacity and upstream oil exploration (unless reducing GHG emissions or flaring)
- Projects related to subsidies, sponsorship or donations
- Activities listed on the Exclusion list in Annex 1 of EBRD's Environmental and Social Policy

GPP selection criteria based on :

- A positive list, based on the environmental benefits of certain industry activities (e.g. Renewable Energy, Energy Efficiency, Water and Waste Infrastructure)
  - Threshold of at least 90% of the funding needs to be directed to environmental goals
- Various exclusion criteria in addition to GET exclusions (see p12)
  - fossil fuel production / regeneration / fuel switching transportation of thermal coal and oil/ transportation with vehicles using diesel fuel / any project that would lock-in fossil fuels or undermine any international or national commitments / construction of new large hydropower installations (as defined by International Commission on Large Dams (ICOLD)) and biofuel production (pending the adoption of internationally recognised sustainability criteria)
  - projects funded via equity and projects that are credit impaired and cannot fulfil their environmental purpose (subject to a review by the EBRD Environmental and Sustainability Department)
- Manual check and sign off by the EBRD Environment and Sustainability Department

The GPP criteria are reviewed on a regular basis, with revisions requiring an internal approval by the Environment and Sustainability Department, in consultation with Climate Strategy and Delivery Department and Treasury Department.

Management of Proceeds
Tracking of Funds

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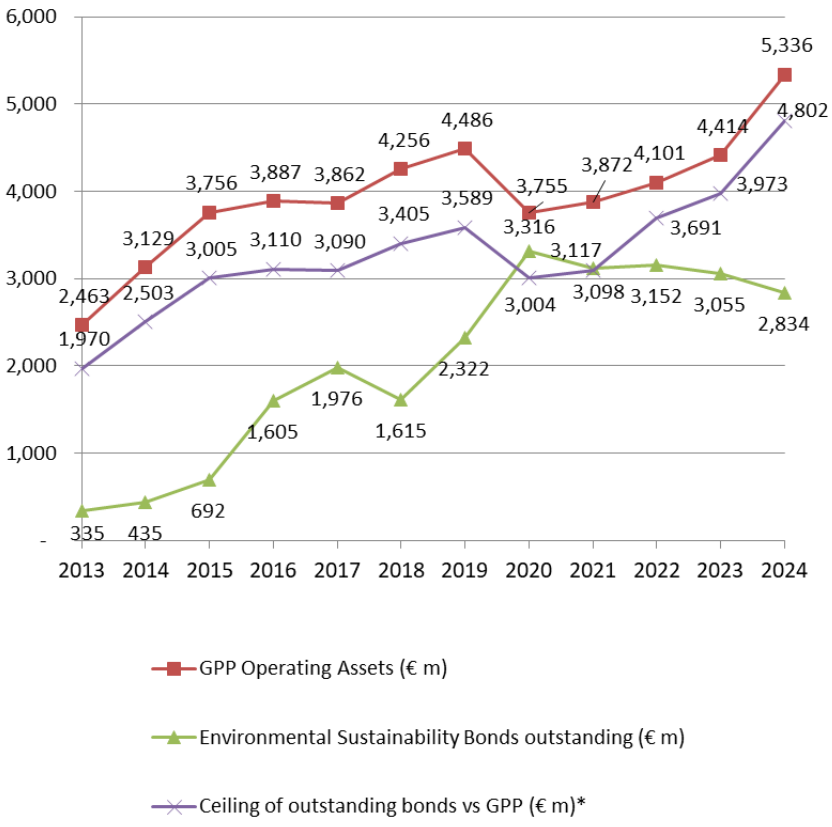
Proceeds from issuance are directed towards the GPP through:

- Definitions in the bond documentation;
- Allocating proceeds to existing and new projects in the GPP;
- If at any given point the ESB issuance exceeds 90% of the GPP, no further ESB issuance will be undertaken.
    - **At 31 December 2024,** ESB issuance outstanding was €2.8bn, i.e. 53% of the 4Q 2024 GPP.
- If outstanding bonds temporarily exceed the GPP, excess funds will be invested and tracked separately in money market instruments.

Since 2010, EBRD has issued 108 ESBs totalling € 7.0 billion equivalent (31 December 2024)

- The Bonds were denominated in AUD, BRL, CHF, EUR, HUF, IDR, INR, NOK, NZD, RUB, SEK, TRY, USD and ZAR

Environmental Sustainability Bond Utilisation (€ m)



*In 2022 ceiling of outstanding bonds vs GPP changed from 80% to 90% based on to the size and granularity of the GPP operating assets.

Reporting
EBRD's Green Project Portfolio

European Bank
for Reconstruction and Development

Consistent with the fourth core component of the Green Bond Principles, EBRD provides up to date reporting on the GPP.

The information provided on a portfolio basis covers:-

- Use of Proceeds (required)
  - At least annually
  - Geographic, industry, and GPP category breakdown

- Impact Reporting (recommended)
  - Annually
  - e.g. GHG savings, Renewable Energy capacity installed
    Water saved, Wastewater treated, Waste reduced,
    Particulate Matter and Nitrogen Oxides reduced
  - Embedded in our Sustainability Report and the Focus on Environment presentation

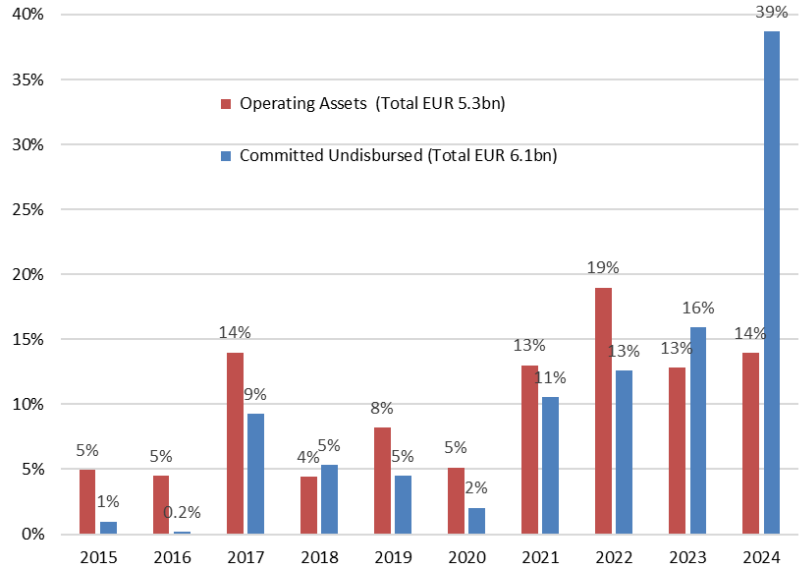
Reporting
GPP– Allocation Report/Use of Proceeds (I)

European Bank
for Reconstruction and Development

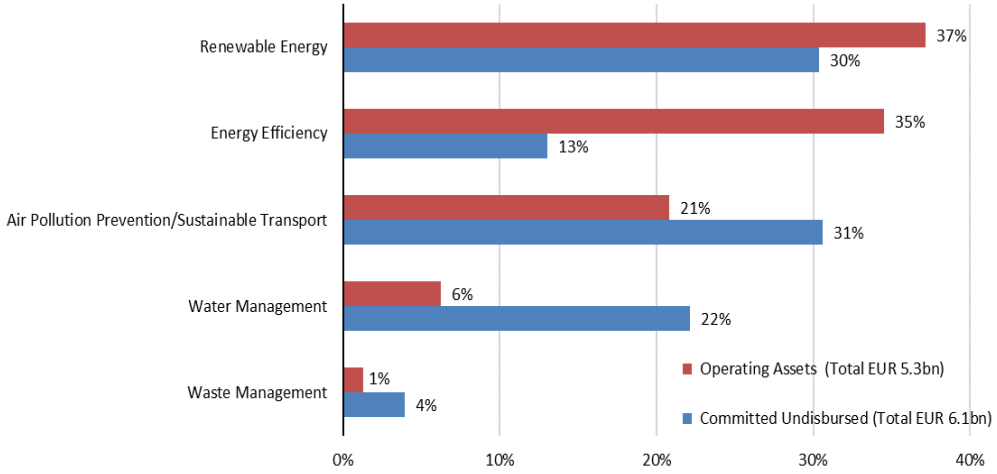
Green Project Portfolio (at 31 December 2024):

- €5.3bn operating assets (€11.5bn committed amounts of which €6.1bn is undrawn)
- 353 projects (in total 467 individual project facilities)
- 11.5 years weighted average remaining life
- 14.6 years weighted average tenor
- 3.1 years weighted average age of assets

Operating Assets & Undrawn by year



Op. assets and undrawn by class



Reporting
GPP– Allocation Report/Use of Proceeds (II)

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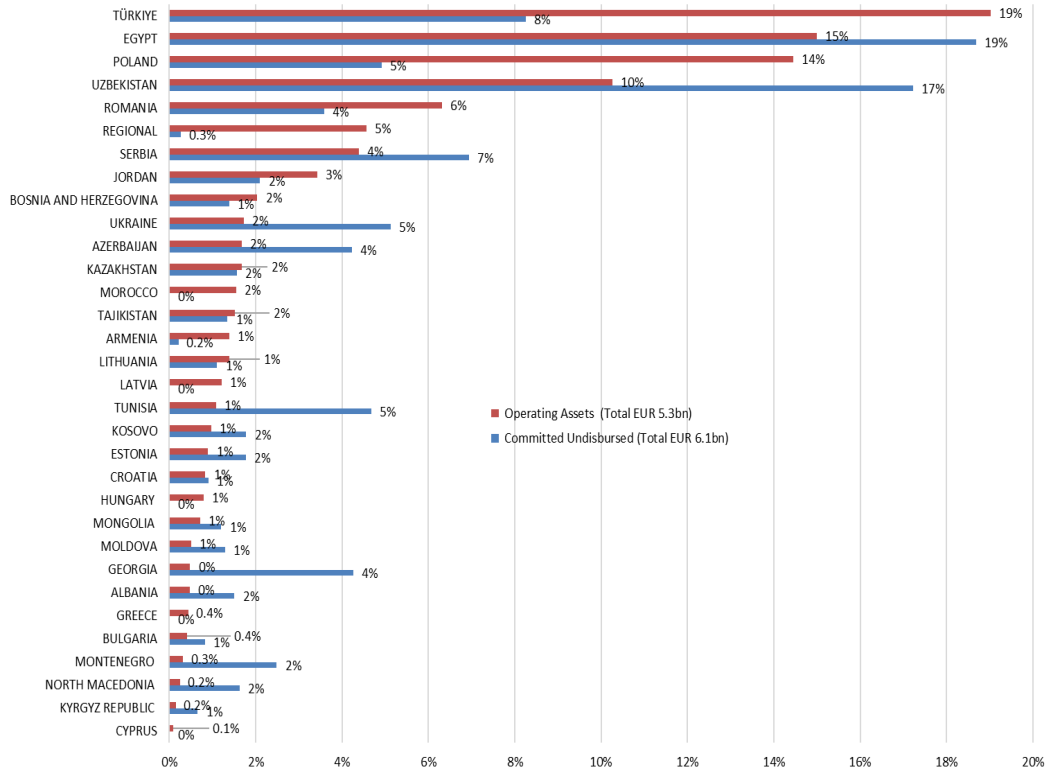
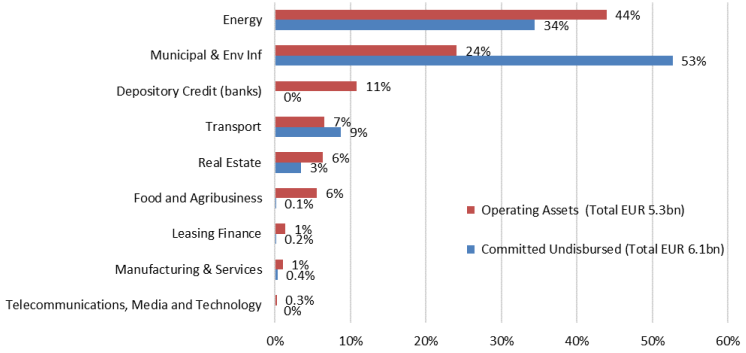
Op. assets &undrawn by country



Op. assets and undrawn by industry



Reporting
Expected Impact – Green Project Portfolio
(year-end 2024)

European Bank
for Reconstruction and Development

EBRD reports on the expected environmental impacts based on the relevant committed amounts of renewable energy, energy efficiency, water, waste and sustainable transport projects.

Table 4. ESB impact, outcome and output overview, 2024

Portfolio and issuance	Allocated committed project amount (portfolio)	€ billion	11.5
	Allocated disbursed project amount (operating assets)	€ billion	5.3
	Outstanding green bond issued amount as of year end 2024	€ billion	2.8

Eligible project category	Impact metric*	Impact metric unit	GPP
Renewable energy	Renewable energy component (based on portfolio)	%	34
	Renewable energy capacity added	MW per year	3,267
	Annual GHG emissions reduced/avoided	$ktCO_2e$ per year	4,767
Energy efficiency**	Energy efficiency component (based on portfolio)	%	14
	Annual energy savings (electricity/other)	million GJ per year	6.2
	Annual GHG emissions reduced/avoided	$ktCO_2e$ per year	1,506
Sustainable water and wastewater management	Sustainable water and wastewater management component (based on portfolio)	%	15
	Annual absolute (gross) water savings	million m^3 per year	134.9
	Annual wastewater treated	million m^3 per year	119.2
	Population benefiting from improved access to tap water	number of people (million)	1.5
	Population benefiting from improved access to wastewater services	number of people (million)	2.4
Waste management and resource efficiency	Waste management component (based on portfolio)	%	3
	Waste prevented, minimised, reused or recycled	million tonnes per year	1.1
	Population benefiting from improved solid waste management services	number of people (million)	7.9
Clean transport	Clean transportation project component (based on portfolio)	%	25
	Reduction of air pollutants	particulate matter (PM) tonnes per year	25.6
	Reduction of air pollutants	nitrogen oxides (NOx), tonnes per year	658
	Passengers benefiting from new fleet per day	passengers per day (million)	1.2
Green buildings	Green buildings project component (based on portfolio)	%	9
	Annual GHG emissions reduced/avoided	$ktCO_2e$ per year	41.3
	Annual energy savings (electricity/other)	GJ per year	741,720

* All impact is reported pro rata of the EBRD's financing and on a portfolio basis.
** Note annual energy savings of 2.6 million GJ (annually) and 1,060 Kt of GHG emissions reduced (annually) are attributable to Green Economy Financing Facilities

For further information please see Investor Report on Sustainability.

Reporting
Green Project Portfolio – Climate Projects CO2e expected savings (year-end 2024)

European Bank
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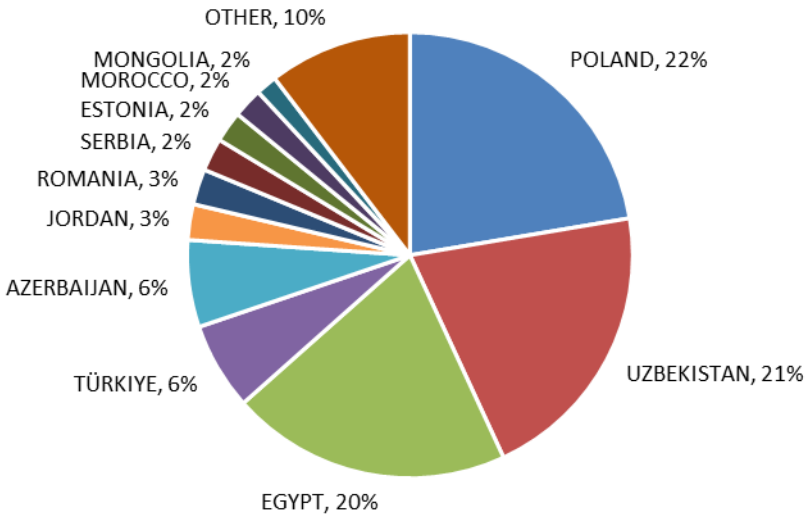
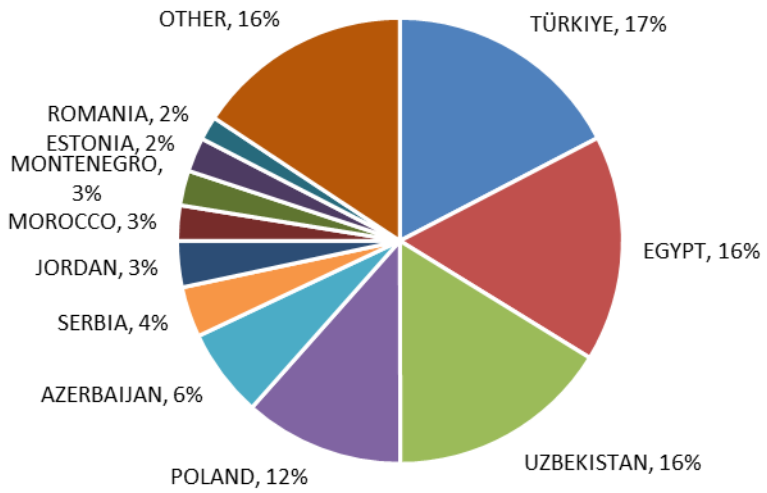
GPP GHG saved, by economy (Total)

23,063 kiloton of CO_2 equivalent, annually



GPP GHG saved, by economy (Pro rata)

6,314 kiloton of CO_2 equivalent, annually



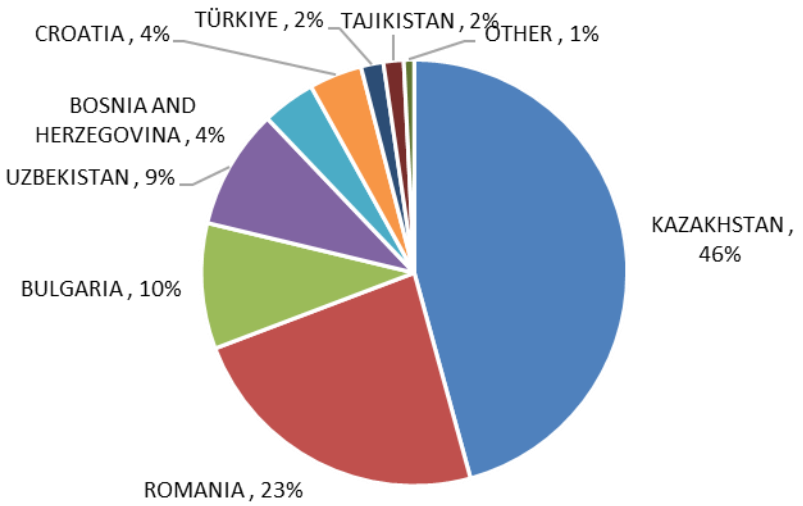
Note that this only includes energy efficiency, renewable energy and green buildings projects, however other project categories may also have CO_2 equivalent savings.

Reporting
Sustainable Water Projects expected savings
(year-end 2024)

European Bank
for Reconstruction and Development

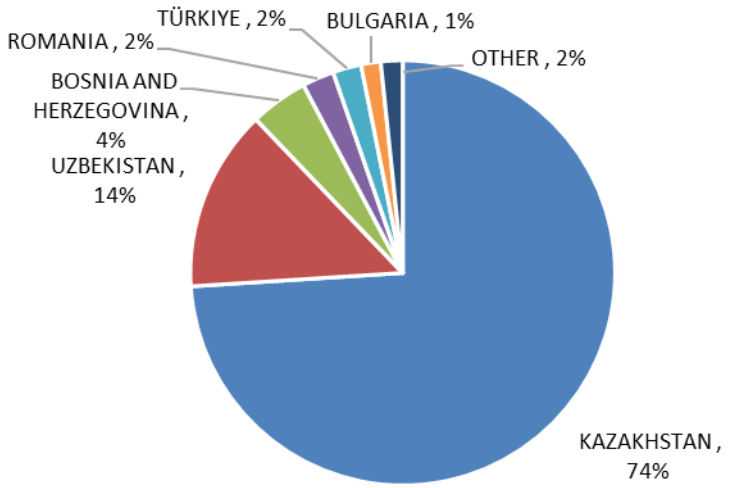
Water savings, by economy (Total)

246 million m³ annually



Water savings, by economy (Pro rata)

135 million m³ annually



Note that this breakdown only includes savings associated with sustainable water projects, however other project categories may also have water savings.

Section 3

European Bank
for Reconstruction and Development

EBRD's Green Bond Issuance:
Climate Resilience Bonds (CRBs)

Use of Proceeds
Climate Resilience Bonds ("CRBs")

European Bank
for Reconstruction and Development

- EBRD's CRBs provide an opportunity to finance projects that seek to build climate resilience by mitigating physical climate change vulnerabilities and risks identified in public and private sector projects in EBRD's countries of operations.
- The proceeds of CRBs are specifically earmarked to support the Climate Resilience Portfolio ("CRPP"), comprising investments in:
  - ✓ **Climate Resilient Infrastructure** - Including projects focusing on critical infrastructure systems e.g. energy, water, transport, communications and the built environment.;
  - ✓ **Climate Resilient Business & Commercial Operations** - Including projects focusing on e.g. agri-processing, manufacturing/services, logistics/retail, extractive industries; and
  - ✓ **Climate Resilient Agriculture & Ecological Systems** - Including projects focusing on primary agricultural production.
- The CRPP criteria are established in alignment with the Climate Resilience Principles* published on 17 September 2019, and are periodically reviewed by the EBRD's Environment and Sustainability Department.

* https://www.climatebonds.net/adaptation-and-resilience

Use of Proceeds
CRB – Climate Resilience Goals

European Bank
for Reconstruction and Development

- The physical climate risks that CRB projects seek to address are:-
  i) Increasing extreme weather events;
  ii) Increasing water stress;
  iii) Increasing heat stress;
  iv) Increasing hydrological variability (chronic); and
  v) Sea-level rise.

- The corresponding climate resilience outcomes that CRB projects seek to achieve are:-
  i) Increased water availability in water-stressed regions;
  ii) Increased energy availability despite growing climatic variability;
  iii) Increased agriculture in the face of extreme and unpredictable weather patterns;
  iv) Improved human health and productivity despite climate variability;
  v) Reduced weather-related disruption; and
  vi) Reduced weather-related damage.

- Climate risks result in physical phenomena, and therefore EBRD sees it as relevant to consider climate resilience responses in physical terms.

- In line with the CBI's Climate Resilience Principles, boundaries and interdependencies for the assessment of climate risks and mitigants for each project are clearly defined, and ongoing monitoring is undertaken to ensure that the climate resilience benefits are maintained.

Project Evaluation and Selection
Climate Resilience Project Selection Process

European Bank
for Reconstruction and Development

EBRD's Environmental and Social Policy is aligned with

- IFC Performance Standards/ Equator Principles
- EU environmental standards

Climate Resilience Portfolio

General EBRD wide exclusions include:

- Defence-related activities, tobacco, selected alcohol products, substances banned by international law or gambling facilities
- Thermal coal mining, coal-fired electricity generation capacity and upstream oil exploration (unless reducing GHG emissions or flaring)
- Projects related to subsidies, sponsorship or donations
- Activities listed on the Exclusion list in Annex A of EBRD's Environmental and Social Policy

CRPP selection criteria based on :

- Projects under the EBRD Green Economy Transition approach that focus on Climate Adaptation*
- Consistency with the Climate Resilience Principles
- Various exclusion criteria, in addition to GET exclusions (see p12)
  - fossil fuel production / regeneration / fuel switching / transportation of thermal coal and oil/ transportation with vehicles using diesel fuel / any project that would lock-in fossil fuels or undermine any international or national commitments;
  - projects funded via equity and projects that are credit impaired and cannot fulfil their environmental purpose (subject to a review by the EBRD Environmental and Sustainability Department)
- Manual check and sign off by the EBRD Environment and Sustainability Department

The CRPP criteria are reviewed on a regular basis, with revisions requiring an internal approval by the Environment and Sustainability Department, in consultation with Climate Strategy and Delivery Department and Treasury Department.

* See – Approach to Climate Adaptation Action Plan 2023-2025: https://www.ebrd.com/climate-adaptation-action-plan.pdf

Management of Proceeds
Tracking of Funds

European Bank
for Reconstruction and Development

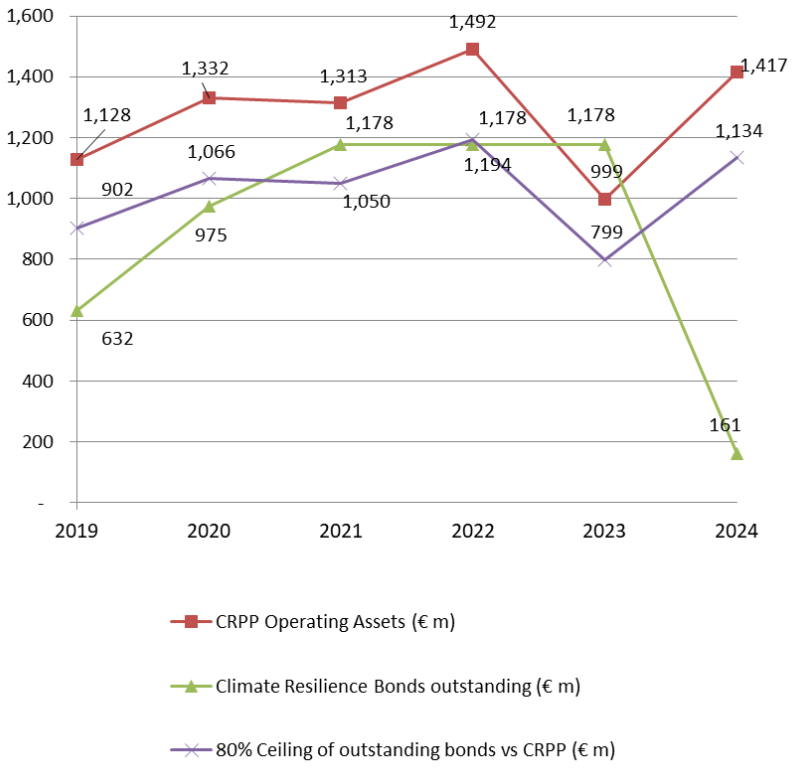
Proceeds from issuance are directed towards the CRPP through:

- Definitions in the bond documentation;
- Allocating proceeds to existing and new projects in the CRPP;
- If at any given point the CRB issuance exceeds **80%** of the CRPP, no further CRB issuance will be undertaken.
    - **At 31 December 2024**, CRB issuance outstanding was EUR 161mn, i.e. **11%** of the Q4 2024 CRPP.
- If outstanding bonds temporarily exceed the CRPP, excess funds will be invested and tracked separately in money market instruments, until they can be allocated to new projects.

Since 2019, EBRD has issued 13 CRBs totalling **€ 1.2billion** equivalent (31 December 2024).

- The Bonds were denominated in AUD, EUR, INR, MXN, TRY and USD.

Climate Resilience Bond Utilisation (€ m)



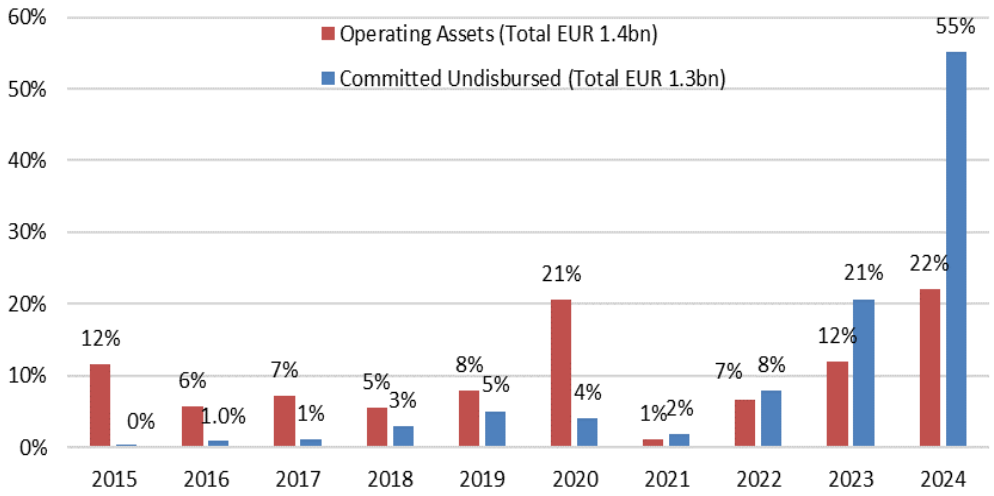
Reporting
CRPP – Allocation Report/Use of Proceeds (I)

European Bank
for Reconstruction and Development

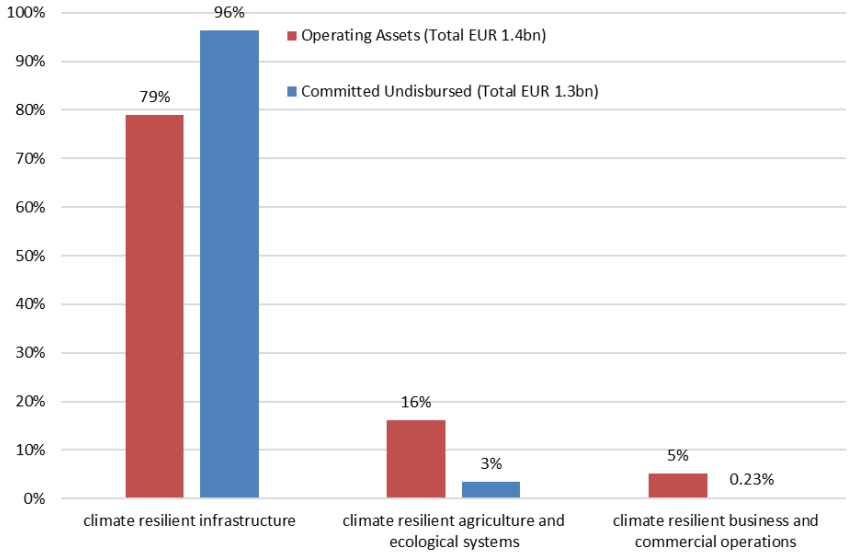
Climate Resilience Portfolio (at 31 December 2024):

- €1.4bn operating assets (€2.7bn committed amounts of which €1.3bn is undrawn)
- 77 projects (in total 107 individual project facilities)
- 10.6 years weighted average remaining life
- 13.6 years weighted average tenor
- 3.0 year weighted average age of the assets

Operating Assets & Undrawn by year



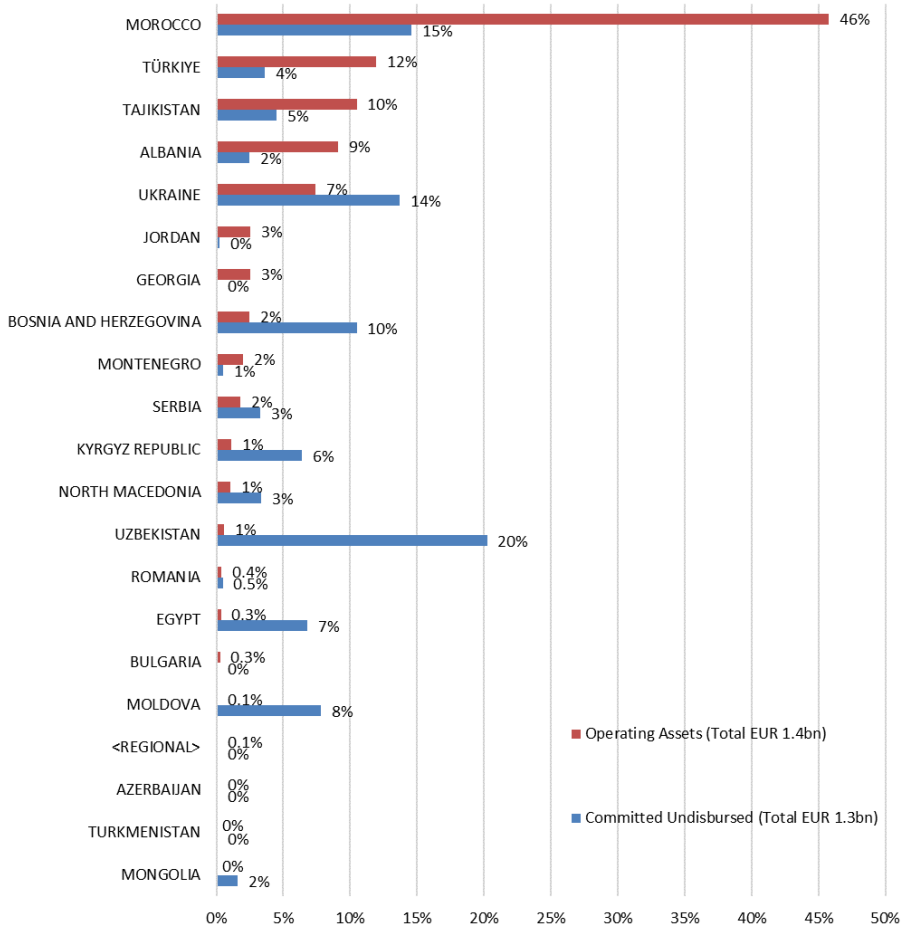
Operating Assets and Undrawn by category



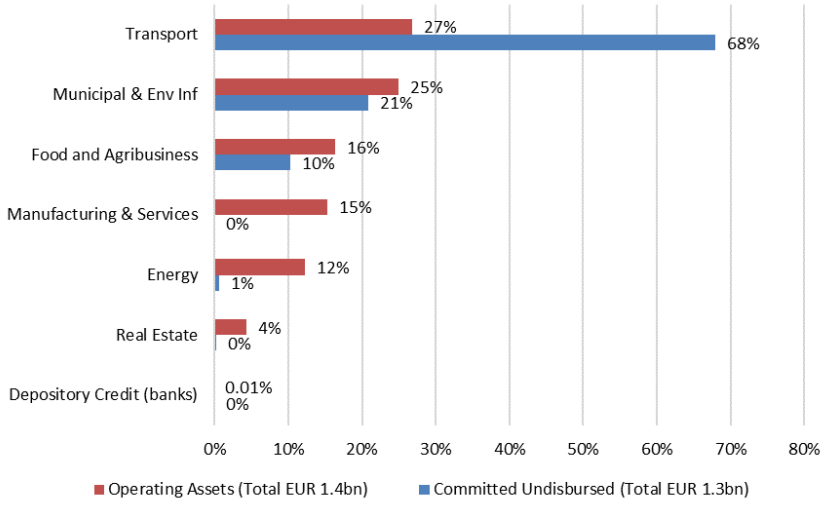
Reporting
CRPP – Allocation Report/Use of Proceeds (II)

European Bank
for Reconstruction and Development

Operating Assets and Committed Undisbursed by country



Operating Assets and Committed Undisbursed by industry



Reporting
EBRD's Climate Resilience Portfolio

European Bank
for Reconstruction and Development

Consistent with the fourth core component of the Green Bond Principles, EBRD provides up to date reporting on the CRPP.

The information provided on a portfolio basis covers:-

- Use of Proceeds (required)
  - At least annually
  - Geographic, and industry category breakdown

- Impact Reporting (recommended)
  - Annually
  - E.g. increased water availability (m^3/year), or reduction in weather related downtime (days/year) and valorised terms
  - Embedded in our Sustainability Report and the Focus on Environment presentation

Reporting
CRPP – Total Expected Impact
(year-end 2024)

European Bank
for Reconstruction and Development

CRPP Expected Impact (Total) Breakdown per Physical Climate Risk vs Climate Resilience Outcomes.

	Climate resilience outcome data		Total	Climate-resilient infrastructure	Climate-resilient agriculture and ecological systems	Climate-resilient business and commercial operations
CLIMATE RESILIENCE OUTCOMES	All Climate Resilience Outcomes	No. projects	**77**	55	16	6
		Total Portfolio amount (EUR)	**2,692,045,847**	2,254,290,652	270,865,863	166,889,331
		Valorised climate resilience outcomes (EUR/yr)	**903,669,804**	844,649,034	55,258,400	3,762,370
	Increased water availability	No. projects	43	30	9	4
		Total Portfolio amount (EUR)	865,464,027	672,506,344	60,038,838	132,918,845
		Physical climate resilience outcomes (Δ m3/yr)	715,925,828	713,943,772	985,311	996,745
		Valorised climate resilience outcomes (EUR/yr)	775,092,341	770,654,701	1,566,980	2,870,661
	Increased energy availability	No. projects	1	0	0	1
		Total Portfolio amount (EUR)	4,170,487	0	0	4,170,487
		Physical climate resilience outcomes (Δ GWh/yr)	8,264	0	0	8,264
		Valorised climate resilience outcomes (EUR/yr)	826,400	0	0	826,400
	Increased agricultural potential	No. projects	12	2	10	0
		Total Portfolio amount (EUR)	205,844,054	29,130,000	176,714,054	0
		Physical climate resilience outcomes (Δ tonnes/yr)	4,238,535	23,344	4,215,191	0
		Valorised climate resilience outcomes (EUR/yr)	19,386,805	4,649,962	14,736,843	0
	Improved human health/productivity	No. projects	2	1	1	0
		Total Portfolio amount (EUR)	61,462,714	56,887,143	4,575,571	0
		Physical climate resilience outcomes (Δ QALYs)	4,000	1,000	3,000	0
		Valorised climate resilience outcomes (EUR/yr)	56,379,000	20,739,000	35,640,000	0
	Reduced weather-related disruption	No. projects	15	14	0	1
		Total Portfolio amount (EUR)	960,928,476	944,998,476	0	15,930,000
		Physical climate resilience outcomes (days/yr)	58.3	57.3	0	1.0
		Valorised climate resilience outcomes (EUR/yr)	20,626,434	20,614,125	0	12,309
	Reduced weather-related damage	No. projects	18	15	2	1
		Total Portfolio amount (EUR)	1,019,957,731	914,780,963	86,895,574	15,930,000
		Physical climate resilience outcomes	N/A	N/A	N/A	N/A
		Valorised climate resilience outcomes (EUR/yr)	31,358,825	27,991,248	3,314,577	53,000

* The same project, and the associated EBRD portfolio amount, may often deliver multiple climate resilience outcomes, therefore the total portfolio amount per climate resilience outcome summed does not equal the overall total portfolio amount

Reporting
CRPP – Pro Rata Expected Impact
(year-end 2024)

European Bank
for Reconstruction and Development

CRPP Expected Impact (Pro Rata) Breakdown per Physical Climate Risk vs Climate Resilience Outcomes.

	Climate resilience outcome data		Total	Climate-resilient infrastructure	Climate-resilient agriculture and ecological systems	Climate-resilient business and commercial operations
CLIMATE RESILIENCE OUTCOMES	All Climate Resilience Outcomes	No. projects	**77**	55	16	6
		Total Portfolio amount (EUR)	**2,692,045,847**	2,254,290,652	270,865,863	166,889,331
		Valorised climate resilience outcomes (EUR/yr)	**652,535,943**	630,777,935	20,206,564	1,551,444
	Increased water availability	No. projects	43	30	9	4
		Total Portfolio amount (EUR)	865,464,027	672,506,344	60,038,838	132,918,845
		Physical climate resilience outcomes (Δ m3/yr)	566,055,709	564,773,072	868,671	413,966
		Valorised climate resilience outcomes (EUR/yr)	596,954,542	594,644,796	1,133,511	1,176,235
	Increased energy availability	No. projects	1	0	0	1
		Total Portfolio amount (EUR)	4,170,487	0	0	4,170,487
		Physical climate resilience outcomes (Δ GWh/yr)	3,099	0	0	3,099
		Valorised climate resilience outcomes (EUR/yr)	309,900	0	0	309,900
	Increased agricultural potential	No. projects	12	2	10	0
		Total Portfolio amount (EUR)	205,844,054	29,130,000	176,714,054	0
		Physical climate resilience outcomes (Δ tonnes/yr)	1,190,443	23,344	1,167,098	0
		Valorised climate resilience outcomes (EUR/yr)	9,670,726	2,918,416	6,752,311	0
	Improved human health/productivity	No. projects	2	1	1	0
		Total Portfolio amount (EUR)	61,462,714	56,887,143	4,575,571	0
		Physical climate resilience outcomes (Δ QALYs)	1,420	426	993	0
		Valorised climate resilience outcomes (EUR/yr)	20,643,362	8,844,574	11,798,788	0
	Reduced weather-related disruption	No. projects	15	14	0	1
		Total Portfolio amount (EUR)	960,928,476	944,998,476	0	15,930,000
		Physical climate resilience outcomes (days/yr)	32.4	31.4	0	1.0
		Valorised climate resilience outcomes (EUR/yr)	13,994,553	13,982,244	0	12,309
	Reduced weather-related damage	No. projects	18	15	2	1
		Total Portfolio amount (EUR)	1,019,957,731	914,780,963	86,895,574	15,930,000
		Physical climate resilience outcomes	N/A	N/A	N/A	N/A
		Valorised climate resilience outcomes (EUR/yr)	10,962,861	10,387,906	521,955	53,000

*All impact is reported pro rata of the EBRD's financing and on a portfolio basis.

** The same project, and the associated EBRD portfolio amount, may often deliver multiple climate resilience outcomes, therefore the total portfolio amount per climate resilience outcome summed does not equal the overall total portfolio amount

Section 4

European Bank
for Reconstruction and Development

EBRD's Green Bond Issuance

Green Transition Bonds (GTB)

Use of Proceeds
Green Transition Bonds ("GTBs")

European Bank
for Reconstruction and Development

- EBRD's GTBs provide an opportunity to finance investments in key sectors of the economy that today are highly dependant on the use of fossil fuels, thereby enabling the transition to low carbon and resource efficient operations.

- The proceeds of GTBs are specifically earmarked to support the Green Transition Portfolio ("GTPP"), comprising investments in:-
  - ✓ **Energy Efficiency;**
  - ✓ **Resource Efficiency including the Circular Economy; and**
  - ✓ **Sustainable Infrastructure (including Low Carbon Transport and Green Logistics).**

- The GTB criteria is underpinned by EBRD's GET approach, and is periodically reviewed by the EBRD's Environment and Sustainability Department.

Use of Proceeds
GTBs – Green Transition Goals

European Bank
for Reconstruction and Development

- Climate-related risks will not solely be addressed through financing low carbon/zero carbon assets, but will also require key sectors of the economy that are currently highly dependent on fossil fuels to transition to low carbon and resource-efficient operations, notably:-
  - manufacturing (e.g. by decarbonising chemical, cement and/or steel production)
  - food production (e.g. by reducing resource intensity and promoting sustainable land use)
  - building construction and renovation (e.g. by improving resource efficiency).
- The decarbonisation and resource efficiency outcomes that GTB projects seek to address must significantly improve the asset's performance beyond the industry average, for instance by markedly lowering the carbon intensity through energy efficiency measures, or through replacing a high carbon asset with a lower carbon asset.
- Improved climate governance of the related organisation is critical to the success of GTB projects, and will require specific targets and goals to be set and monitored that recognise both the current context and the changes required to effect a transition to a zero net emissions economy over the next 30 years.
- While the impact of GTB projects will typically be measured in CO_2 reductions and in improved water and material efficiency, the application of sector-specific best-available techniques will also reflect EU minimum environmental performance and social standards.

Project Evaluation and Selection
Green Transition Portfolio Selection Process

European Bank
for Reconstruction and Development

EBRD Environmental and Social Policy is aligned with

- IFC Performance Standards/ Equator Principles
- EU environmental standards

Green Transition Project Portfolio

General EBRD wide exclusions include:

- Defence-related activities, tobacco, selected alcohol products, substances banned by international law or gambling facilities
- Thermal coal mining, coal-fired electricity generation capacity and upstream oil exploration (unless reducing GHG emissions or flaring)
- Projects related to subsidies, sponsorship or donations
- Activities listed on the Exclusion list in Annex A of EBRD's Environmental and Social Policy

GTPP selection criteria based on :

- Decarbonisation and resource efficiency in key sectors of the economy that contribute to or enable green transition.
- Various exclusion criteria, in addition to GET exclusions (see p12)
    - Upstream fossil fuel production / new stand alone fossil fuel electricity production / transportation of thermal coal and oil / any project that would lock-in fossil fuels or undermine any international or national commitments/ any project that would undermine climate resilience;
    - projects signed before 2016 and/or that are funded via equity and/or projects that are credit impaired and cannot fulfil their environmental purpose (subject to a review by the EBRD Environmental and Sustainability Department)
- Manual check and sign off by the EBRD Environment and Sustainability Department

The GTPP criteria are reviewed on a regular basis, with revisions requiring an internal approval by the Environment and Sustainability Department, in consultation with Climate Strategy and Delivery Department and Treasury Department.

Management of Proceeds
Tracking of Funds

European Bank
for Reconstruction and Development

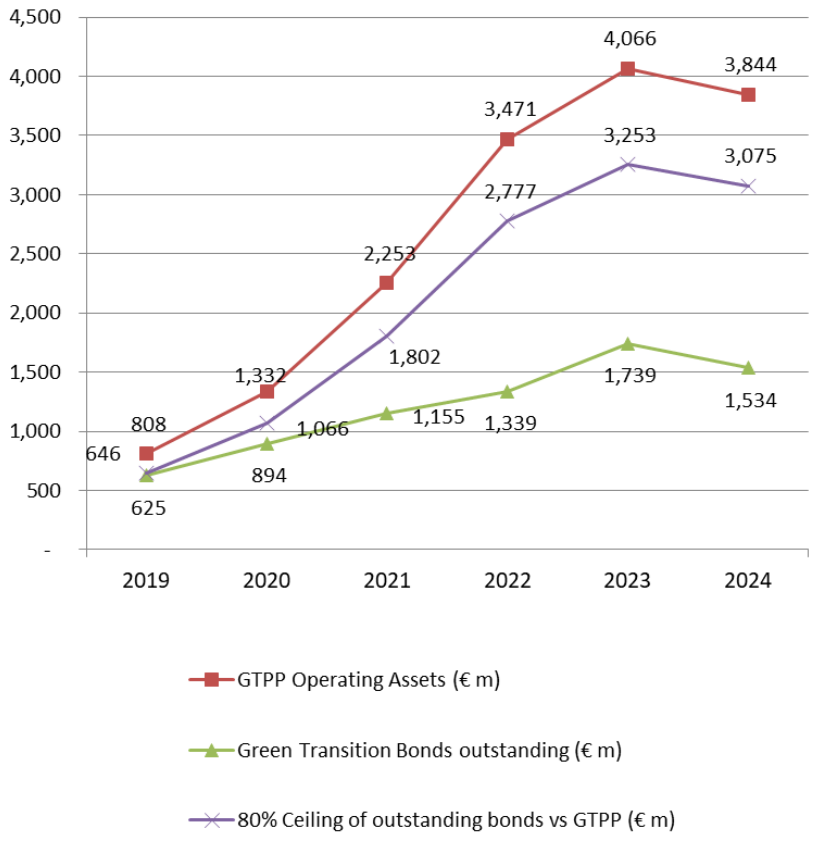
Proceeds from issuance are directed towards the GTPP through:

- Definitions in the bond documentation;
- Allocating proceeds to existing and new projects in the GTPP;
- If at any given point the GTB issuance exceeds 80% of the GTPP, no further GTB issuance will be undertaken.
  - **At 31 December 2024**, GTB issuance outstanding was €1.5bn i.e. 40% of the Q4 2024 GTPP.
- If outstanding bonds temporarily exceed the GTPP, excess funds will be invested and tracked separately in money market instruments.

Since 2019, EBRD has issued 23 GTBs totalling €2.2billion equivalent (31 December 2024).

- The Bonds were denominated in AUD, EUR, HKD, NOK, SEK, TRY and USD.

Green Transition Bond Utilisation (€ m)



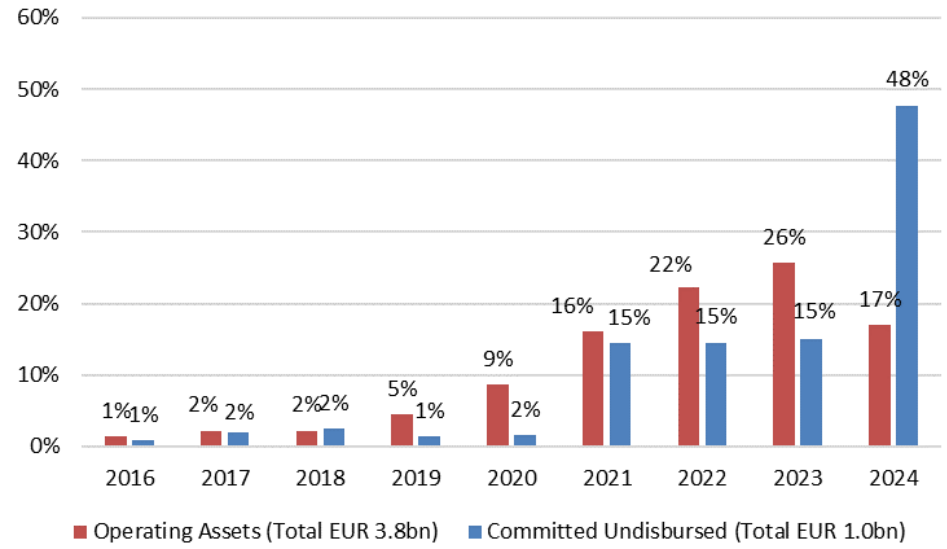
Reporting
GTPP – Allocation Report/Use of Proceeds (I)

European Bank
for Reconstruction and Development

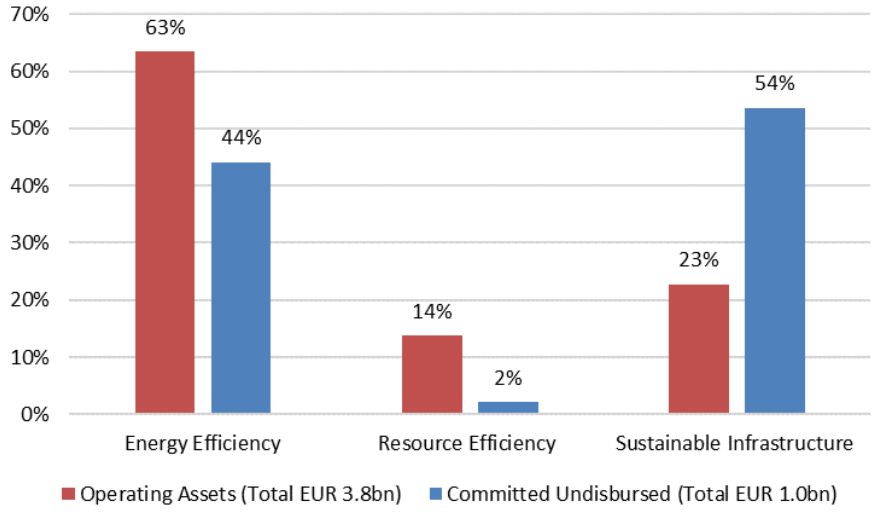
Green Transition Project Portfolio (at 31 December 2024):

- €3.8bn operating assets (€4.8bn committed amounts of which €1.0bn is undrawn)
- 213 projects (in total 295 individual project facilities)
- 5.7 years weighted average remaining life
- 8.1 years weighted average tenor
- 2.3 years weighted average age of the assets

Operating assets & Undrawn by year



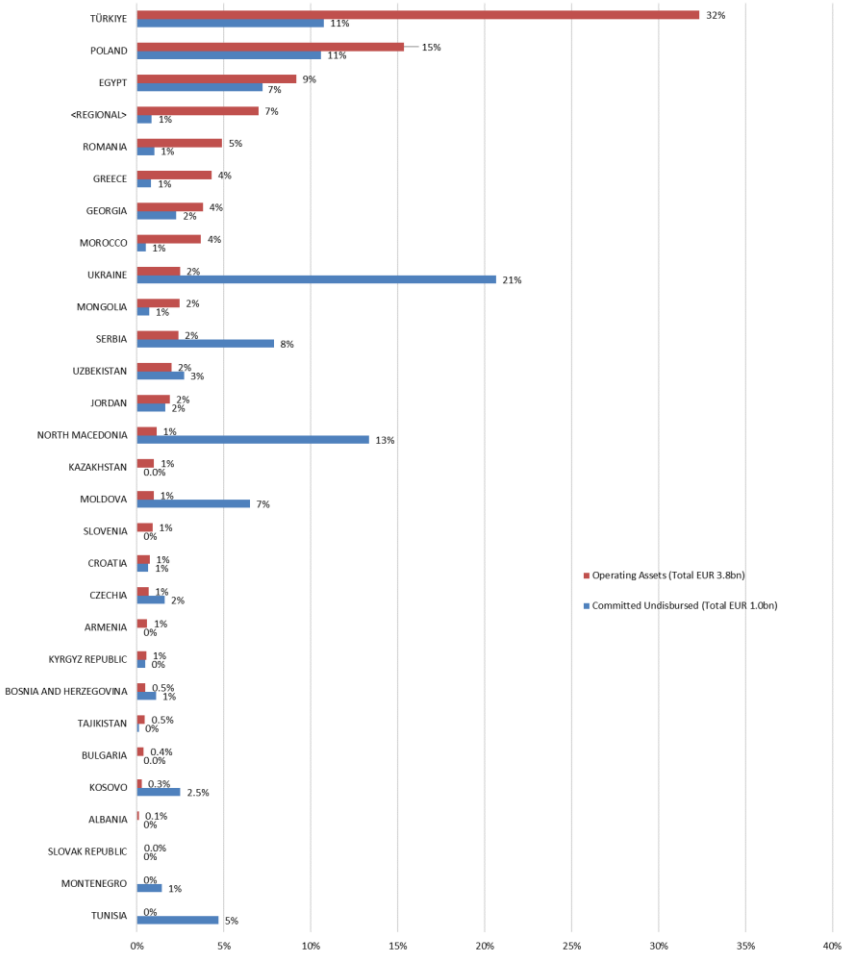
Operating Assets & Undrawn by GTPP category



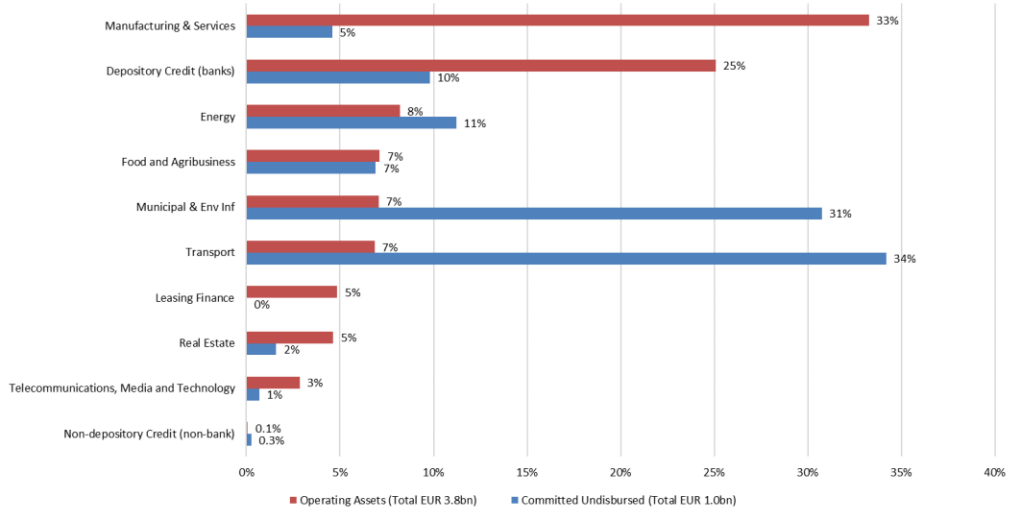
Reporting
GTPP – Allocation Report/Use of Proceeds (II)

European Bank
for Reconstruction and Development

Operating Assets and Committed Undisbursed by country



Operating Assets and Committed Undisbursed by industry



Reporting
EBRD's Green Transition Portfolio

European Bank
for Reconstruction and Development

Consistent with the fourth core component of the Green Bond Principles, EBRD provides up to date reporting on the GTPP.

The information provided on a portfolio basis covers:-

- Use of Proceeds (required)
  - At least annually
  - Geographic, and industry category breakdown

- Impact Reporting (recommended)
  - Annually
  - E.g. GHG savings, water savings
  - Embedded in our Sustainability Report and the Focus on Environment presentation

Reporting

Expected Impact – Green Transition Project Portfolio (year-end 2024)

European Bank
for Reconstruction and Development

EBRD reports on the expected environmental impacts based on the relevant committed amounts of energy efficiency, clean transport and green building projects.

Table 10. GTB impact, outcome and output overview

Portfolio and issuance	Allocated committed project amount (portfolio)	€ billion	4.8
	Allocated disbursed project amount (operating assets)	€ billion	3.8
	Outstanding green bond issued amount as of year end 2024	€ billion	1.5

Eligible project category	Impact metric*	Impact metric unit	GTPP
Energy efficiency**	Energy efficiency component (based on portfolio)	%	60
	Annual energy savings (electricity/other) (pro rata based on portfolio)	million GJ/year	17.9
	Annual absolute (gross) water savings (pro rata based on portfolio)	million m^3/year	4.6
	Annual GHG emissions reduced/avoided (pro rata based on portfolio)	KtCO_2e/year	2,007
Clean transport**	Clean transportation project component (based on portfolio)	%	23
	Annual GHG emissions reduced/avoided (pro rata per portfolio)	KtCO_2e/year	487
Green buildings	Green buildings component (based on portfolio)	%	9
	Primary energy saved (pro rata as per portfolio)	GJ/year	96,675
	Annual GHG emissions reduced/avoided (pro rata based on portfolio)	KtCO_2e/year	4.5
Circular economy**	Circular economy project component (based on portfolio)	%	4
	Annual GHG emissions reduced/avoided (pro rata based on portfolio)	KtCO_2e/year	144.5
	Annual energy savings (electricity/other) (pro rata based on portfolio)	GJ/year	12,822
	Annual absolute (gross) water savings (pro rata based on portfolio)	m^3/year	105,457
Renewable energy	Renewable energy project component (based on portfolio)	%	3
	Annual GHG emissions reduced/avoided (pro rata per portfolio)	KtCO_2e/year	58.5

* All impact is reported pro rata of the EBRD's financing and on a portfolio basis.
** Of the total CO_2 equivalent annually, 545 kilotonnes are attributable to Scope 3. Typically, Scope 3 would be excluded from the EBRD's project boundary and the reporting. However, if these impacts have significant mitigation benefits that underpin the rationale for the EBRD's investment in the project, the Bank may choose to extend the boundary of the assessment to include these benefits in the reporting. For further information, see: https://www.ebrd.com/documents/admin/ebrd-protocol-for-assessment-of-greenhouse-gas-emissions.pdf.

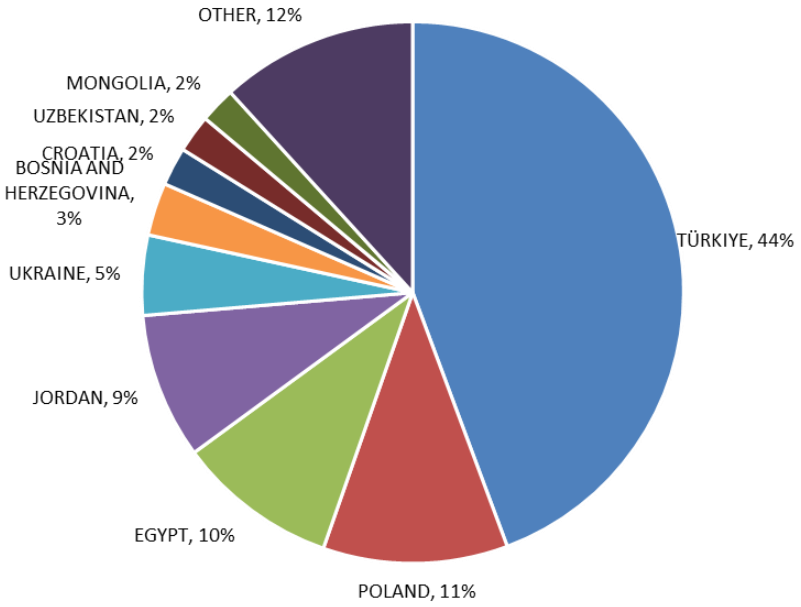
For further information please see Investor Report on Sustainability.

Reporting
GTPP – Expected Impact
(year-end 2024)

European Bank
for Reconstruction and Development

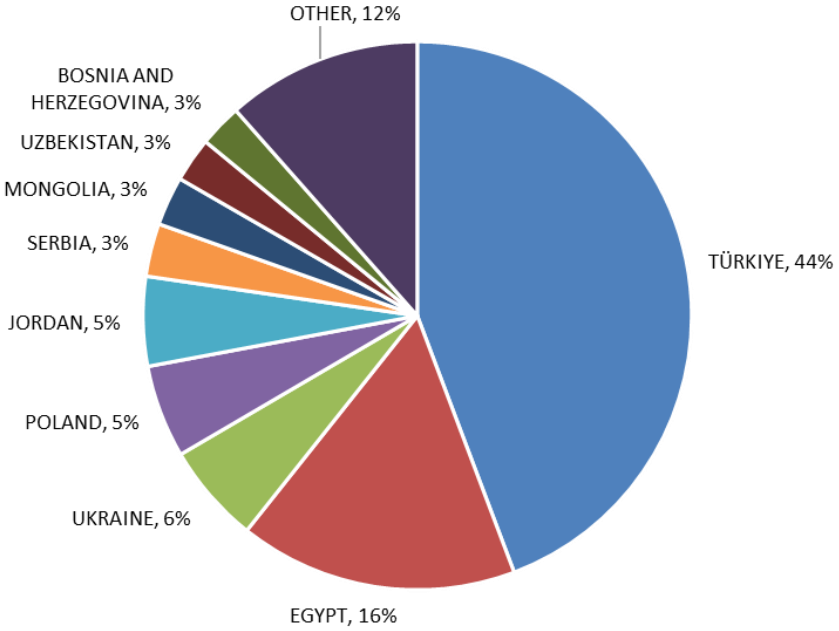
CO_2 equivalent savings, by economy (Total)

6,686 kiloton of CO_2 equivalent, annually



CO_2 equivalent savings, by economy (Pro Rata)

2,588 kiloton of CO_2 equivalent, annually



Scope 3 CO2 equivalent savings: 2,216 kiloton of the Total and 545 kiloton Pro Rata

Annex A – Case Studies

ESB Case Study

EBRD lends €10 million to private water utility in Shymkent, Kazakhstan

European Bank
for Reconstruction and Development

The EBRD and the government of Kazakhstan are supporting a programme of water and wastewater improvements in the southern city of Shymkent with a combined financing package equivalent to €18 million.

The Bank will lend up to €10 million to a private water utility, TOO Vodnye Resoursy Marketing, which provides water and wastewater services to Shymkent, to be used for modernising the water and wastewater services in the city. The government of Kazakhstan will provide a capital grant in tenge equivalent to €8 million, and TOO Vodnye Resoursy Marketing will invest the equivalent of €500,000 into the modernisation project.

Privately-owned Vodnye Resoursy Marketing is among the best utility companies in the country in terms of its operational and financial performance, despite working in a low-income city. The new project will further demonstrate the benefits of involving private companies in providing public services in Kazakhstan.

EBRD – Financial package for Istanbul Metro extension

European Bank
for Reconstruction and Development

Citizens of Istanbul, one of the most densely populated conurbations in the world, will benefit from the construction of a new metro line, with 11 stations connecting districts on the Asian side of the city and financed by a loan put together by international partners.

The EBRD has arranged a €97.5 million syndicated loan, of which Société Générale will provide a tranche of €20 million under an A/B structure. An additional loan of €77.5 million will be extended separately by the BSTDB. The total cost of the project is €410 million.

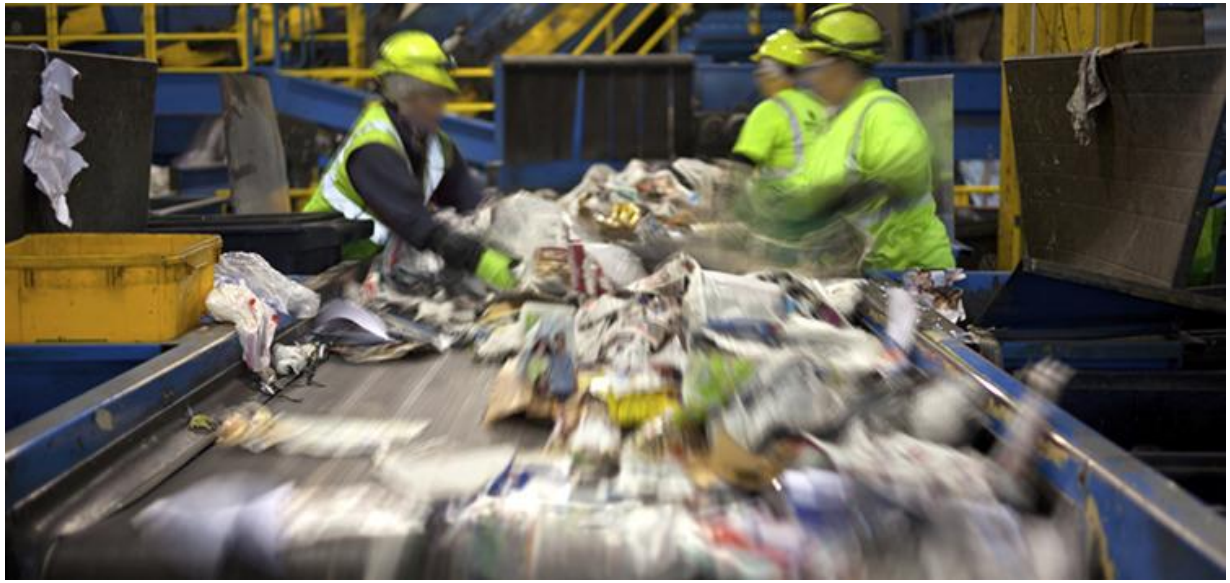
The new 13-kilometre line will complement the three existing lines of Uskudar-Cekmekoy, Kadıkoy-Tavsantepe and Marmaray with a link from the north to the south side of the city and will add a total of 350,000 passengers a day to the city's rail transport network. Shifting traffic from private cars to public transport is essential to combating congestion and reducing carbon emissions. However, to achieve this, a massive expansion of environmentally friendly transport, such as the metro, is critical.

The Project is expected to contribute to the abatement of traffic related air emissions of 41,300 tCO2-eq, 84.5 tNOx, 15.2 tHC and 1.3 tPM per year (starting in 2023), as well as contribute to the reduction of other air pollutants, noise, road accidents and congestion by shifting approximately 35,000 passengers to the metro from private cars and buses during normal operating hours and 43,000 at the peak travel hours for both directions.

ESB Case Study

EBRD and EU help to improve solid waste management in Armenia

European Bank
for Reconstruction and Development



The European Bank for Reconstruction and Development (EBRD) is providing a €3.5 million loan to Armenia to finance the construction of the country's first European Union (EU) compliant solid waste landfill. The loan is complemented by a €3.5 million capital grant provided by the European Union Neighbourhood Facility.

The new landfill, to be located in the city of Hrazdan in Kotayk Province and managed by eight participating municipalities – Hrazdan, Abovian, Charentsavan, Tsakhkadzor, Byureghavan, Yeghvard, Nor Hachn and Sevan – will be operating as a commercially sustainable unit with modern solid waste management systems, covering the collection and disposal of municipal solid waste. This will provide major environmental and social benefits for some 215,000 people in the area covered by the facility.

This development represents a significant step forward in the implementation of the government's plans to modernise and upgrade Armenia's waste management system to European standards. It will serve as an example, raising public awareness of the importance of solid waste management.

ESB Case Study

EBRD and BNP Paribas promote residential energy efficiency in Poland

European Bank
for Reconstruction and Development

With raising energy prices across Europe, Poles will have the chance to improve the energy efficiency of their homes and cut their energy bills, thanks to a landmark scheme agreed between the European Bank for Reconstruction and Development (EBRD) and Poland's major lender BNP Paribas Bank Polska (BNPPL).

The EBRD is extending a local currency loan of PLN 450 million (around €100 million equivalent) to BNPPL for on-lending to private individuals willing to invest in energy-saving solutions and high-performing technologies in residential buildings across the country.

BNPPL has committed to providing its own funds worth PLN 225 million (around €50 million equivalent) to further support the scheme.

Private individuals can borrow funds to replace coal-fired boilers with heat pumps, install thermal insulation and implement a wide range of other efficiency improvements. Owners of single-family homes, which represent more than 50 per cent of Poland's residential building stock, are expected to be among the main beneficiaries of the scheme.

ESB Case Study

EBRD finances first renewable project in BiH town Prijedor

European Bank
for Reconstruction and Development

The European Bank for Reconstruction and Development (EBRD) is supporting the construction of a new biomass boiler plant in Prijedor, a municipality in the north west of Bosnia and Herzegovina, with a sovereign loan of up to €7 million.

The funding, the first EBRD investment in renewable energy in Prijedor municipality, will lead to significant cost savings for Toplana AD Prijedor, the plant operator majority owned by the local authorities. The new boiler will no longer be fuelled by oil, but by wood chips, a sustainable and cheaper alternative.

The project will also be supported by grant funding of up to €2 million from the Swedish International Development Cooperation Agency (Sida). The funding will aim at improving the quality of customer service through the installation of individual heat substations and the introduction of heat meters. Over 13,000 people are expected to benefit from this project.

The project will help Bosnia and Herzegovina meet its renewable energy targets for 2020 as set out in the Energy Community Treaty for South Eastern Europe. The country aims at an 80 per cent reduction of CO_2 emissions by that date.

To complement the investments, technical co-operation support for procurement assistance and corporate development measures is also being financed by Sida with additional resources of €550,000.

ESB Case Study
VIPA Energy Efficiency Loan

European Bank
for Reconstruction and Development

Addressing a core issue in the effort to improve the use of energy in Lithuania, the European Bank for Reconstruction and Development (EBRD) is lending €67.5 million to support an innovative scheme to scale up renovation of residential multi-apartment buildings – its largest direct investment in renovating privately owned buildings in the country.

The loan is expected to improve the energy performance of old residential buildings in Lithuania by a minimum of 40 per cent and achieving a minimum energy performance class C. It supports an innovative approach to accelerating the pace of building renovation through a combination of long term debt financing, incentives, technical assistance and support for low income households. It also aims to benefit small and medium-sized buildings renovations enterprises (SMEs), which have been hard hit by the Covid-19 pandemic, by offering revenue-generating opportunities.

The loan is provided to the Lithuanian Public Investment Development Agency (VIPA), a National Promotional Institution owned by the Ministry of Finance, and will be on-lent to the Apartment Building Renovation Fund (ABRF), an energy efficiency ("EE") lending platform administered by VIPA. It follows a €50 million EBRD loan in 2017 to VIPA for energy efficiency and rehabilitation investments in apartment buildings that contributed to average energy use reductions of 62 per cent for homeowners' associations.

CRB Case Study
Saïss water conservation project

European Bank
for Reconstruction and Development

The EBRD is providing a €120 million loan to the Saïss Water Conservation Project in Morocco that will help protect the country's agricultural sector from the impact of climate change. The EBRD's financing for the Saïss Water Conservation Project for the construction of irrigation infrastructure is being supported by a co-financing grant of €32 million from the Green Climate Fund (GCF).

In Morocco, extreme water scarcity is being exacerbated by the impacts of climate change, and the unsustainable use of groundwater is leading to a reduction in groundwater reserves, posing a severe threat to agricultural production and rural livelihoods.

The Bank's investment in the Morocco Saïss Water Conservation Project will improve climate resilience with support for the development of a transformative water transfer scheme that will deliver more than 100 million cubic metres of irrigation water to the Saïss plain each year. It will enable a switch from highly unsustainable groundwater to the use of sustainable surface water resources, as well as improving access to best-practice and efficient irrigation techniques.

The investment will also bolster community involvement in water governance by scaling up technical skills and institutional capacities and promoting private sector involvement in the adoption of improved, modern irrigation infrastructure and equipment. This will increase the efficiency of water use and services and promote drip irrigation and modern water demand management methods, strengthening the capacity for climate change adaptation in the Sebou-Saïss basin.

CRB Case Study
Nador West Med Port

European Bank
for Reconstruction and Development

The European Bank for Reconstruction and Development (EBRD) is providing a loan of up to €200 million to Société Nador West Med to finance the basic infrastructure for a new port on the Mediterranean coast of Morocco, 30 km from the town of Nador.

The development of the port is a major boost for eastern Morocco and is expected to promote the development of the Oriental region by generating economic growth and creating new jobs. However, the project location is exposed to a number of physical climate change hazards such as sea level rise, increased storminess and more frequent extreme heat events.

In response, the project includes the installation of surfacing, mechanical and electrical equipment designed to withstand projected temperature extremes, surface drainage able to cope with extreme rainfall and overtopping events, and storage facilities able to withstand extreme temperatures and extreme weather events. It also includes an analysis of breakwater design to take into account expected sea-level rise over the design life of the port, and the adoption of Emergency Response Plan and Coastal Erosion Monitoring Scheme

In addition, €1 million of technical cooperation assistance funded by the EBRD Shareholder Special Fund and the SEMED Multi-Donor Account will provide management support, a lender's monitoring consultant and will facilitate the implementation of the environmental and social action plan.

CRB Case Study
KESH Restructuring Project

European Bank
for Reconstruction and Development

The European Bank for Reconstruction and Development (EBRD) is supporting the modernisation of Korporata Elektroenergjitike Shqiptare (KESH), the largest generator of electricity in Albania, with a €218 million loan to support a company restructuring and reform package.

KESH is a state-owned electricity generation company that provides 70 per cent of total domestic generation and is active in the regional energy-generating sector. Helping KESH modernise and improve its financial standing, as well as building resilience in the face of climate vulnerabilities, is part of the EBRD's strategy to help the countries where it invests to address challenges of energy security and climate change.

The EBRD loan will be sovereign-guaranteed and provide KESH with long-term financing which will reduce costs and increase liquidity. This will free up resources to allow the company to focus on the maintenance of existing assets and the implementation of a long-term investment and modernisation programme.

Under a comprehensive reform package, KESH will also improve its corporate governance and operational efficiency. The implementation of these changes will allow KESH to comply with the requirements of relevant EU regulations in the energy sector. These provisions include the development of a power exchange, regional integration and tariff formation. The EBRD is also providing technical assistance from its own donor funds to help KESH implement climate resilience components in its daily operations and management.

Project is about development and adoption of a climate resilience management plan for the hydropower operator which includes development of a climate risk mitigation strategy to address the operational risk due to changing hydrological variability.

EBRD and ANP promote climate resilience of Moroccan port sector

European Bank
for Reconstruction and Development

The European Bank for Reconstruction and Development (EBRD) is enhancing the climate resilience of ports along Morocco's Atlantic coastline by providing a €40 million loan to Agence Nationale des Ports (ANP).

The loan is the first to a Moroccan state-owned entity without a sovereign guarantee. It will comprise two tranches: a €15 million committed loan and €25 million of uncommitted capital. The loan will be supplemented by an investment grant of US$ 5.7 million from the Global Environment Facility (GEF).

The EBRD will also furnish ANP with a comprehensive technical capacity package, funded by a US$ 500,000 grant from the GEF and a US$ 1 million grant from the Bank itself. The package aims to provide systematic support for the climate resilience of Moroccan ports. It will lead to the establishment of a working group, comprising key stakeholders in the Moroccan port sector, to facilitate informed and climate-aware decision-making, as well as better environmental management and standards for ANP.

Further technical assistance will support the effective implementation and monitoring of the project, as well as an improvement in ANP's financial reporting standards.

Minister of Equipment and Water Nizar Baraka said: "The project is in line with Morocco's national strategic management plan, with ANP set to play a key role in large-scale infrastructure projects aimed at keeping up with changes in maritime transport and trade outside of Morocco."

EBRD President Odile Renaud-Basso said: "The Bank is committed to promoting green transition and climate resilience in Morocco and in all economies where it operates. Supporting ANP, together with the GEF, in mainstreaming climate change adaptation measures in the port sector will provide a replicable model for Morocco and the region."

GTB Case Study
Arcelik GET and R&D

European Bank
for Reconstruction and Development

A long-term loan of up to EUR 150 million (or the equivalent in TRY) to Arcelik A.S. (the "Company"), a Turkish company engaged in production, sales and aftersales services of consumer durable goods and consumer electronics, to finance energy and resource efficiency investments at the Company's refrigerator plant in Eskisehir and washing machine plant in Cayirova, as well as the planned investment in a new R&D technology centre in Istanbul.

The Project is in line with EBRD's Strategy for Turkey as it supports (i) competitiveness of Arcelik and the consumer durables industry overall through financing R&D investments and new product development; and (ii) the energy and resource efficiency improvements both at the production facility and at the consumer level. The Project is also aligned with the EBRD's Green Economy Transition (GET) Approach given the associated CO2 emission savings.

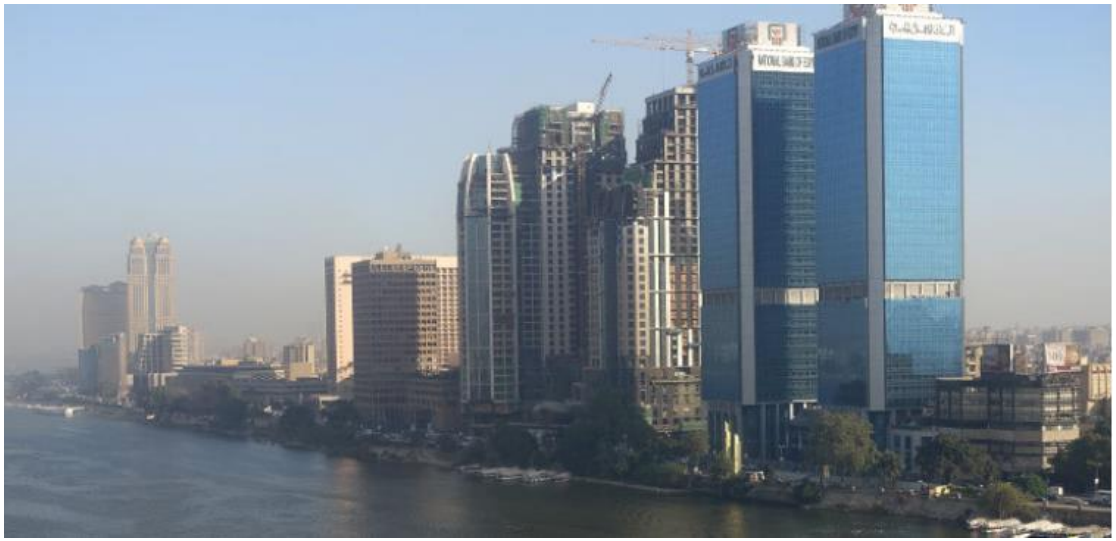
The transition impact of the Project will be derived from:

(i) the Competitive quality as a portion of Bank financing will be used for establishment of a large scaled technology centre, improving Arcelik's innovation capabilities and its cooperation with local universities; and,

(ii) the Green quality, where through modernization investments in the production processes, development of new energy and resource efficient products and construction of an LEED certified R&D building, c. 90K tonnes per annum direct and indirect CO2eq savings are expected. In this respect, the Project is fully aligned with GET.

GTB Case Study
EGAS Energy Efficiency project

European Bank
for Reconstruction and Development



The project will introduce innovative energy efficiency measures in the Egyptian gas transmission network. The energy efficiency investments will aim to deploy technical and feasible projects with very limited penetration in the Egyptian sector in the following areas a) waste heat recovery technologies; b) turbo-expanders technologies at natural gas pressure reduction stations; c) other resource efficiency and environmental investments including an LPG separation plant and CO2 and mercury removal systems and d) gas metering data systems infrastructure.

In parallel to the capital expenditure investments, the Bank will be supporting the liberalisation of the Egyptian gas market and implementation of the new Gas Market Law through Technical Cooperation (TC) funding.

Through the energy efficiency investments, the project will help conserve considerable amounts of currently used energy, and as such yield significant greenhouse gas emission savings in excess of 250,000 tonnes of CO2e a year.

TC support will assist Egypt in the practical implementation of the new Gas Market Law and liberalisation of the domestic gas market.

GTB Case Study
LG Chem battery gigafactory in Poland

European Bank
for Reconstruction and Development

The EBRD is powering the revolution in electric vehicles. A long-term loan of €250 million will support the construction of a battery gigafactory in Wrocław in western Poland by LG Chem, one of the world's leading chemical groups.

The facility was established to produce lithium-ion batteries for electric vehicles. It is the first and currently the only fully integrated plant in Europe to produce all battery components, ranging from electrodes to cells, modules and final packs.

The move to electric vehicles is seen as imperative to reduce CO_2 emissions and reach targets in addressing the challenges of climate change. The EU is aiming for a climate-neutral economy by 2050.

The LG Chem plant in Wrocław is a major step in this direction: with a total investment of €2.8 billion in three stages, when completed in 2022 the factory is expected to reach a production capacity of around 65-70 GWh a year.

This will allow the company to supply batteries for up to 1 million electric vehicles per year (approximately six per cent of cars sold in Europe), resulting in the reduction of over 1 million tonnes of CO_2 emissions per year.

The plant in Wrocław will also have a sizeable impact on the local labour market. The company employs 2,700 people and plans to hire an additional 1,000 skilled employees by 2022.

GTB Case Study
Garanti BBVA Leasing Project

European Bank
for Reconstruction and Development

Reconfirming its commitment to supporting Turkey's green transition, the European Bank for Reconstruction and Development (EBRD) is providing a US$ 25 million loan to Garanti BBVA Leasing for on-lending to eligible companies looking to invest in greater sustainability.

The new financing for the leasing firm follows a previous EBRD loan of TRY 270.5 million (€50 million equivalent) which has been fully utilised, benefiting almost 600 companies. Investments included projects for energy and water efficiency, waste minimisation and generation of renewable energy at small scale.

The new loan is extended under the third phase of the Turkey Sustainable Energy Financing Facility (TurSEFF) backed by technical cooperation funded by the European Union and the Republic of Turkey's Ministry of Treasury and Finance. The programme provides financing of €400 million to commercial banks and leasing companies for on-lending to private sector small businesses as well as public sector beneficiaries for sustainable energy investments.

GTB Case Study
EBRD supports 5G roll-out in Poland

European Bank
for Reconstruction and Development

The European Bank for Reconstruction and Development (EBRD) is supporting the Polish mobile network operator Play with an investment of PLN 100 million (€22 million) in a senior unsecured bond in favour of the company.

The total volume of the issuance was PLN 500 million. The bond was issued on the Polish local capital market, placed with a wide group of institutional investors and will be listed on the Alternative Trading System of the Warsaw Stock Exchange. Santander Bank Polska S.A. acted as the arranger.

Play, the brand name of the company P4 Sp. z.o.o., which was recently acquired by French telecommunications challenger Iliad S.A., is a leading mobile network operator in Poland, with more than 15 million subscribers as of June 2020 and a subscriber market share of around 28 per cent. The company will invest the funds in a roll-out of 5G technology, spearheading an acceleration of digitalisation across the country.

With the investment in 5G technology, which implies lower energy consumption compared to previous technologies, the company will intensify its efforts to improve the energy efficiency of its network and offer customers faster and more reliable mobile broadband.

European Bank
for Reconstruction and Development

Annex B – Use of Proceeds Bond Documentation and SDG mapping

Use of Proceeds Language in Bond Documentation 1/4

European Bank
for Reconstruction and Development

The following provisions are included in green bonds issued under the Bank's MTN Programme:

•The language set out under the heading "Use of Proceeds" in the Offering Circular shall be replaced for these Notes by the following:

• The proceeds of the Notes issuance will be used towards the Issuer's environmental projects in accordance with and subject to the following provisions:

• An amount equivalent to the net proceeds of the Notes will be allocated within the Issuer's Treasury liquidity pool to a portfolio that is separately monitored by the Issuer. So long as any of these Notes are outstanding, if the overall balance of such portfolio exceeds the overall amount of the Issuer's [Green Project Portfolio/Climate Resilience Portfolio/Green Transition Portfolio] (as defined below), the remaining balance may only be invested by the Issuer in certificates of deposits, commercial paper, bank deposits, repurchase transactions or other money-market instruments, as determined by the Issuer.

Use of Proceeds Language in ESB Documentation 2/4

European Bank
for Reconstruction and Development

- "Green Project Portfolio" shall mean, as determined by the Issuer, the sum of all loans and investments that are funded, in whole or in part, by the Issuer and in respect of which the entire or substantially the entire amount disbursed or invested is directed at, as determined by the Issuer, any of the following areas: energy efficiency, renewable energy, water management, waste management, air pollution prevention and sustainable transport.

Examples of projects in the Green Project Portfolio include, without limitation, financings of:

- Renewable energy projects, such as
  - photovoltaic installations, and production of photovoltaic cells/modules,
  - installation of wind turbines,
  - construction of small hydro power plants and mini-hydro cascades,
  - geothermal and biomass energy facilities
- Rehabilitation of transmission/distribution facilities to reduce total greenhouse gas ("GHG") emissions and allow for increased integration of renewable electricity in the grid, , e.g. smart distribution networks
- Modernisation of industrial installations to reduce total GHG emissions and other pollution
- New technologies that result in significant reductions in total GHG emissions
- Greater efficiency in mass transportation, such as investment in fuel-efficiency (fleet replacement) or more energy efficient infrastructure
- Methane capture on waste landfills and waste water treatment plants
- Rehabilitation of municipal water/waste water infrastructure to improve drinking water quality and wastewater treatment and reduce water consumption and waste water discharges
- Improvements to solid waste management (minimisation, collection, recovery, treatment, recycling, storage and disposal)
- Energy efficiency investments in existing buildings (insulation, lighting, heating/cooling systems)
- Investments to improve efficiency of industrial water use
- Sustainable and stress-resilient agriculture, including investments in water-efficient irrigation
- Sustainable forest management, reforestation, watershed management, and the prevention of deforestation and soil erosion.

The above examples are illustrative only and no assurance can be provided that investments in projects with these specific characteristics will be made.

Use of Proceeds Language in CRB Documentation 3/4

European Bank
for Reconstruction and Development

- "Climate Resilience Portfolio" shall mean, as determined by the Issuer, the sum of all loans and investments that are funded, in whole or in part, by the Issuer and in respect of which the amount disbursed or invested is directed at, as determined by the Issuer, climate resilient investments through financing or refinancing projects that are intended to maintain or enhance the resilience of the asset to climate change over its expected life and/or to contribute to the climate resilience of the system.

Examples of projects in the Climate Resilience Portfolio include, without limitation, financings of:

- Investments in climate-resilient infrastructure, which may include:
  - Water infrastructure, such as climate-resilient water supplies, wastewater treatment, water conveyance systems and irrigation systems, etc.
  - Energy infrastructure, such as climate-resilient electricity generation, transmission and distribution systems, etc.
  - Transport infrastructure, such as climate-resilient land transport systems, ports, airports and intermodal transport, etc.
  - Urban infrastructure, such as climate-resilient buildings (e.g. insulation, lighting, heating/cooling systems), and the built environment, etc.
  - Communications infrastructure, such as climate-resilient telecommunications systems, broadband, data servers, etc.
- Investments in climate-resilient business and commercial operations, which may include:
  - Improving water use efficiency in industry, manufacturing etc.
  - Reducing the vulnerability of businesses and their value chains to extreme weather events such as floods, storms, droughts, heatwaves, etc.
- Investments in climate-resilient agricultural & ecological systems, which may include:
  - Sustainable and stress-resilient agriculture, including investments in water-efficient irrigation, etc.
  - Sustainable forest management, reforestation, watershed management, and the prevention of deforestation and soil erosion, etc.

The above examples are illustrative only and no assurance can be provided that investments in projects with these specific characteristics will be made.

Use of Proceeds Language in GTB Documentation 4/4

European Bank
for Reconstruction and Development

- The "Green Transition Portfolio" shall mean, as determined by the Issuer, the sum of all loans and investments that are funded in whole or in part by the Issuer and in respect of which the amount disbursed or invested is directed at, as determined by the issuer, green transition through financing or refinancing projects that are intended to enable significant improvements towards decarbonisation and/or improved resource efficiency in key sectors of the economy.

  While a minimum of 50 per cent of the loan or investment must be specifically designated to ensuring the green transition of the asset or project, the requirement to ensure improved climate governance of the related organisation or company in consistency with the transition objectives allows the entire amount of any such EBRD's loans to be included in the Green Transition Portfolio.

Examples of projects in the Green Transition Portfolio include, without limitation, financings of:

- Investments in decarbonisation and resource efficiency including circular economy products in manufacturing, which may include:
  - chemical production
  - cement production
  - steel production
- Investments in food production which may include:
  - Improving resource efficiency in agribusiness
  - Promoting sustainable land use
- Investments in activities that enable green transition, which may include:
  - electricity grids
  - supply chains
  - low carbon transport (including infrastructure)
  - green logistics
  - ICT solutions
- Investments in construction and renovation of buildings

  The above examples are illustrative only and no assurance can be provided that investments in projects with these specific characteristics will be made.

Use of Proceeds mapped to SDGs 1/5

Climate Projects

European Bank
for Reconstruction and Development

Green Bond categories "Renewable Energy" and "Energy Efficiency":

- Renewable energy projects, such as
  - photovoltaic installations, and production of photovoltaic cells/modules,
  - installation of wind turbines,
  - construction of small hydro power plants and mini-hydro cascades,
  - geothermal and biomass energy facilities
- Rehabilitation of transmission/distribution facilities to reduce total greenhouse gas ("GHG") emissions and allow for increased integration of renewable electricity in the grid, , e.g. smart distribution networks
- Modernisation of industrial installations to reduce total GHG emissions and other pollution
- New technologies that result in significant reductions in total GHG emissions
- Greater efficiency in mass transportation, such as investment in fuel-efficiency (fleet replacement) or more energy efficient infrastructure
- Energy efficiency investments in existing buildings (insulation, lighting, heating/cooling systems)

Sustainable Development Goals:

SDG 7 Affordable and Clean Energy

- ✓ 7.1 By 2030, ensure universal access to affordable, reliable and modern energy services
- ✓ 7.2 By 2030,increase substantially the share of renewable energy in the global energy mix
- ✓ 7.3 By 2030, double the global rate of improvement in energy efficiency
- ✓ 7.a By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology
- ✓ 7.a.1 Mobilized amount of United States dollars per year starting in 2020 accountable towards the $100 billion commitment
- ✓ 7.b By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services

SDG 8 Decent Work and Economic Growth

- ✓ 8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation

SDG 9 Industry, Innovation and Infrastructure

- ✓ 9..1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure
- ✓ 9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes

Use of Proceeds mapped to SDGs 2/5

Climate Projects (cont'd)

European Bank
for Reconstruction and Development

Green Bond categories "Renewable Energy" and "Energy Efficiency":

- Renewable energy projects, such as
  - photovoltaic installations, and production of photovoltaic cells/modules,
  - installation of wind turbines,
  - construction of small hydro power plants and mini-hydro cascades,
  - geothermal and biomass energy facilities
- Rehabilitation of transmission/distribution facilities to reduce total greenhouse gas ("GHG") emissions and allow for increased integration of renewable electricity in the grid, , e.g. smart distribution networks
- Modernisation of industrial installations to reduce total GHG emissions and other pollution
- New technologies that result in significant reductions in total GHG emissions
- Greater efficiency in mass transportation, such as investment in fuel-efficiency (fleet replacement) or more energy efficient infrastructure
- Energy efficiency investments in existing buildings (insulation, lighting, heating/cooling systems)

Sustainable Development Goals:

SDG 11 Sustainable Cities and Communities

- ✓ 11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport
- ✓ 11.c Support least developed countries, including through financial and technical assistance, in building sustainable and resilient buildings utilizing local materials

SDG 12 Responsible Consumption and Production

- ✓ 12.c rationalize inefficient fossil-fuel subsidies that encourage wasteful consumption by removing market distortions

SDG 13 Climate Action

- ✓ 13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries
- ✓ 13.a Implement the commitment undertaken by developed-country parties to the United Nations Framework Convention on Climate Change to a goal of mobilizing jointly $100 billion annually by 2020 from all sources to address the needs of developing countries in the context of meaningful mitigation actions and transparency on implementation

SDG 17 Partnerships for the Goals

- ✓ 17.3 Mobilize additional financial resources for developing countries from multiple sources
- ✓ 17.7 Promote the development, transfer, dissemination and diffusion of environmentally sound technologies to developing countries
- ✓ 17.16 Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources
- ✓ 17.17 Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships

Use of Proceeds mapped to SDGs 3/5

Sustainable Resource Projects

European Bank
for Reconstruction and Development

Green Bond categories "Water Management", "Waste Management" and "Air Pollution Prevention and Sustainable Transport":

- Greater efficiency in mass transportation, such as investment in fuel-efficiency (fleet replacement) or more energy efficient infrastructure
- Methane capture on waste landfills and waste water treatment plants
- Rehabilitation of municipal water/waste water infrastructure to improve drinking water quality and wastewater treatment and reduce water consumption and waste water discharges
- Improvements to solid waste management (minimisation, collection, recovery, treatment, recycling, storage and disposal)
- Investments to improve efficiency of industrial water use
- Sustainable and stress-resilient agriculture, including investments in water-efficient irrigation
- Sustainable forest management, reforestation, watershed management, and the prevention of deforestation and soil erosion.

Sustainable Development Goals:

SDG 2 Zero Hunger

✓ 2.4 By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality

SDG 3 Good Health and Well-Being

✓ 3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination

SDG 6 Clean Water and Sanitation

✓ 6.1 BY 2030, achieve universal and equitable access to safe and affordable drinking water for all

✓ 6.2 By 2030, achieve access to adequate and equitable sanitation and hygiene for all

✓ 6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials,

✓ 6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity

✓ 6.6 By 2030, protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes

SDG 8 Decent Work and Economic Growth

✓ 8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation

Use of Proceeds mapped to SDGs 4/5

Sustainable Resource Projects (cont'd I)

European Bank
for Reconstruction and Development

Green Bond categories "Water Management", "Waste Management" and "Air Pollution Prevention and Sustainable Transport":

- Greater efficiency in mass transportation, such as investment in fuel-efficiency (fleet replacement) or more energy efficient infrastructure
- Methane capture on waste landfills and waste water treatment plants
- Rehabilitation of municipal water/waste water infrastructure to improve drinking water quality and wastewater treatment and reduce water consumption and waste water discharges
- Improvements to solid waste management (minimisation, collection, recovery, treatment, recycling, storage and disposal)
- Investments to improve efficiency of industrial water use
- Sustainable and stress-resilient agriculture, including investments in water-efficient irrigation
- Sustainable forest management, reforestation, watershed management, and the prevention of deforestation and soil erosion.

Sustainable Development Goals:

SDG 9 Industry, Innovation and Infrastructure

- ✓ 9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure
- ✓ 9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes

SDG 11 Sustainable Cities and Communities

- ✓ 11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport
- ✓ 11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management
- ✓ 11.7 By 2030, provide universal access to safe, inclusive and accessible, green and public spaces

SDG 12 Responsible Consumption and Production

- ✓ 12.2 By 2030, achieve the sustainable management and efficient use of natural resources
- ✓ 12.3 By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses
- ✓ 12.4 By 2030, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle
- ✓ 12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse
- ✓ 12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle

Use of Proceeds mapped to SDGs 5/5

Sustainable Resource Projects (cont'd II)

European Bank
for Reconstruction and Development

Green Bond categories "Water Management", "Waste Management" and "Air Pollution Prevention and Sustainable Transport":

- Greater efficiency in mass transportation, such as investment in fuel-efficiency (fleet replacement) or more energy efficient infrastructure
- Methane capture on waste landfills and waste water treatment plants
- Rehabilitation of municipal water/waste water infrastructure to improve drinking water quality and wastewater treatment and reduce water consumption and waste water discharges
- Improvements to solid waste management (minimisation, collection, recovery, treatment, recycling, storage and disposal)
- Investments to improve efficiency of industrial water use
- Sustainable and stress-resilient agriculture, including investments in water-efficient irrigation
- Sustainable forest management, reforestation, watershed management, and the prevention of deforestation and soil erosion.

Sustainable Development Goals:

SDG 14 Life Below Water

- ✓ 14.1 By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution
- ✓ 14.2 By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience

SDG 15 Life on Land

- ✓ 15.1 By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands
- ✓ 15.2 By 2020 promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally
- ✓ 15.3 By 2030, combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land degradation-neutral world
- ✓ 15.5 Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species
- ✓ 15.8 By 2020, introduce measures to prevent the introduction and significantly reduce the impact of invasive alien species on land and water ecosystems and control or eradicate the priority species

Annex C – Technical Notes

Project Evaluation and Selection
Climate Resilience Project Process Steps

European Bank
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1. Set out the climate vulnerability context of the project

Adaptation finance may be identified in projects that clearly set out the context of climate vulnerability using a robust evidence base. Project documents may refer to existing analysis and reports or to original, bespoke climate vulnerability assessments such as those carried out as part of project preparation. Good practice in the use of existing analyses or reports includes citing authoritative, preferably peer reviewed sources such as academic journals, national communications to the UNFCCC, Nationally-Determined Contributions (NDCs), reports of the Intergovernmental Panel on Climate Change (IPCC), or Strategic Programmes for Climate Resilience (SPCRs). Good practice in conducting original, bespoke analysis entails use of records from trusted sources which documents vulnerability of communities or ecosystems to climate change, as well as use of recent climate trends including any departures from historic means. These may be combined with climate change projections drawn from a wide range of climate change models, with high and low greenhouse gas (GHG) emissions scenarios, to explore the full array of projected outcomes and uncertainties. Climate projection uncertainties should be presented and interpreted in a transparent way. The timescale of the projected climate change impacts should match the intended lifespan of the assets, systems or institutions being financed through the project.

2. Make an explicit statement of intent to address climate vulnerability

The project should set out the explicit intention to address the context- and location-specific climate change vulnerabilities in response to the project's climate vulnerability assessment. An explicit objective to reduce climate vulnerability is important to distinguish between a development project contributing to climate change adaptation and a standard development project. The methodology is flexible on the location and form of this statement of intent in the document, as long as the rationale for each adaptation element linked to the described climate vulnerability context can be recorded and tracked. Climate change adaptation projects customarily state the intention to reduce vulnerability in the final technical document, documents for Board approval, internal memos or other associated project document.

3. Articulate a clear and direct link between the climate vulnerability context and the specific project activities

In line with the principles of the overall MDB climate finance tracking methodology, the estimation of GET adaptation finance is based on finance allocated for specific project activities that are clearly linked to the project's climate vulnerability context.

Reporting
Methodological References

European Bank
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- How to implement our performance requirements

https://www.ebrd.com/home/who-we-are/ebrd-values/ebrd-environmental-social-sustainability/reports-and-policies/ebrd-performance-requirements.html

- Guidance on EBRD's methodology for assessing greenhouse emissions

http://www.ebrd.com/documents/admin/ebrd-protocol-for-assessment-of-greenhouse-gas-emissions.pdf

- Framework for a Harmonised Approach to GHG Accounting

https://www.ebrd.com/content/dam/ebrd_dxp/assets/pdfs/treasury/sri/IFI%20Harmonisation%20Framework%20for%20%20GHG%20Accounting.pdf

- Based on the above Framework – Sector approaches for Renewable Energy, Energy Efficiency and Transport

https://www.ebrd.com/content/dam/ebrd_dxp/assets/pdfs/treasury/sri/Energy%20Efficiency%20sector%20approach%20for%20the%20Framework.pdf

https://www.ebrd.com/content/dam/ebrd_dxp/assets/pdfs/treasury/sri/Energy%20Efficiency%20sector%20approach%20for%20the%20Framework.pdf

https://www.ebrd.com/content/dam/ebrd_dxp/assets/pdfs/treasury/sri/Transport%20sector%20approach%20for%20the%20Framework.pdf

Reporting
Monitoring Approach

European Bank
for Reconstruction and Development

- All of the projects we finance are subject to due diligence before approval to assess their compliance with our Environmental and Social Policy (ESP)
- All EBRD's directly financed projects are subject to a methodical systems approach, which includes reviewing and reacting to outcomes in a structured way, aiming for continuous improvement, and to ensure compliance with all social and environmental commitments in the legal documentation .
- Projects are monitored over the term of our investment through self-reporting by clients and, where appropriate, site visits by our specialists and consultants.
- More complex projects may also involve additional mechanisms such as regular reports from independent monitoring consultants or staged disbursements dependent on the attainment of action plan milestones.

For further information, please see:

- EBRD's 2024 Sustainability Report and Sustainability reporting disclosures in accordance with the GRI Standards : Investor Report on Sustainability
- EBRD's 2024 ESP: Environmental and Social Policy 2024
- EBRD's Green Economy Transition approach: Green Economy Transition (GET) and Paris alignment
- EBRD's 2024 Annual Review: Annual Review 2024
- EBRD's 2023 TCFD Report: EBRD's fifth TCFD report meets commitment to transparency, highlights full Paris alignment

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