

Development of the Green Bonds Market



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Climate Bonds INITIATIVE

What are Green Bonds?

Proceeds to green

- “Vanilla” structures and terms
- Comparable pricing
- Refinance as well as new project
- 90% investment grade

Reporting

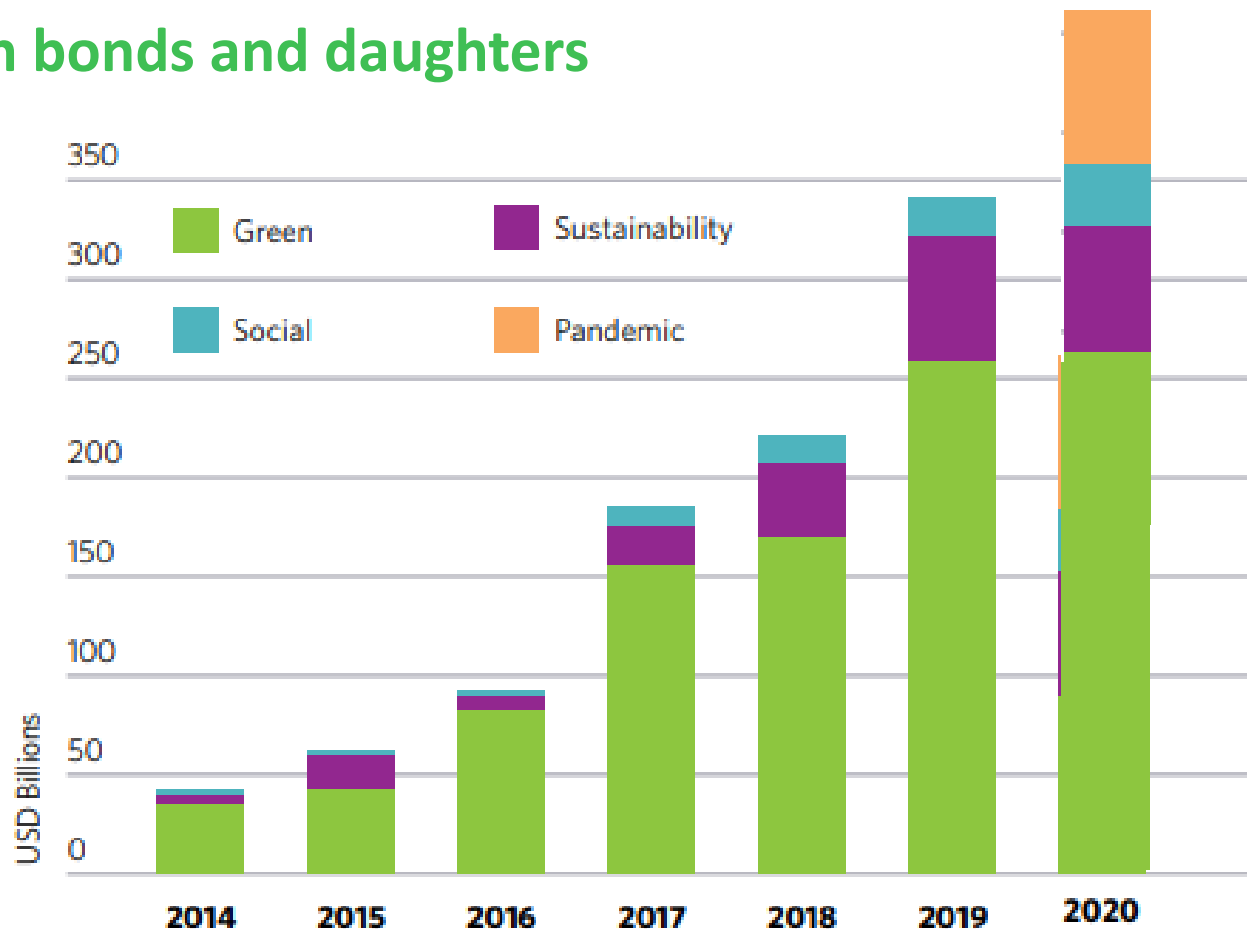
- Transparency to the green assets or projects
- Independent review / verification
- Reporting on use of proceeds

Any entity

- Governments & Development Finance Institutions
- Corporates
- Asset owners: PPPs, banks, utilities, etc
- Municipalities



Green bonds and daughters



FOR INVESTORS

- Risk mitigation
- Capital protection
- Client reporting

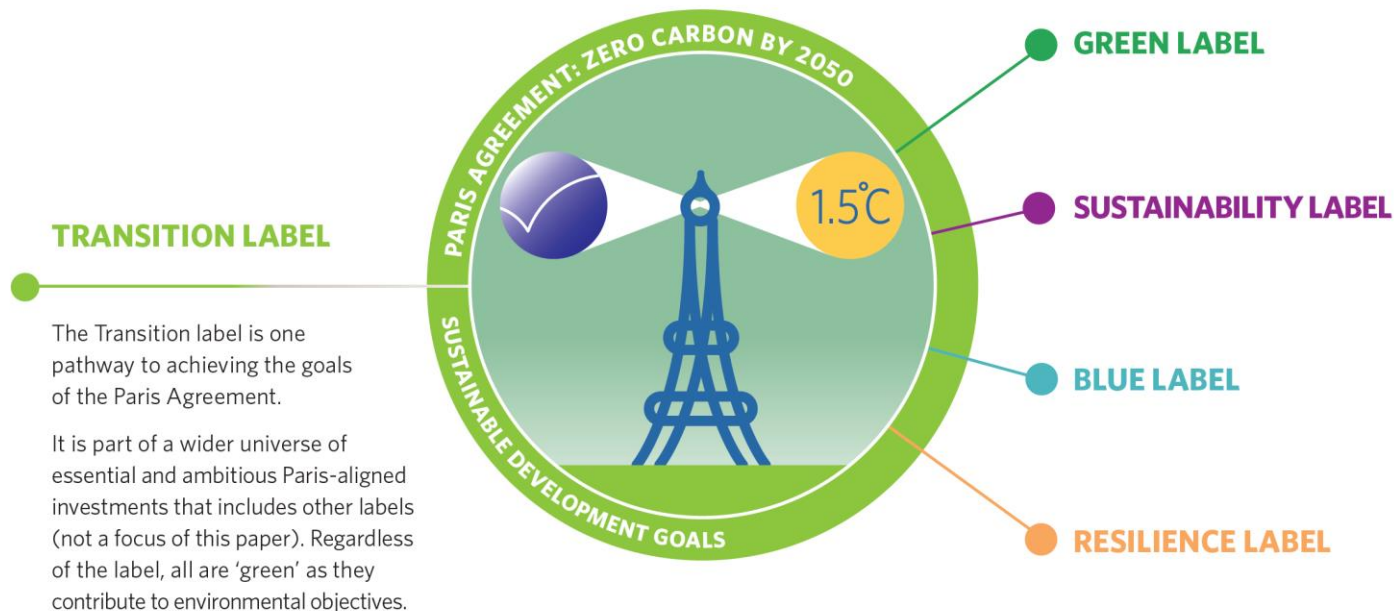
FOR ISSUERS

- Investor diversification
- Pricing

Transition as a pathway to Paris

One pathway to achieving the goals of the Paris Agreement.

Part of a wider universe of essential and ambitious Paris-aligned investments. All are 'green' as they contribute to environmental objectives.



5 Principles for Financing Credible Transitions



1. In line with 1.5 degree trajectory
All goals and pathways need to align with zero carbon by 2050



and nearly halving emissions by 2050.
2. Established by science
All goals and pathways must be led by scientific experts and be harmonised across countries.



3. Offsets don't count

Credible transition goals and pathways don't count offsets, but should count upstream scope 3 emissions.



4. Technological viability trumps economic competitiveness

Pathways must include an assessment of current and expected technologies. Where a viable technology exists, even if relatively expensive, it should be used to

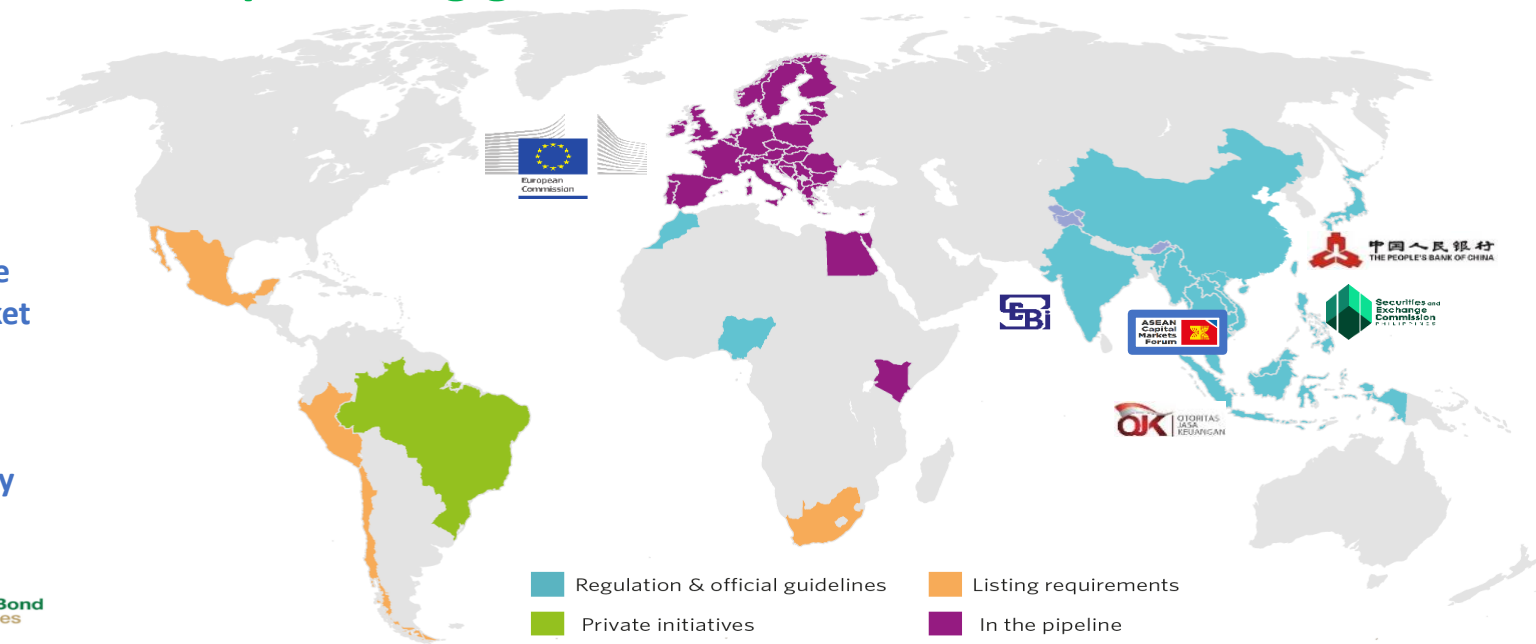


Be Action on the pledges
Pathway for transition is already by
 operating metrics rather than a
 commitment/pledge to follow a
 transition pathway at some point
 in the future. In other words, this is
NOT a transition to a transition.

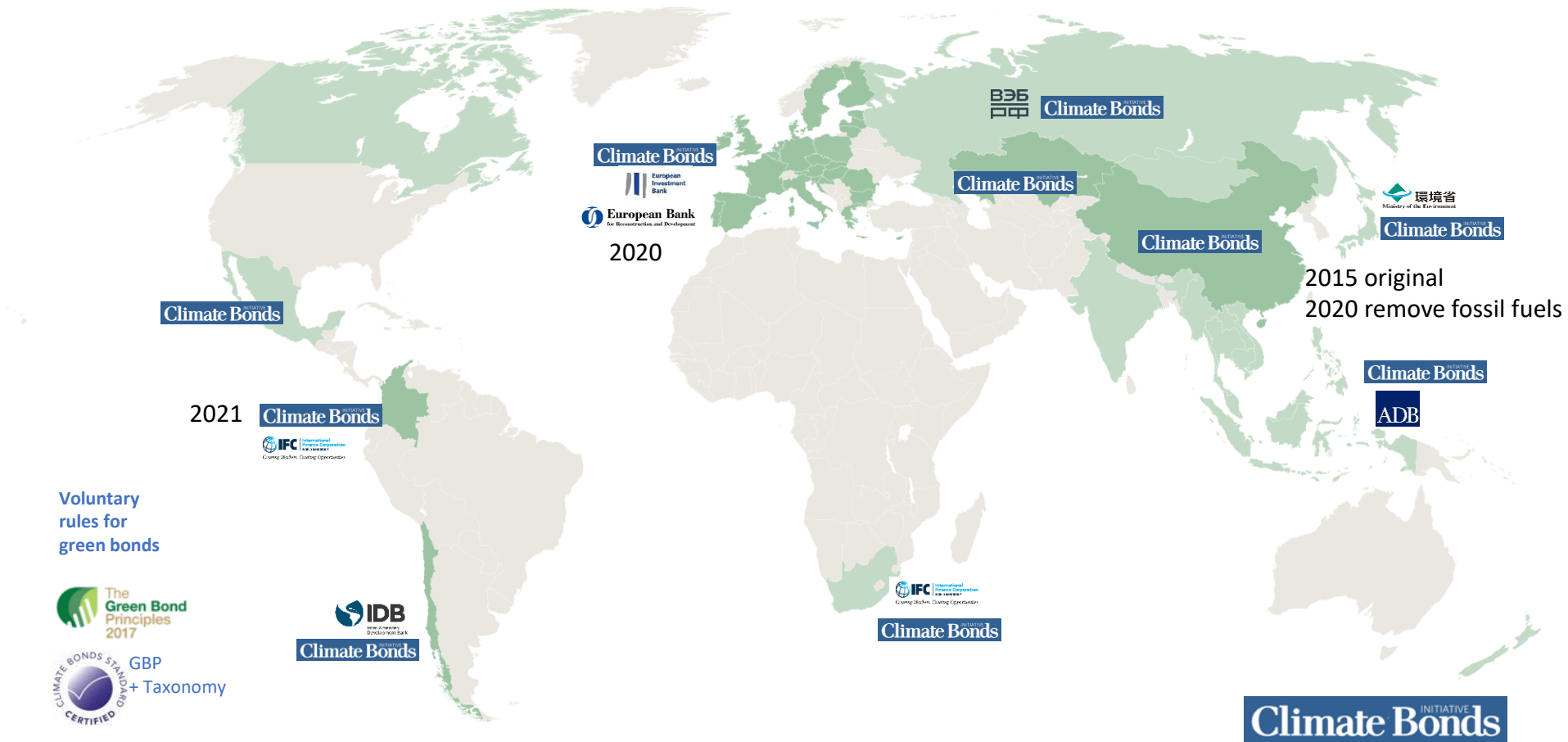
Consistent rules support market growth

Regulators now providing guidance

Voluntary rules drove early market growth, allowed global consistency



Taxonomy development & synchronisation



Next

Make it easy to know what to do: green definitions

EU-China harmonization is underway

Green funds, incentives, regulatory support

Build Back Better: green, resilient & jobs rich

Energy, environmental restoration, health

Green window