



DEBUT 10-YEAR EURO SUSTAINABILITY BENCHMARK BOND ISSUANCE

On 23rd June 2021, the Republic of Slovenia successfully entered the markets with the debut EUR 10-year Sustainability Bond benchmark issuance of EUR 1bn. This landmark transaction makes the Republic of Slovenia the first sovereign in the CEE and the second in the European Union to issue a Sustainability Bond.

The bond was priced at a re-offer yield of 0.17 % with the coupon of 0.125 % and a re-offer price of 99.554 %. The initial price guidance was given at MS + 15bps area. Following a strong investor interest with books in excess of EUR 10bn (incl. EUR 0.55bn JLM interest), the final spread was set at 7bps over MS with books closed in excess of EUR 8.4bn (incl. EUR 0.6bn JLM interest) with demand from more than 210 investors.

The proceeds from Slovenia's Sustainability Bond will fund the government investments that contribute positively to the Republic's environmental and social goals and further promote and develop the domestic and international green, social, and/or sustainability bond market. More details about Slovenia's Sustainability Bond Frame can be found here: <https://www.gov.si/en/topics/investor-relations/>

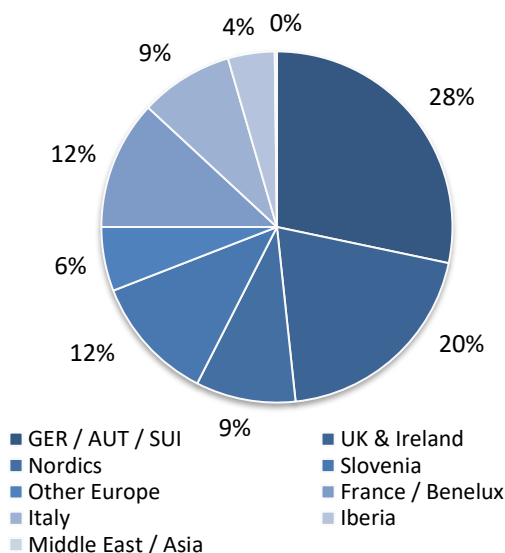
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SUSTAINABILITY SLOREP 7/1/2031 0.125% new issue results

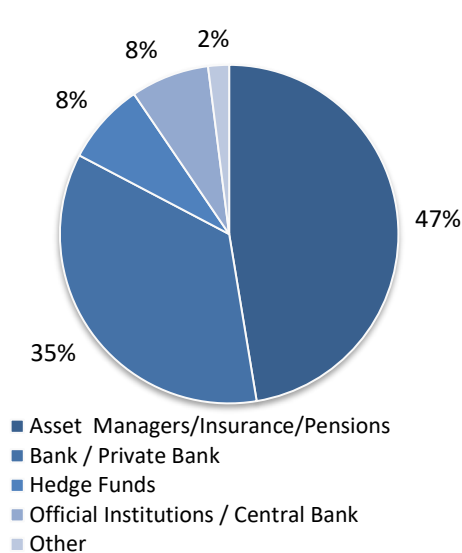
Maturity	1.7.2031
Re-offer price	99.554%
Yield (Coupon)	0.17% (0.125%)
Spread over MS	7bps
Issuance nominal size	1,000,000,000 EUR
Investor demand (book size)	>8,400,000,000 EUR
Issuance approach	Syndication

The geographical and institutional investor distributions were as follows:

Geographical distribution



Institutional distribution



DECISIVE 2021 FINANCING PROGRAMME EXECUTION

In 2021, Slovenia to date provided EUR 3.9 bn long-term financing via syndication, of which EUR 1 bn 10-year sustainability bonds by ESG criterion. In addition, the remaining part of the loan from the EU SURE scheme was drawn in the beginning of the year 2021, that is EUR 0.9 bn.

Average weighted long-term financing yield (excl. T-bills programme) stands at 0.04 % with average weighted time to maturity 17.5 years.

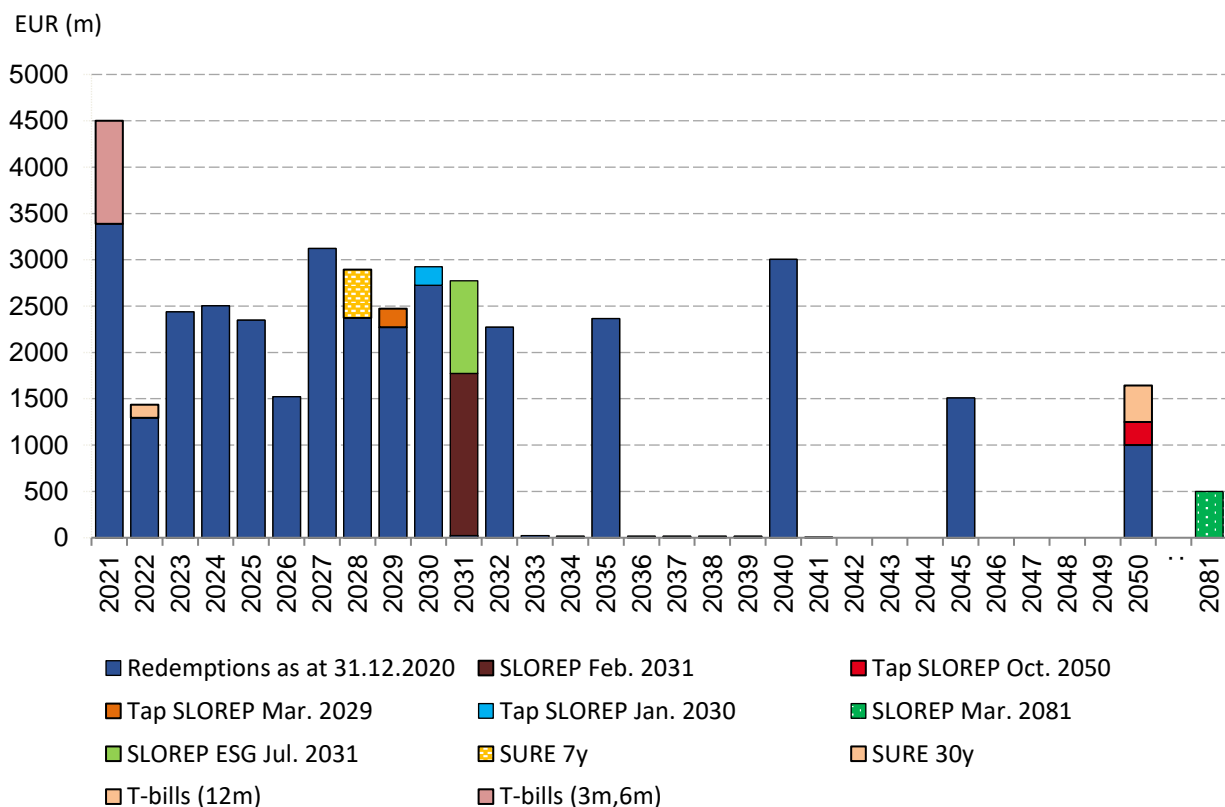
In line with the published T-bills auction calendar, Slovenia to date issued in total EUR 1,258m T-bills, i.e.:

- 3-months T-bills of EUR 474.5m yielding -0.473 %;
- 6-months T-bills of EUR 639m yielding -0.470 % and
- 12-months T-bills of EUR 144.5m yielding -0.50 %.

The executed financing operations of the central government take into consideration 80.4 % for the general government debt as a percentage of GDP at the end of 2021 (it stood at 80.8 % GDP end of 2020).

Figure below graphically presents the financing executed in 2021 by now, split by each maturity bucket and instrument.

Figure: Debt maturity profile in perspective of Financing programme 2021 execution



Source: Ministry of Finance, 1.7.2021

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