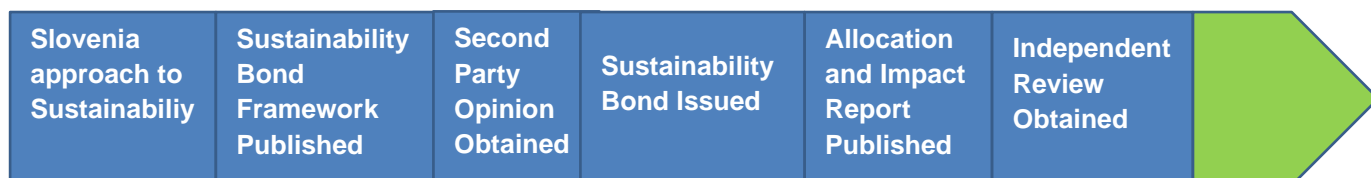




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THE REPUBLIC OF SLOVENIA APPROACH TO SUSTAINABILITY AND THE MILESTONES REACHED



Slovenia is fully committed to the Paris Climate Agreement and to the achievement of the United Nations' 17 Sustainable Development Goals.

The Sustainability Bond Framework was prepared in accordance with the **ICMA Green Bond Principles 2021, Social Bond Principles 2021** and **Sustainability Bond Guidelines 2021**, which are established international market standards. The Framework follows the criteria of the **EU Taxonomy** and supplementing Delegated Act on Climate Mitigation and Climate Adaptation to the extent possible when defining the eligibility criteria for the Eligible Green Categories.

The Framework and expenditures were detailedly reviewed in the process of obtaining **the Second Party Opinion** by an external verifier **Morningstar Sustainability**, a leading ESG ratings, research and analytics firm. Out of the two Eligible Green Categories allocated to under the Slovenia's 2023 Sovereign Sustainability Bond, the **Low Carbon Transport** category has been assessed by Morningstar Sustainability, as **aligned with the applicable Substantial Contribution criteria** of the **EU Taxonomy**. The Low Carbon Transport category is mapped to seven economic activities.

The included green and social projects categories fall under the auspices of eight ministries and one governmental office.

Following the 2021 Inaugural EUR 10-year Sustainability Bond issue in June 2021, the Republic of Slovenia issued its **second EUR 10-year Sustainability Bond of EUR 1.25bn in January 2023**. The success of both transactions with very significant oversubscriptions is a strong testimony of the confidence institutional investors have in the Republic of Slovenia, and particularly in its role in financing and achieving high environment and social goals.

Table 1: Sustainability bond issuances and reopenings of the Republic of Slovenia

Date of transaction	Bond name	Issue size
July 1, 2021	2021 Inaugural Sovereign Sustainability Bond (RS88)	EUR 1,000 mio
February 7, 2022	First reopening	EUR 50 mio
July 12, 2022	Second reopening	EUR 89.9 mio
October 28, 2022	Third reopening	EUR 100 mio
	Total 2021 Inaugural Sovereign Sustainability Bond	EUR 1,239 mio
January 11, 2023	2023 Sovereign Sustainability Bond (RS91)	EUR 1,250 mio

Source: Ministry of Finance

In June 2024, the Ministry of Finance published **the 2023 Sovereign Sustainability Bond Report**, as well as **the Allocation Review** and the **Impact Report** independently prepared by Morningstar Sustainalytics.

The purpose of the presented reports is to justify investors' trust through transparency and disclosure of details. The reports refer to the fiscal years 2022 and 2023 and demonstrate a strong commitment to reducing transport-related emissions by promoting public transport and building adequate infrastructure and other types of sustainable mobility that mitigate climate change and improve the overall quality of life. Investments in social projects focus on promoting education, social inclusion, healthcare services and social activation among others.

By financing environmental and social transition with sustainability bonds Slovenia follows practices of the advanced countries and the most recent European guidelines.

SUSTAINABILTY BOND DOCUMENTS AND REVIEWS

2023 Sovereign Sustainability Bond Report published June 2024 and other Sustainability documents and external reviews can be found on the Ministry of finance [web page](#).

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[2023 Sustainability Bond Report \(June 2024\)](#)

2

[2023 Sustainability Bond Impact Report \(June 2024\)](#)

3

[2023 Sustainability Bond Allocation Review \(June 2024\)](#)

4

[Sustainability Bond Framework \(January 2023\)](#)

5

[Second Party Opinion by Morningstar Sustainalytics \(January 2023\)](#)

6

[Sustainability Bond Investor Presentation \(January 2023\)](#)

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