THE REPUBLIC OF SLOVENIA

2025 SOVEREIGN SOCIAL BOND REPORT

REPUBLIC OF SLOVENIA
MINISTRY OF FINANCE

2030 SLOVENIJA

SLOVENIA GREEN

July 2026

Executive Summary

Since the issuance of the Slovenia 2025 Sovereign Social Bond in November 2025 EUR 172,6 million (JPY 31 billion equivalent) have been allocated to 2024 and 2025 eligible expenditures within two social categories: Access to Essential Services – Education and Access to Essential Services – Social Inclusion. The majority of financing was allocated to Education (80%), with the remaining share directed toward Social Inclusion (20%). Expenditures related to Education supported 214,737 students in 2024 and 25,095 students in 2025. In addition, expenditures related to Social Inclusion assisted 11,279 displaced persons in 2025.

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Photos and graphics: Canva, Pexels, Pixabay

I. Introduction

I.1 Slovenian Development Strategy 2030[1]

Slovenia is an active international partner in global efforts towards peace and security, respect for human rights, cultural diversity, rule of law and conscientious response to global challenges.

Slovenia is fully committed to all 17 goals of the **UN's Sustainable Development 2030 Agenda** as well as the targets of the:

- **Paris Agreement on Climate Change**: keeping the global average temperature rise above pre-industrial levels well below 2 degrees Celsius this century;
- **European Green Deal**: reduction of net greenhouse gas emissions by at least 55% by 2030, compared to 1990 levels, no net emissions of greenhouse gases by 2050, economic growth decoupled from resource use, no person and no place left behind; and the
- **European Pillar of Social Rights**: in Slovenia at least 79.5% of the population aged 20 to 64 should be in employment by 2030, at least 60% of all adults should be participating in training every year by 2030 and the number of people at risk of poverty or social exclusion should be reduced by at least 9,000 by 2030.

[1] Slovenian Development Strategy 2030. Available here.

Slovenia demonstrates its commitment to sustainability **Development Strategy 2030** (SDS2030). The strategy is the country's core development framework, based on the guidelines set out in the Vision of Slovenia, Slovenia's development baselines and international commitments, and economic, social, and environmental trends and challenges at the regional, national, European and global levels.

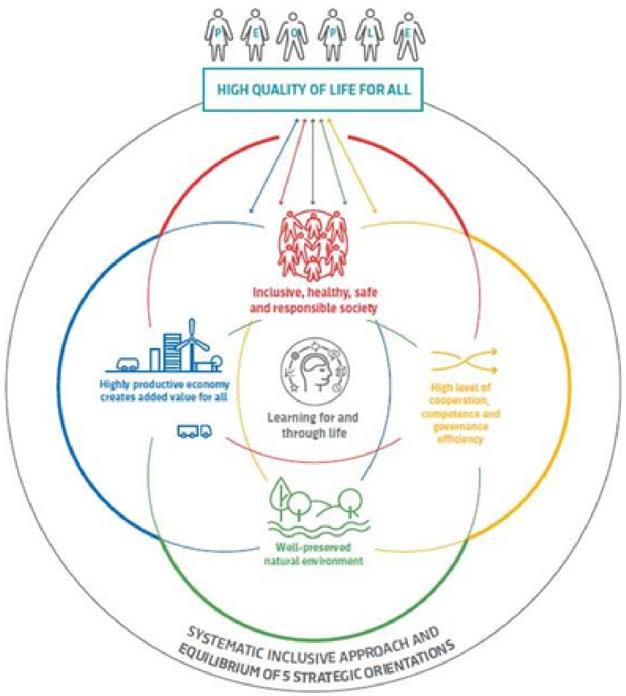
SDS2030 is a multi-sectoral national strategy, which takes into account the planet's limitations and creates conditions and opportunities for present and future generations. A **high quality of life** for all is placed at the center of the SDS2030. In designing the developmental paths to a better life for all inhabitants, Slovenia is aware of its **responsibilities in the global context**.

At the level of the individual, a high quality of life is manifested in good opportunities for employment, education, and creativity, as well as a dignified, safe, and active life, within a healthy and clean environment with inclusion in democratic decision-making and participation in social management.

Slovenia's strategic orientations for achieving a high quality of life are:

- an inclusive, healthy, safe, and responsible society,
- learning for and throughout life,
- a highly productive economy that creates added value for all,
- a well-preserved natural environment, and
- a high level of cooperation, competence and governance efficiency.

The five strategic orientations for achieving the primary objective will be implemented through operations in various inter-connected and interdependent areas, which are **reflected in the Strategy's 12 development goals**. Each goal is linked to the sustainable development goals set out in the UN's Sustainable Development 2030 Agenda. The goals constitute a basis for designing the priority tasks and measures to be implemented by the Slovenian government, regional development stakeholders, local communities, and other stakeholders.



Progress on the implementation of the SDS 2030 is reported annually through **the Development Report**[2] prepared by the Institute for Macroeconomic Development and Analysis. The report follows the five strategic orientations that the SDS2030 identified as crucial for achieving high quality of life for all. It shows trajectory on parameters and provides recommendations on how to improve the implementation, so that all objectives are met.

[2] Institute for Macroeconomic Development and Analysis (2026). *Development report 2026*. Available here.

I.2 Slovenian Sustainability Bonds

The key document for issuing Green, Social and/or Sustainability Bonds is the Slovenian Sovereign Sustainability Bond Framework (the "**Framework**")[3]. The Framework has been prepared in accordance with the relevant International Capital Market Association (ICMA) Principles. The Framework categories were also mapped to the main United Nations Sustainable Development Goals and European Environmental Objectives that they contribute to. The commitment to the highest market practices and global standards is reflected in the 2023 update of the Framework, wherein Slovenia pledges to adhere as closely as possible to the criteria of the EU Taxonomy[4], a modern framework of the European Union determining economic activities that are considered sustainable and environmentally friendly.

Table 1: Overview of Slovenian Sustainability Bonds

Sustainability Bond	Year of Issue	Amount	Maturity (years)	ISIN	Use of proceeds	Sustainability Bond Reports and Reviews
Slovenia's 2021 Sovereign Sustainability Bond	2021	EUR 1 billion	10	SI0002104196	Used to finance projects that contribute to Slovenia's environmental (33%) and social goals (67%)	Slovenian Sustainability Bond Report (June 2022). Available here. Morningstar Sustainalytics (June 2022). Republic of Slovenia Annual Review. Available here; and Morningstar Sustainalytics (June 2023). Republic of Slovenia Annual Review. Available here.
Slovenia's 2023 Sovereign Sustainability Bond	2023	EUR 1.25 billion	10	SI0002104303	Used to finance projects that contribute to Slovenia's environmental (29%) and social goals (71%)	Slovenia 2023 Sovereign Sustainability Bond Report (June 2024). Available here. Slovenia 2023 Sovereign Sustainability Bond – Allocation review (June 2024). Available here. Slovenia 2023 Sovereign Sustainability Bond – Impact report (June 2024). Available here.

[3] Slovenian Sovereign Sustainability Bond Framework (January 2023). Available here.
[4] Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088. Available here.

Social Samurai bond (dual-tranche)	2024	JPY 50 billion	3 and 5	JP570500EQ92 and JP570500FQ91	Allocated to social projects (Access to Essential Services – Healthcare, as well as Access to Essential Services – Social Inclusion)	Republic of Slovenia 2024 Sovereign Social Bond Report (July 2025). Available here. Slovenia 2024 Sovereign Social Bond – Allocation review (July 2025). Available here. Slovenia 2024 Sovereign Social Bond – Impact report (July 2025). Available here
Social Samurai bond	2025	JPY 31 billion	3	JP570500ARB5	Allocated to social projects (Access to Essential Services – Education and Access to Essential Services – Social Inclusion)	Republic of Slovenia 2025 Sovereign Social Bond Report (July 2026). Available here. Republic of Slovenia 2025 Sovereign Social Bond Post-Issuance Review (July 2026). Available here.

As presented in Table 1, Slovenia made its inaugural foray into the **Samurai bond market** with a **dual-tranche (3- and 5-year) JPY 50 billion Social Samurai bond in September 2024.** The bond was issued based on the 2023 Sustainability Bond Framework, and its proceeds were allocated to social projects (Access to Essential Services – Healthcare, as well as Access to Essential Services – Social Inclusion). Following a highly successful inaugural Social Samurai offering in 2024, Slovenia issued another **3-year JPY 31 billion Social Samurai bond in November 2025**. Its proceeds have been allocated to 2024 and 2025 eligible expenditures within two social categories: Access to Essential Services – Education and Access to Essential Services – Social Inclusion.

In addition, it is also worth noting that in June 2025 Slovenia issued **inaugural Sustainability-Linked Bond (SLB)** and the first-ever SLB from a European Sovereign. This new bond was issued based on the Sustainability-linked Bond Framework of the Republic of Slovenia[5], which outlines potential Key Performance Indicators (KPIs), Sustainable Performance Targets (SPTs), reporting, verification and other parameters. The Framework itself was drafted in line with ICMA 2024 SLB guidelines, and received the Second Party Opinion from S&P Global[6]. The bond has a fixed-rate coupon with a step-up/step-down mechanism applied to the final coupon payment determined by the performance against the following KPI and SPTs, selected from the Slovenian Sustainability-Linked Bond Framework.

[5] Sustainability-linked bond framework (February 2025) . Available here
[6] Second Party Opinion: Republic of Slovenia Sustainability-Linked Bond Framework (March 2025). Available here.

I.3 Preparation of Slovenia 2025 Sovereign Social Bond Report

IIn line with the reporting commitments defined in the Framework, Slovenia has prepared the 2025 Sovereign Social Bond Report. This report describes **the allocation and impact of the projects financed with the proceeds from the Slovenia 2025 Sovereign Social Bond**. The information provided in this report is based, as far as possible, on the existing public data and information for different social projects, as well as on direct interactions with the different line ministries, project owners and project managers. This report covers two categories for eligible social expenditures identified in the Framework: **Access to Essential Services – Education** and **Access to Essential Services – Social Inclusion**.

This report has been prepared by the **Sustainability Bond Working Group ("SSSBs Working Group")** in collaboration with different line ministries and bodies that are responsible for the management of the allocated projects, with additional input from different benefiting institutions themselves.

The report is intended to provide insight into asset allocation of the Slovenia's 2025 Sovereign Social Bond, **covering 2024 and 2025 eligible expenditures**. It also describes the specific social impacts of the eligible 2024 and 2025 expenditures which received funds from the Slovenia's 2025 Sovereign Social Bond, by quantifying them where possible, and details the allocation and impact reporting of eligible projects in above mentioned social categories. The alignment of this allocation report with the Framework's criteria and commitments was independently assessed by **S&P Global Ratings**.

II. Allocation Report

II.1 Eligible Expenditures

In January 2023, Slovenia published an updated Framework to govern the issuance of its Green, Social and/or Sustainability Bonds, which enables Slovenia to fund state expenditures with high environmental or social impact ("Eligible Green and/or Social Projects") with green, social and/or sustainability debt instruments. In the Framework, Slovenia committed to report on the Green, Social and/or Sustainability Bonds issued, specifically the following:

- total amount of allocated expenditures,
- total amount allocated per Eligible Green and/or Social Category,
- the remaining unallocated amount and
- the amount of financing vs refinancing.

Eligible Green and Social Projects are state budget expenditures that qualify under the Framework and are aligned with all relevant and applicable **national and international environmental and social standards and regulation** (such as those outlined in Appendix 2 of the Framework). Eligible Green and Social projects financed under this Framework are also expected to adhere to internationally recognised guidelines, specifically the **UN Guiding Principles on Business and Human Rights** and the **OECD Guidelines for Multinational Enterprises**.

Expenditures that contravene the exclusion criteria as defined by the Framework are not eligible for allocation. Furthermore, expenditures **fully funded by a dedicated tax**, as well as investments **fully funded by external programs** (such as EIB or EU programs) are **not eligible** for allocation in order to avoid **"double-counting".** In case expenditures are partially financed by the dedicated funding or by external programs, only the share of **direct financing from an integral part of the state budget** is considered in the allocation.

Each Social Project has been subject to the **standard national budgetary process** under the Ministry of Finance's responsibility. Before any public resources are ultimately expensed on any projects, the relevant departments/users of public funds are accordingly responsible to ensure that each investment proposal meets all the relevant **evaluation processes and value-for-money tests** required under the **Public Finance Act**[7] and its bylaw **Decree on the Uniform Methodology for the Preparation and Treatment of Investment Documentation in the Field of Public Finance**[8].

[7] *Public Finance Act*. Available here.
[8] *Decree on the Uniform Methodology for the Preparation and Treatment of Investment Documentation in the Field of Public Finance.* Available here.

II.2 Selection and Control of Eligible Expenditures

The proceeds of the Slovenia's 2025 Social Bond have been allocated to 2024 and 2025 eligible expenditures within **two social categories: Access to Essential Services – Education and Access to Essential Services – Social Inclusion.**

The **SSSBs Working Group**, comprised of representatives of eleven line ministries, was established by the government to oversee the allocation of funds raised under each sovereign Green, Social or Sustainability Bond to Eligible Green and Social Projects. The SSSBs Working Group verifies that the expenditures **meet the criteria and objectives** for the use of proceeds set out in the Framework and approves the expenditures to be included in the Allocation Report.

The 2024 and 2025 eligible expenditures for the potential allocation of the proceeds from the 2025 Slovenia Social Bond issuance were first proposed by the respective line ministries. The amounts of the expenditures were then **verified by the Ministry of Finance**, using the state budgetary accounting system "MFERAC".

MFERAC provides financial and accounting data, rules, procedures, controls, reports, etc. to demonstrate the compliance of expenditures with the legislation that governs the operations of budgetary users and the application of the state budget.

The system provides the data to track each project according to the institutional (budget users), functional (policy and program) and economic (accounts) classification. For each project, **the application enables insight** into budgeted amounts for the project in the current yearly government budget, preloads (signed contracts), unpaid and paid amounts, as well as more detailed elements on the project from which the payment obligations arise.

II.3 Key Social Policies

Slovenia is constantly working to improve and implement its social policies and practices to create a more sustainable and equitable future for all. The aim of the policies is to balance economic development with social well-being.

This report only contains an indication of some of Slovenia's key social policies. A more detailed overview of the relevant policies and objectives is included in the introduction of the Framework.

Slovenia's key social policies and objectives include the:

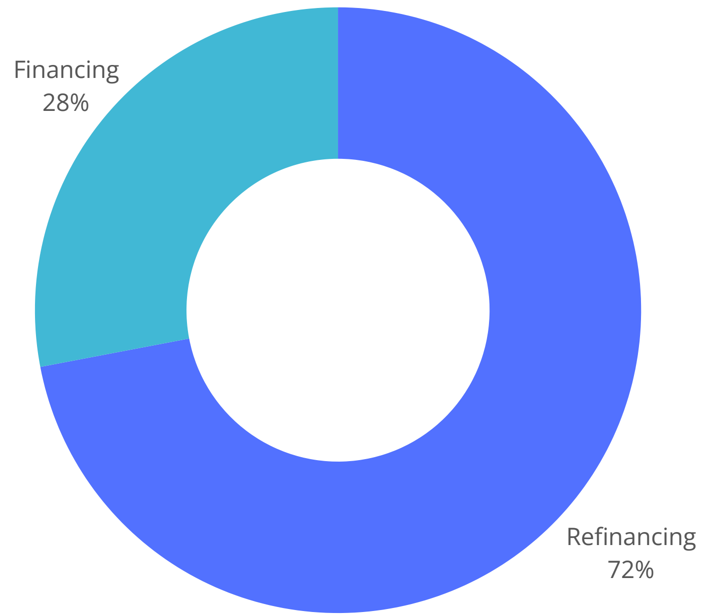
- support for and investments in pre-school, primary school and secondary school programs and facilities,
- comprehensive support programs for refugees and displaced persons.

All allocated amounts are directed towards the implementation of Slovenia's social policies in the area of education, as well as assistance to displaced persons.

II.4 Allocation per Category

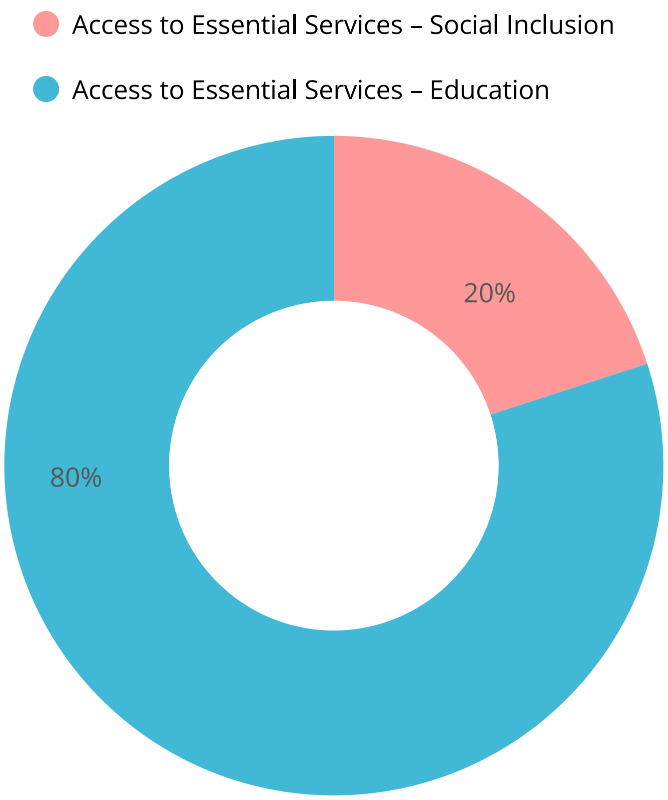
The figures and tables below show the allocation of funds from the proceeds of the Slovenia's 2025 Sovereign Social Bond issued in November 2025. The table elaborates on the allocation between two social categories in years 2024 and 2025. Expenditures allocated **in 2024 can be considered as expenditures for refinancing purposes and expenditures allocated in 2025 as expenditures for financing purposes**. The amount of identified Eligible Social Projects from 2024 and 2025 exceeded the amount issued, allowing the proceeds of the Slovenia's 2025 Sovereign Social Bond to be fully allocated, with **the total amount allocated totaling EUR 172,6 million (JPY 31 billion).**

Figure 1: Slovenia 2025 Sovereign Social Bond financing vs refinancing



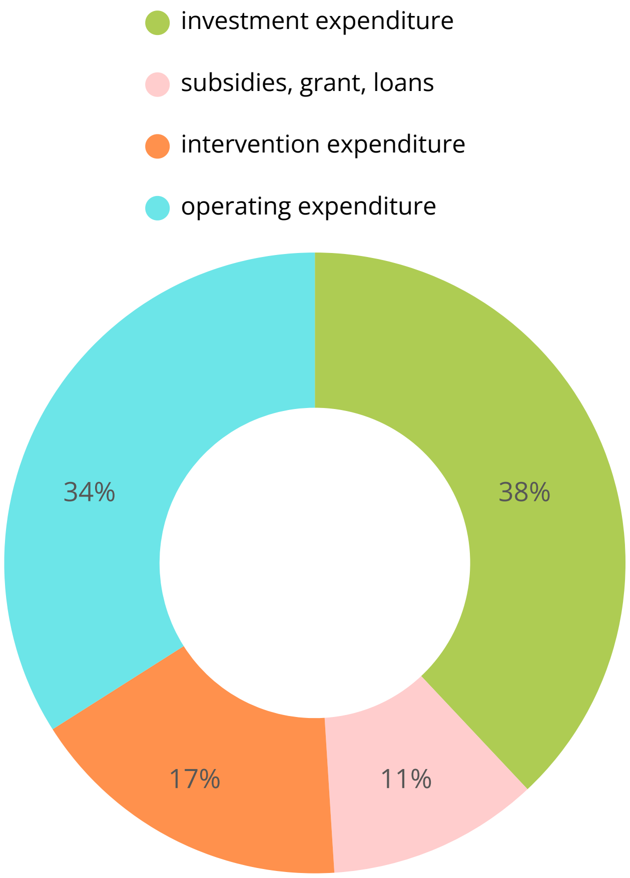
Source: Ministry of Finance

Figure 2: Slovenia 2025 Sovereign Social Bond allocation by project category



Source: Ministry of Finance

Figure 3: Allocation amount by type of expenditure



Source: Ministry of Finance

Table 2: Allocated amounts in 2024 and 2025

Category	SDGs/EU Environemntal Objectives	Allocated in 2024 (€)	Allocated in 2025 (€)	Total (€)	Share (%)
Access to Essential Services - Education	10 REDUCED INEQUALITIES	124,399,448	14,638,140	139,037,588	80
Access to Essential Services - Social Inclusion	10 REDUCED INEQUALITIES	0	33,597,039	33,597,039	20
Total social categories:		124,399,448	48,235,179	172,634,627	100

Source: Ministry of Finance

Allocated funds for the category **Access to Essential Services – Education** financed:

- Constructions, reconstructions, extensions and similar investments in kindergartens and primary schools,
- Initiative to increase children's participation in pre-school education,
- Provision of cheaper or free school meals for primary and secondary school students with lower socioeconomic status.

Access to Essential Services – Social Inclusion category refers to projects in the field of social activation. Allocated amount from the Slovenia 2025 Sovereign Social Bond financed:

- Financial assistance for the private accommodation for migrants and displaced persons,
- Medical costs, rental costs and food supply for migrants and displaced,
- Maintenance costs of the asylum centre,
- Pocket money, security, cleaning, clothing, shoes, hygiene, and sanitation materials,
- Costs of the staff working at the orphanage centre transferred from Ukraine.

The following tables further break down allocation amounts within each category.

Table 3: Allocation amounts per Sub-categories – Access to Essential Services – Education

Project Category	Sub-category	Year		Total 2024-25 (€)
		2024 (€)	2025 (€)	
Access to Essential Services -Education	Pre-school	62,519,923	0	62,519,923
	Primary school	51,585,968	14,638,141	66,224,108
	Secondary school	10,293,558	0	10,293,558
Total		**124,399,448**	**14,638,141**	**139,037,589**

Source: Ministry of Finance

Table 4: Allocation amounts per Sub-categories – Access to Essential Services - Social Inclusion

Project Category	Sub-category	Year		Total 2024-25 (€)
		2024 (€)	2025 (€)	
Access to Essential Services - Social Inclusion	**Social activation**	0	33,597,039	33,597,039
Total		**0**	**33,597,039**	**33,597,039**

Source: Ministry of Finance

The allocation tables on project-by-project basis can be found on the Ministry of Finance's website[9]

[9] Ministry of Finance's website. Available here.

III. Impact Report

III.1 Introduction

In the Framework, Slovenia committed to report annually to investors on the environmental and/or social output of the allocated proceeds until the full allocation of the bond's proceeds, subject to the availability of the relevant data.

The Impact Report is aligned, to the extent possible, with the ICMA Harmonized Framework on Impact Reporting[10] .

Slovenia aims to adhere to the **highest standards in terms of external review** of the Green, Social and Sustainability Bond reporting. The Impact Report was prepared for the two social categories: **Access to Essential Services – Education** and **Access to Essential Services – Social Inclusion**. For both social categories we report **outcomes only** – direct measurable results of an individual activity of program.

III.2 Outcomes per Category

State policies, the state of play, and projects' outcomes are intricately linked in the context of Social Bond impact reporting:

- The proceeds from Slovenia's 2025 Sovereign Social Bond have been used to finance projects directly aligned with the Republic's social policies,
- the current situation, and immediate and medium-term policy priorities determine the type of projects for which Slovenia prioritizes funding, and
- the outcomes demonstrate the projects' contribution to achieving Slovenia's social goals.

[10] ICMA (2025). *Handbook Harmonised Framework for Impact Reporting* (June 2025). Available here.

III.2.1 Access to Essential Services – Education

Education projects financed using bond proceeds are assumed to address educational needs that may not have been met otherwise. Improved access to, and quality of, education is expected to enhance students' future income prospects. In this specific example proceeds were allocated to projects related to investments in kindergartens and primary schools and to promotion of cheaper or free school meals for students with lower socioeconomic status. Expenditures related to Education supported 214,737 students in 2024 – 85,276 students in pre-school, 99,090 students in primary school and 30,371 students in secondary school. In addition, expenditures also supported 25,095 students in primary school in 2025.

Table 5: Project description

NRP / portfolio no.	Project / portfolio name	School type	Description and rationale for social eligibility
Portfolio 4	Increasing children's participation in pre-school education, which also ensures better results in further education	Pre-school	The initiative to increase children's enrolment in preschools ran from 2021 to 2024. It has co-funded, inter alia, shorter programs for preschool children. Starting in 2021, the right to free preschool has also been extended to families with multiple children.
Portfolio 2	Provision of cheaper or free school meals for primary school students with lower socioeconomic status	Primary school	Ensuring quality school nutrition affects the optimal development of students, the development of awareness of healthy eating and eating culture, education and training for a responsible attitude towards themselves, their health and the environment. Students from socially less stimulating backgrounds are provided with a cheaper or free meal of school meals with a subsidy.
Portfolio 3	Provision of cheaper or free school meals for secondary school students with lower socioeconomic status	Secondary school	Students from socially less stimulating backgrounds are provided with a cheaper or free meal of school lunch with a subsidy, which has a favourable effect on their psycho-physical development and on the development of awareness of healthy eating and eating culture.
Portfolio 1	Purchase, construction, refurbishment and equipment investments in kindergartens and primary schools	Pre-school	Co-financing of 126 of investments in kindergartens and primary education in the Republic of Slovenia in the budget period 2024-2025.

Table 6: Education projects and portfolios – financing overview

Project no.	Total project financing (RS & other sources, EUR)	RS financing 2024 (EUR)	RS financing 2025 (EUR)
Portfolio 4	350,393,180.86	55,112,869.71	0
Portfolio 2	774,937,052.39	51,585,967.68	51,978,648.24
Portfolio 3	512,329,441.05	10,293,557.77	51,978,648.24
Portfolio 1	274,828,771.73	7,809,034.16	3,151,583.63

Table 7: Education projects and portfolios - project-by-project allocation and impact

Project no.	Allocated Amount in 2024 (EUR)	Allocated Amount in 2025 (EUR)	% Allocated in 2024	% Allocated in 2025	% Allocated of Total Project Financing	Number of Students per Year (2024)	Number of Students per Year (2025)	Financed Number of Students per Year (2024)	Financed Number of Students per Year (2025)
Portfolio 4	55,112,869.71	0	100%	0%	15.70%	85,276	n/a	85,276	n/a
Portfolio 2	51,585,967.68	14,638,140.57	100%	28%	8.50%	99,090	89,110.00	99,090	25,095
Portfolio 3	10,293,557.77	0	100%	0%	2.00%	30,371	n/a	30,371	n/a
Portfolio 1	7,407,052.88	0	95%	0%	1.20%	n/a[11]	n/a	n/a	n/a

[11] Co-financing of 17 investments in kindergartens and primary education in the Republic of Slovenia in the budget period 2024-2025.

III.2.2 Access to Essential Services – Social Inclusion

As a signatory to the Geneva Convention and a Member State of the European Union, Slovenia is obliged to offer international protection (asylum) to persons who are not protected in their countries of nationality or permanent residence (country of origin). International protection in the Republic of Slovenia means refugee status and subsidiary protection status. Expenditures related to Social Inclusion assisted 11,279 displaced persons by providing care and integration in 2025.

Table 8: Project description

NRP / portfolio no.	Project / portfolio name	Description and rationale for social eligibility
1542-21-0001	Care and integration of displaced persons	The Office performs the tasks laid down by the laws governing aliens, international protection and temporary protection of displaced persons. To this end, resources are provided for the care and integration of displaced persons.

Table 9: Social Inclusion projects – financing overview and project-by-project allocation and impact

Project no.	Total project financing (RS & other sources)	RS financing 2025(EUR)	Allocated Amount in 2025 (EUR)	% Allocated in 2025	% Allocated of Total Project Financing	Number of beneficiaries in 2025	Financed Number of Beneficiaries in 2025
1542-21-0001	165,419,768.99	33,597,038.81	33,597,038.81	100%	20.30%	11,279	11,279

More detailed data on a project-by-project basis with a breakdown of funding for both social categories is presented in an excel table, available on the Ministry of Finance's website[12] .

[12] Ministry of Finance's website. Available here.

Appendix

Case study: Proceeds from the 2025 Social bond co-financed a new wing of the Dr. Bogomir Magajna Elementary School in Divača

On the first day of school, September 1, 2025, the new wing of the Dr. Bogomir Magajna Elementary School in Divača was officially opened. The event, attended by representatives of the Ministry of Education, numerous guests, the school principal, students, parents, staff, and local residents, marked an important milestone for the educational future of the municipality.

Investment Details:

- Total investment value: 4,865,461.56 EUR
- Bond eligible amount: 1,096,347.19 EUR

The project included:

- the renovation of existing spaces with a net area of 142.40 m^2,
- the construction of new spaces with a total net area of 1,555.45 m^2.

The new wing features:

- 8 modern classrooms on the ground floor and first floor for the lower grades,
- 3 additional classrooms in the basement for elective courses,
- an outdoor classroom on the roof of the wing,
- a space for the school dental clinic,
- a multipurpose room,
- new, modern equipment and interactive whiteboards for all classrooms.

Everything has been designed using state-of-the-art building materials; the spaces are spacious, bright, and energy-efficient, which will significantly contribute to a higher-quality learning environment.


Environment
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