S&P Global
Ratings

Powered by **Shades of Green**

Post-Issuance Review: Allocation And Impact Reporting

Slovenia – Sovereign Social Bond Report 2025

July 16, 2026

Primary contact

Tim Axtmann
Oslo
+47-9415-7046
tim.axtmann
@spglobal.com

Assessment Summary

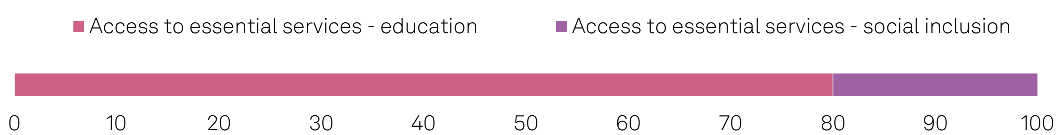
Consistency Opinion (jump to section)

✓ Allocations are consistent with pre-issuance commitments.

Allocation Analysis (jump to section)

At the report's publication, allocations consist of government expenditure related to education (80%) and social inclusion (20%). A large majority of education expenditure relates to free or subsidized school meals for children from low-income families and pre-school programs and a small share relates to infrastructure projects, for example the construction of schools. Social inclusion expenditure relates to support for displaced people, namely the sizable Ukrainian population in Slovenia, including financial, health, and housing assistance.

Social: Allocations to projects at the report's publication (% of allocation per category)



Reporting Quality Assessment (jump to section)

✓ The report meets the requirements for reporting contained in the Social Bond Principles and firm commitments in Slovenia's Sustainability Bond Framework relating to reporting.

The report contains several examples of good practice, for example, it addresses certain commitments made at pre-issuance (around refinancing and double counting). Slovenia will provide a separate document with additional information on projects, which improves transparency.

Strengths	Weaknesses	Areas to watch
Many of the allocations have potential co-benefits. For example, investments in free and subsidized school meals and infrastructure projects related to sports halls at schools can have health benefits.	No weaknesses to report.	**There is limited information provided on climate and environmental risks.** Construction projects, such as schools, can be exposed to physical climate risks and entail environmental risks and impacts, and limited information is provided on how these risks may be managed.

Issuer Description

Location: Slovenia **Sector:** Sovereign

Slovenia, an EU member state in central Europe, has a population of about 2.1 million and a GDP per capita of €33,000. It published a Sustainability Bond Framework in June 2021 and an update in January 2023. S&P Global Ratings did not provide the Second Party Opinion on the framework. Slovenia previously issued three bonds under its framework, which are fully allocated and therefore are not considered in the Social Sovereign Bond Report 2025. Slovenia has published annual allocation and impact reports since 2022.

Consistency Opinion

This section provides our opinion on the consistency of allocations described in the report with the issuer's commitments made at pre-issuance.

Relevant issuances

Type	Identifier	Name	Date	Maturity	Amount issued (Bil. JPY)	Amount allocated (%)
Social bond	JP570500ARB5	Social Samurai bond 2025	Nov. 2025	Nov. 2028	31*	100%

*Equivalent to €172.6 million. JPY--Japanese Yen. Source: Slovenia Social Sovereign Bond Report 2025, S&P Global Ratings.

✔ Allocation consistency with pre-issuance commitments

Allocations to social projects are consistent with the issuer's pre-issuance commitments.

Allocation Analysis

This section provides information on the allocation of proceeds, incorporating the conclusions that led to our consistency opinion.

Social projects

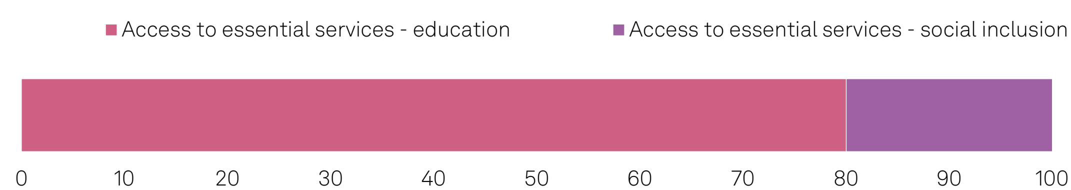
- As of the report's publication, 80% of social allocations are under the education project category. A large majority of these relate to free or subsidized school meals for children from low-income families and pre-school programs, while a small share relates to infrastructure projects, for example the construction or expansion of kindergartens and schools. The remaining 20% of allocations are under the social inclusion project category and relate to assistance for displaced Ukrainians, including the funding of asylum centers and providing financial, health, and housing assistance.

- Education is crucial to social and human development and well-being, and an educated and skilled population can contribute to economic development. Slovenia spends about 5.5% of its annual GDP on education, one of the higher percentages among EU member states. According to the EU, Slovenia's education system benefits from comparatively small class sizes, but teacher shortages and regional disparities are challenges. Free and subsidized school meals target students from low-income families, with about 25% of children receiving such meals. For example, a free snack is provided for primary school children from families with a net monthly income per family member below about €710 (the average net monthly income in Slovenia is about €1,600).
- We view positively that many of the allocations under the education project category have potential co-benefits. For example, investments in free and subsidized school meals and infrastructure projects related to sports halls at schools can have health benefits.
- The financed infrastructure projects can be sizable, with total project costs rarely below €1 million. Such infrastructure is exposed to physical climate risk--Slovenia is particularly exposed to floods, as seen in 2023 when flooding reportedly damaged more than 30 kindergartens and schools--and entails environmental risks and impacts, for example from increased energy use. We understand from Slovenia that such factors were not explicitly considered in project selection, though national measures listed in the framework, such as the Act on Energy Efficiency, can contribute to reduced impacts.
- Displaced populations require support in their attempts to seek safety, including monetary assistance, healthcare, and housing. The framework limits social inclusion investments to 'vulnerable populations'--while the framework's definition of this term and the examples provided do not explicitly include displaced people, the social benefit of the allocations are nonetheless clear. Slovenia has a history of hosting displaced people going back to the dissolution of Yugoslavia and Slovenia's subsequent independence, while its location at the end of the Western Balkan route led to a flow of displaced people in the mid-to-late 2010s. In recent years, Slovenia had taken in more than 10,000 Ukrainians, to whom the allocations relate (about 4.8 Ukrainian people per thousand inhabitants; the EU average was about nine Ukrainian people per thousand inhabitants).

Analysis of social allocations

- Allocations are to the education and social inclusion project categories, in the proportions set out below.

Social allocations at the date of the report (% of allocation per category)



Source: S&P Global Ratings.

Reporting Quality Assessment

This section provides an opinion on the quality of the issuer's post-issuance allocation and impact reporting.

✔ Alignment with reporting requirements

The report aligns with the requirements for reporting contained in the Social Bond Principles.

✔ Satisfaction of pre-issuance reporting commitments

The report satisfies the issuer's pre-issuance commitments related to reporting.

Additional reporting considerations

Comprehensiveness of allocation reporting

- Slovenia's allocation reporting is generally comprehensive. We consider it good practice that, while the report summarizes certain similar allocations, it will provide a separate document with more detailed information on projects, for example project descriptions and allocations per year. We also view it as good practice that the report addresses certain commitments made at pre-issuance, for example, it sets out what expenditure can be considered refinancing in accordance with its framework commitments. Breaking down allocations by expenditure type (subsidy, intervention expense, etc.), particularly in the sovereign context, also improves comprehensiveness.
- The report would benefit from additional detail in certain areas. Although we understand that displaced people would fall within the social inclusion category, they are not explicitly referenced in the framework and it would therefore be helpful to clarify the process behind their eligibility as a target population, in our view. Furthermore, policy context around eligibility for free and subsidized school meals and the expansion of pre-school programs would improve the allocation report's comprehensiveness.

Linking allocations and issuer level sustainability performance, targets, and strategy

- The report references Slovenia's broader national policies and objectives--such as investments in school programs and facilities and support programs for displaced people--which we view as good practice. However, these references allow for only a rudimentary mapping of allocations to national strategies. A more thorough contextualization could improve reporting, particularly given the specific, rather than general, nature of the allocations. For example, financing specific pre-school programs rather than broad education budget lines.

Relevance and materiality of metrics

- Slovenia reports outcomes for its allocations, namely the number of beneficiaries (e.g., the number of children receiving free or subsidized school meals, or the number of displaced people supported), which is a material and relevant metric. Additional outcomes could be used to provide greater context, for instance, reporting on the proportion of beneficiaries, for example in the proportion of children in pre-school or with free or subsidized meals. We note that this is an example indicator in the framework.

- Reporting outcomes is common in the social bond market, where impacts can be difficult to estimate ex-ante and measure ex-post since they may take time to materialize. Nonetheless, reporting impacts is best practice, and we therefore view positively Slovenia's plan to measure impact in the coming years. Sovereigns are uniquely positioned here, given their spending decisions are typically evidenced-based and they have established expertise and resources to measure policy impacts. Sovereigns could therefore take the lead in driving the market towards impact-orientated reporting.

Related Research

- Analytical Approach: Sustainable Financing Post-Issuance Reviews, June 30, 2025
- FAQ: Applying Our Analytical Approach for Post Issuance-Reviews, June 30, 2025
- Analytical Approach: Second Party Opinions, March 6, 2025
- FAQ: Applying Our Integrated Analytical Approach For Second Party Opinions, March 6, 2025

Analytical Contacts

Primary contact

Tim Axtmann
Oslo
+47-9415-7046
tim.axtmann
@spglobal.com

Secondary contacts

Luisina Berberian
Madrid
+34-917-887-200
luisina.berberian
@spglobal.com