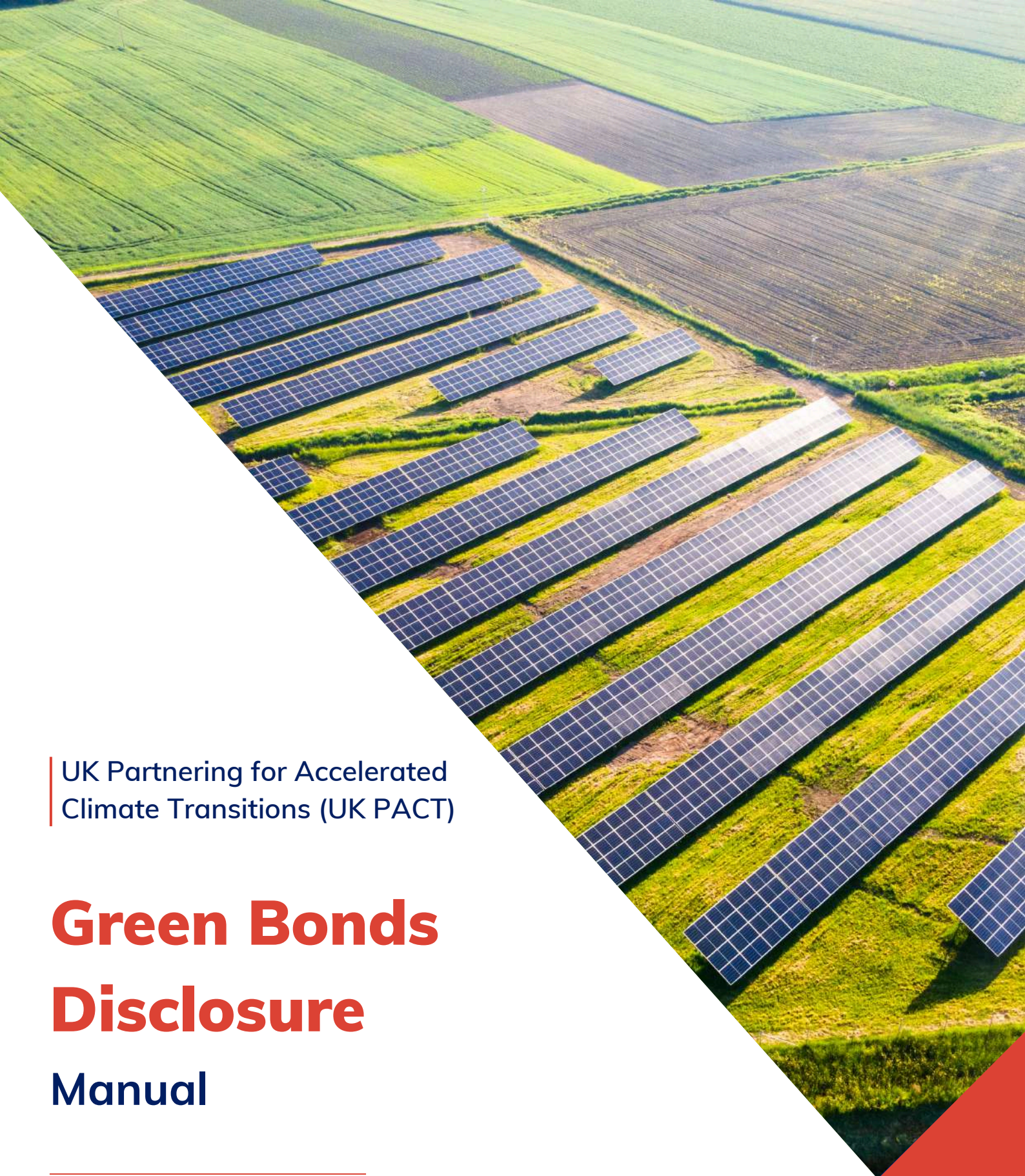


UK Partnering for Accelerated Climate Transitions (UK PACT)

Green Bonds Disclosure

Manual

October 2025

UK PACT

SSC Ủy ban Chứng khoán Nhà nước

CARBON TRUST

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In cooperation with the SSC, funded by the United Kingdom (UK) Government's Vietnam-UK PACT Expert Deployment programme, the **Green Bonds Disclosure Manual** (thereafter referred to as "**manual**") provides detailed guidance for corporate issuers to disclose green bond information in line with Vietnam's mandatory legal requirements as well as disclosures recommended by international best practice.

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Abbreviations

ASEAN GBS	ASEAN Green Bond Standards
CBI	Climate Bonds Initiative
CBS	Climate Bonds Standard
GBP	Green Bond Principles
GSS+	Green, Social, Sustainable and other labelled bonds
ICMA	International Capital Market Association
SDR	Sustainability Disclosure Requirements in the United Kingdom
SFDR	Sustainable Finance Disclosure Regulation in the European Union

Glossary

Approved verifier
An independent third-party assurance or approved external review provider approved by the Climate Bonds Standard Board and listed on the Climate Bonds website as authorised to issue verification opinions in relation to a Certification application in accordance with the Climate Bonds Standard.[2]

Certification agreement
The legal agreement executed by the applicant and submitted to the Climate Bonds Standard Secretariat (CBSS) as part of the Certification process, which is available from the Climate Bonds website and includes terms and conditions for using the Certification mark.[3]

Certified debt instrument
Any debt instrument Certified by the Climate Bonds Standard Secretariat that meets the Climate Bonds Standard requirements. A Certified bond or Certified loan may take the form of one or more tranches of a bond or loan facility. The Certified tranche(s) must be clearly designated in such cases.[4]

Climate Bonds Certification/ Certification scheme
MA scheme developed by Climate Bonds for awarding the Climate Bonds Certification label/mark to finance instruments, assets, and entities. The Scheme consists of the Climate Bonds Standard and the Sector Criteria.[5]

Dynamic asset portfolios
Occurs when a portfolio manager frequently adjusts the mix of asset classes to respond to current risks and downturns and benefit from trends to achieve positive returns.

Exclusion criteria
Activities that will not be eligible to receive green bond proceeds.

External review
External input which issuers can obtain for their green, social, sustainability and sustainability-linked bonds process. Independent external reviews may vary in scope and may address a green, social, sustainability and sustainability-linked bond framework/ programme; an individual green, social, sustainability and sustainability-linked bond issue; and/ or the underlying assets (in the case of specific Use of Proceeds bonds) and/ or procedures.[6]

Green enabling projects
Projects which are not themselves explicitly considered green but remain critical for an eligible green project to be developed and/ or implemented. According to the ICMA, all green enabling projects should provide clear environmental benefits and ensure protection against any potential adverse environmental and social impacts.

Greenwashing
False or misleading information related to the environmental characteristics of a company's products, services, or activities.[7]

Harmonised Framework for Impact Reporting
A handbook that provides core principles and recommendations for sustainability indicators which issuers can reference in their own reporting.

High-carbon stock (HCS) land
Refers to land containing high concentrations of carbon in the vegetation and soils of High Carbon Stock (HCS) forests. The High Carbon Stock Approach methodology outlines six classifications of land based on vegetation structure and density to distinguish the HCS forest areas to be protected and also the degraded land with low carbon and biodiversity values that may be developed.[8]

2 "Climate Bonds Standard Version 4.3", Climate Bonds Initiative, Updated August 2025, https://www.climatebonds.net/files/documents/CBI_Standard_V4.3_FINAL_2025-08-20-102147_gbqn.pdf
3, 4, 5 Ibid.
6 "Guidelines for Green, Social, Sustainability and Sustainability-Linked Bonds External Reviews", International Capital Market Association, June 2022, https://www.icmagroup.org/assets/documents/Sustainable-finance/2022-updates/External-Review-Guidelines_June-2022-280622.pdf
7 "Protecting and empowering consumers in the green transition: Misleading green claims", OECD Digital Economy Papers, May, 2025, https://www.oecd.org/content/dam/oecd/en/publications/reports/2025/05/protecting-and-empowering-consumers-in-the-green-transition_c23ea601/12f28e4f-en.pdf.
8 "What is the High Carbon Stock Approach?", High Carbon Stock Approach, https://highcarbonstock.org/what-is-the-high-carbon-stock-approach/

Look-back period
The maximum period in the past that an issuer will look back to identify assets/earlier disbursements to such eligible Green Projects that will be included in the green bond reporting.

Net proceeds
The amount equal to the gross proceeds of the bonds, loans, or other debt instruments minus costs directly linked to the issuance, for instance, legal fees, accountancy fees, and verification fees. In situations where the debt instrument is a debt facility with a limit (e.g., a revolving credit facility), the net proceeds in the context of a Use of Proceeds Certification will be equal to the drawn amount of the facility.[9]

Nominated projects and assets
Eligible projects and assets associated with the bond, loan, or other debt instrument, which may be existing, under construction or yet to be deployed.[10]

Revolving credit facilities
A financing option that provides businesses with flexible access to funds by allowing them to draw, repay, and withdraw again throughout an agreed term.[11]

Sector Criteria
Sector-specific criteria for the eligibility of specific projects, assets, activities and/or entities under the Climate Bonds Standard described in the Sector Criteria documents or the Climate Bonds Resilience Criteria.[12]

Social and environmental risks
Potential negative consequences on the environmental and society which a project may have. Environmental risks could entail potential release of harmful substances into the air, water, or soil, while social risks could include threats to workers' health and safety.

Temporary investment instruments
Short-term investment options which typically offer lower rates of return but are highly liquid and allows the investor to withdraw money quickly.

United Nations Sustainable Development Goals (UN SDGs)
17 interconnected goals adopted in 2015 to address a range of social, environmental, and economic issues such as quality education, good health, clean water, climate action, and partnerships.

Update reports
A document prepared by the issuer that confirms the ongoing conformance of the issuer and the relevant debt instrument, or programme of debt instruments with the post-issuance requirements of the Climate Bonds Standard.

Verification report
A report prepared by the approved verifier, addressed to the applicant, and provided to the CBSS as part of the Certification process.[13]

9 "Climate Bonds Standard Version 4.3", Climate Bonds Initiative, Updated August 2025, https://www.climatebonds.net/files/documents/CBI_Standard_V4.3_FINAL_2025-08-20-102147_gbqn.pdf
10 Ibid.
11 "Revolving Loan Facility Explained: How Does it Work?", Investopedia, Updated 2 August 2025, https://www.investopedia.com/terms/r/revolving-loan-facility.asp
12 "Climate Bonds Standard Version 4.3", Climate Bonds Initiative, Updated August 2025, https://www.climatebonds.net/files/documents/CBI_Standard_V4.3_FINAL_2025-08-20-102147_gbqn.pdf
13 Ibid.



1

Introduction

Sustainable development has been a key priority for Vietnam and the urgency to respond to climate change is more pressing than ever. As a country, Vietnam is particularly vulnerable to climate change and climate change impacts are already affecting the country's general economic competitiveness and growth. Based on initial calculations, climate change impacts have cost the country $10 billion in 2020 which is equivalent to about 3.2 percent of Gross Domestic Product (GDP).[14] The lack of proper adaptation and mitigation measures could result in up to one million people experiencing extreme poverty by 2030.[15]

In addition to announcing national commitments to achieve Net Zero by 2050 at COP26, the Vietnamese government has also outlined ambitious steps to decarbonise key economic activities. This includes phasing out coal-fuelled power generation by the 2040s and doubling wind and solar power generation capacity by 2030.[16] This trajectory will require increased private capital flows to bridge the investment gap and accelerate the transition to a Net Zero future. The World Bank predicts that between 2022 and 2040, Vietnam requires about $368 billion (in net present value terms) of investment to finance expenditures related to infrastructure, new technologies, and social programmes for a just transition towards a Net Zero emission and climate-resilient economy.[17]

Green bonds are an important source of capital that can be used by governments and corporates to bridge the investment gap, but the right conditions must be created to promote their adoption and effectiveness. Robust and transparent disclosures are fundamental to supporting the credibility and growth of the green bond market, and for building investor confidence in the proper use of proceeds and the environmental impact of the financed projects.

1.1 Purpose of the manual

Green, Social, Sustainable and other labelled bonds (GSS+) bonds are an attractive option for issuers looking to raise capital for green, social and sustainable projects and initiatives. In 2021, the State Securities Commission (SSC) of Vietnam published a Handbook on "How-to Issue Guide for Green Bonds, Social Bonds and Sustainability Bonds", helping to guide issuers and other market participants. Under the UK PACT Expert Deployment programme, the Vietnam Green Bonds Disclosure Manual was developed as a complementary resource to the handbook, to encourage issuers to enhance their green bond disclosures. Vietnamese law does not currently mandate compliance with any specific international and regional green bond standards. Therefore, the detailed disclosure requirements in this manual are intended to help corporate issuers disclose green bond information comprehensively and consistently, in line with recognised international standards and applicable Vietnamese laws and regulations, while also enhancing transparency, standardising disclosure, increasing investors' confidence, and supporting Vietnam's alignment with international capital markets. In addition, the manual is not only a guidance document but also an important supporting tool to improve the quality of corporate governance in Vietnam, thereby contributing to the development of a transparent and sustainable green bond market.

14 "Key Highlights: Country Climate and Development Report for Vietnam," The World Bank Brief, July 1, 2022, https://www.worldbank.org/en/country/vietnam/brief/key-highlights-country-climate-and-development-report-for-vietnam
15 The World Bank Brief, "Key Highlights."
16 "COP26 and Climate Change: Vietnam's Commitment to Reducing Emissions," Vietnam Briefing, November 5, 2021, https://www.vietnam-briefing.com/news/cop26-climate-change-vietnams-commitment-reducing-emissions.html/.
17 "The World Bank Brief, "Key Highlights."

1.2 Scope of the manual

This manual is designed specifically for green bonds and neither covers other types of GSS+ bonds (e.g., social bonds, sustainable bonds, or sustainability-linked bonds), nor addresses specific requirements for financial institutions or other types of issuers such as government or local authorities. Disclosure requirements for sovereign green bonds are governed by separate Vietnamese regulations and are therefore outside the scope of this Manual.

The focus of this work is specific for Vietnam. The manual summarises the requirements for disclosing green bond information according to Vietnamese law, as well as information recommended by international standards. The international standards covered within this manual are the International Capital Market Association (ICMA) Green Bond Principles, the Climate Bonds Initiative (CBI)'s Climate Bonds Standard, and the ASEAN Green Bond Standards. By adopting the green bond disclosure guidance in this manual, corporate issuers are better placed to meet the expectations of domestic and foreign investors.

This manual is not intended to provide any form of endorsement to corporates, industries, sectors, and geographies.

1.3 Target audience

This manual is intended to be used primarily by corporates looking to issue green bonds in Vietnam. These corporate issuers are typically:

- Large real economy corporates with green projects in need of financing. Given the large volume of capital required for their green projects, these corporates may consider issuing green bonds to diversify their source of capital.
- Financial institutions especially banks which function as aggregators of green projects and refinance in the green bond market or develop green securitisations.

When financial institutions raise green bonds, they provide indirect capital market access for small- and medium-sized enterprises (SMEs). This is because the latter face challenges with accessing the debt capital markets due to the limited scale of their projects and lack of bond issuance expertise.[18]

In addition, this manual's guidance on green bond regulations, disclosure requirements as well as international practices may also be used by advisory firms (financial, legal, audit, etc.) which support the structuring of green bonds; by regulatory authorities (the State Securities Commission of Vietnam, the Stock Exchanges, the Ministry of Finance, and related agencies) who are involved in supervising green bond issuances, as well as domestic and foreign investors who are assessing the quality of these bonds as part of their investment decision-making.

18 "ASEAN Green Financial Instruments Guide", Climate Bonds Initiative, https://www.scribd.com/document/765143947/asean-green-fin-istruments-cbi-012019-0

1.4 How to use the manual

This manual focuses on the disclosure requirements at the pre- and post-issuance stages, diving into the specific disclosures recommended by international standards as well as the mandatory disclosures per Vietnamese law and/or regulation in both stages. The rest of the manual is structured as follows:

- **Section 2 "What is a green bond and why disclosure matters"** presents a concise overview of green bonds, including definitions under Vietnamese law as well as several international standards.

- **Section 3 "Pre-Issuance Disclosure for Green Bonds"** examines the disclosure elements required prior to green bond issuances according to international and regional standards, as well as the Vietnamese legal provisions related to pre-issuance disclosure which is mandatory for all green bonds in Vietnam.

- **Section 4 "Post-Issuance Disclosure for Green Bonds"** considers the disclosure elements required by international and regional standards after a green bond is issued as well as the Vietnamese legal provisions related to post-issuance disclosure which is mandatory for all green bonds in Vietnam.

- The **Appendix** section is divided as follows:

    - **Appendix 1 "Pre-issuance reporting: Iberdrola's Green Financing Framework Case Study"** provides an example of a corporate issuer, Iberdrola, which has released a framework to facilitate issuance of green bonds in line with the ICMA GBP and the EU Taxonomy;
    - **Appendix 2 "High-level comparison of pre-issuance disclosure requirements across international and regional green bond standards"** shows the similarities and differences in pre-issuance disclosure requirements across the ICMA GBP, CBI's Climate Bonds Standard and ASEAN Green Bond Standards;
    - **Appendix 3 "Post-issuance reporting: Iberdrola's Green Bond Annual Report Case Study"** analyses Iberdrola's green bond annual report which includes disclosure related to the allocation of proceeds and the sustainability impact of its projects.
    - **Appendix 4 "High-level comparison of post-issuance disclosure requirements across international and regional green bond standards"** shows the similarities and differences in post-issuance disclosure requirements across the ICMA GBP, CBI's Climate Bonds Standard and ASEAN Green Bond Standards;

The exact time required to prepare and issue a green bond varies on a case-by-case basis as the key steps in this process involve the issuer's internal organisation and are dependent on the complexity of the green bond framework and subsequent offering. However, one study estimates the preparation and execution to require **8-12 weeks excluding the scoping work**.[19]

19 "Green bond handbook: A step-by-step guide to issuing a green bond", International Finance Corporation, www.ifc.org/content/dam/ifc/doc/mgrt/202203-ifc-green-bond-handbook.pdf



2

What is a green bond and why disclosure matters

This section provides an overview of green bonds and the guidance available both in Vietnam and internationally to support issuers with their information disclosure.
The rest of this section is structured as follows:
Section 2.1. "Green bond overview"
Section 2.2. "Regulatory context"
Section 2.3. "What good practice reporting looks like"
Section 2.4. "Format of disclosures needed at pre- and post-issuance stages"

2.1 Green bond overview

For the first time, green bonds were clearly defined under Vietnamese law, marking a significant milestone in institutionalising financial instruments that support sustainable development goals. Prior to 2020, the concept of "green bonds" in Vietnam was primarily understood and applied based on international frameworks such as the **Green Bond Principles (GBP)** by the **ICMA** or the **Climate Bonds Standard** by the **CBI**. However, the absence of a specific legal definition in domestic legislation led to inconsistency in interpretation and implementation in practice.

This legal turning point was established under **Article 150 of the Law on Environmental Protection (2020)**, where green bonds were formally defined in legislation for the first time as follows:

> *Green bonds are bonds issued by the Government, local authorities, or enterprises in accordance with the law on bonds, for the purpose of raising funds for environmental protection activities or investment projects that bring environmental benefits.*

In general, a green bond refers to any type of bond instrument where the net proceeds, or an equivalent amount, is used exclusively to finance or re-finance, partially or in full, eligible green projects. Generally, the proceeds are not fungible, which means that they cannot be easily exchanged with other assets from traditional bonds which are not aligned to the core components as set out in best practice international standards like those published by the ICMA and the CBI.

The core components can generally be summarised as:

1. Specific uses of proceeds for selecting and evaluating eligible projects/investments;
2. Processes for project evaluation and selection;
3. Policies and processes for managing the deployment/allocation of capital and net proceeds; and
4. Appropriate reporting and disclosure of how the net proceeds are deployed/allocated and the associated impact(s).

According to **ICMA**, there are currently four types of green bonds[20]:

1. **Standard Green Use of Proceeds Bond** – unsecured green bond aligned with the standards with full recourse (i.e., the lender has the right to seize any additional assets that the borrower may own and use them to recoup any remaining amount due), to the issuer only;

2. **Green Revenue Bond** – non-recourse bond, the lender does not have any additional rights if the borrower defaults, aligned with the standards where the credit exposure is to pledged cashflows, the cashflow pledged which is used to securitise the loan, and whose use of proceeds are channelled to related and/or unrelated projects;

3. **Green Project Bond** – recourse and non-recourse bonds aligned with the standards for a single or multiple projects to which the issuer has direct risk exposure; and

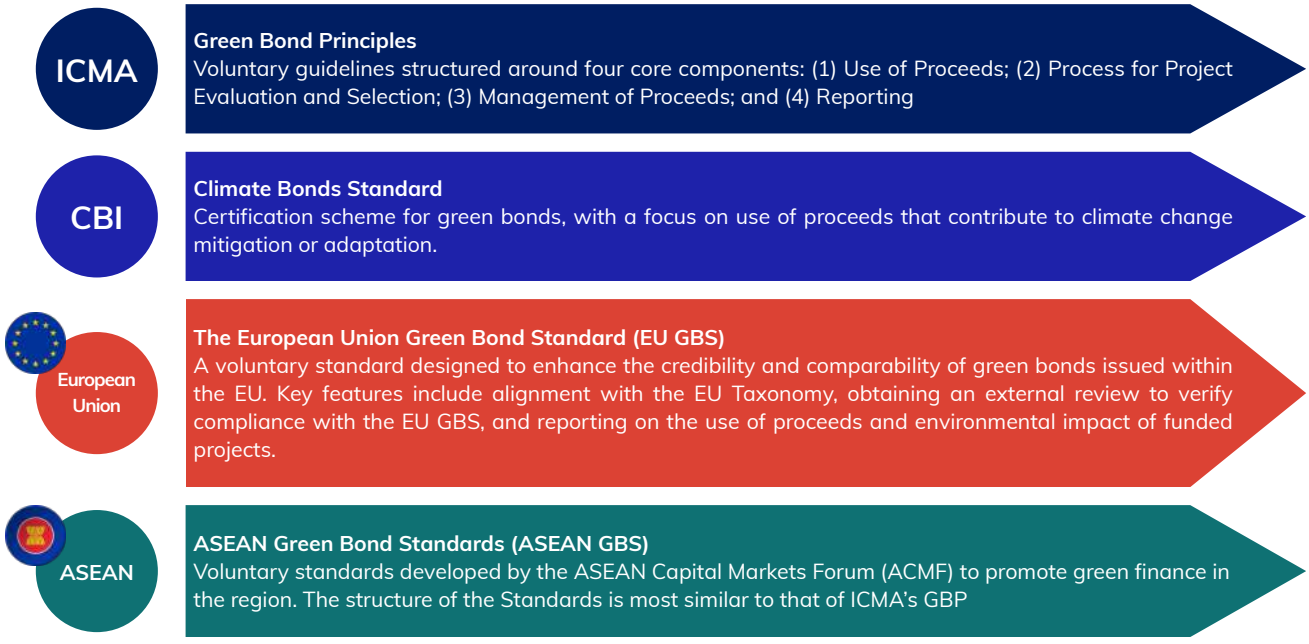
4. **Secured Green Bond** – secured bond where the net proceeds are exclusively used to finance/refinance either: i) projects securing the specific bond only (Secured Green Collateral Bond); or, ii) projects which may or may not be securing the bond in whole or in part (Secured Green Standard Bond).

2.2 Regulatory context

Regulations, frameworks and standards for green bond issuances help to ensure consistency, credibility, transparency and accountability in the market.

Whilst there is no single reference that is used internationally, several frameworks and standards have been developed by international bodies to provide guidance to issuers and investors. Some examples are listed below in Figure 1, with further details provided in Sections 3 and 4 of this Manual.

Figure 1: Overview of the common international standards and principles to guide green bond issuances



20 "Green Bond Principles: Voluntary Process Guidelines for Issuing Green Bonds June 2025," International Capital Market Association, Last modified June, 2025: https://www.icmagroup.org/assets/documents/Sustainable-finance/2025-updates/Green-Bond-Principles-GBP-June-2025.pdf

In Vietnam, the growth of corporate green bonds was heralded with the introduction of **Decree 163/2018/ND-CP on issuance of corporate bonds** in December 2018, which was considered the inaugural legal framework for the issuance of corporate green bonds in Vietnam. Since then, several updates and additional regulations were introduced to support the growth of the green bond market (see Figure 2).

Figure 2: An overview of the Vietnamese regulations that support the growth of the domestic green bond market

2018

4 December: Decree No. 163/2018/ND-CP on issuance of corporate bonds

- *Considered the inaugural legal framework for the issuance of corporate green bonds in Vietnam.*
- *Outlined the principles for issuance, use of proceeds, and disclosure requirements for green bonds.*

2019

26 November: Law on Securities No. 54/2019/QH14

- *Sets out fundamental principles on information disclosure; protection of investors' lawful rights and interests; conditions for public offerings and private placements; and reporting obligations of issuers.*
- *The provisions of the Law on Securities provide the legal foundation for sub-law documents to specify transparency and supervisory requirements for corporate bonds.*

2020

17 June: Law on Enterprises No. 59/2020/QH14

- *stipulates the right of enterprises of all types to issue bonds for capital mobilisation and provides specific regulations on the conditions, order, procedures for private placement, and transfer of bonds issued by joint-stock companies that are not public companies.*

16 November: Circular No. 96/2020/TT-BTC on disclosure of information on Vietnam's securities market

- *Strengthens transparency and accountability in the corporate bonds market in Vietnam, leading to positive knock-on effects for green bonds.*

17 November: Law on Environmental Protection No. 72/2020/QH14

- *Article 150 stipulates the issuance of green bonds, addressing the eligible issuers, the list of projects, the requirements for disclosing environmental impact assessments and principles for ensuring both issuers and investors of green bonds receive incentives as prescribed by law.*
- *Requires that proceeds raised from the issuance of green bonds must be recorded, monitored, and used in compliance with bond regulations.*

31 December: Decree No. 153/2020/ND-CP on offering and trading private corporate bonds in the domestic market and offering corporate bonds to international markets

- *Replaced Decree No. 163/2018/ND-CP, issued in line with the Securities Law 2019 and the Enterprise Law 2020.*

- *Continued to define green bonds, principles related to the allocation of proceeds, and further clarified disclosure and reporting requirements.*

31 December: Decree No. 155/2020/ND-CP detailing the implementation of certain articles of the Law on Securities

- *Provides detailed guidance on the Law on Securities, including requirements for dossiers and procedures for offerings, listing and trading of bonds; conditions, order, and procedures for registering as a public company; and the disclosure regime for issuers and listed organisations.*

31 December: Circular No. 122/2020/TT-BTC on disclosure of information and reporting on private placement and trading of corporate bonds

- *Provides guidance on reporting templates for periodic disclosure regarding the allocation of green bond proceeds.*

2021

17 November: Circular No. 101/2021/TT-BTC on prescribing price of securities services applied in stock exchanges and Vietnam securities depository and clearing corporation

- *Provides incentives for issuers and investors.*

2022

10 January: Decree No. 08/2022/ND-CP on elaboration of several Articles of the Law on Environmental Protection

- *The issuance of green bonds must comply with both bond issuance regulations and environmental protection laws.*
- *Enterprises issuing green bonds are required to disclose information in accordance with corporate bond issuance regulations and provide annual periodic disclosures on the environmental impact assessment of projects financed by green bonds.*

16 September: Decree No. 65/2022/ND-CP on amendments to Decree No. 153/2020/ND-CP

- *Tightened regulations and enhanced transparency, including stricter disclosure requirements.*

2023

5 March: Decree No. 08/2023/ND-CP amending, supplementing and suspending the effect of a number of articles of the Decrees prescribing private placement and trading of privately placed corporate bonds

- *Emphasises the importance of disclosing extraordinary information in cases of changes in payment methods and ensures accountability for the legal status of the assets used.*

2024

18 September: Circular No. 68/2024/TT-BTC amendments to circulars on securities transactions on securities trading system, clearing and settlement of securities transactions, operations of securities companies, and disclosure of information on securities market (including amendments to Circular No. 96/2020/TT-BTC on information disclosure). The Circular sets out a clear roadmap for English-language disclosure by listed organisations and public companies to ensure transparency and support the development of Vietnam's securities market in the context of international integration.

6 November: Circular No. 76/2024/TT-BTC guiding information disclosure and reporting regimes for offering and trading private corporate bonds in the domestic market and offering corporate bonds to international markets. (replacing Circular No. 122/2020/TT-BTC)

26 November: Circular No. 83/2024/TT-BTC providing guidance on mechanisms and policies for prices of securities services set by the State and applied to Vietnam Exchange and its subsidiaries, and Vietnam Securities Depository and Clearing Corporation, replacing Circular No. 101/2021/TT-BTC.

29 November: Law No. 56/2024/QH15 amends the Law on Securities, the Law on Accounting, the Law on Independent Audit, the Law on State Budget, the Law on Management and Use of Public Assets, the Law on Tax Administration, the Law on Personal Income Tax, the Law on National Reserves, and the Law on Handling of Administrative Violations.

- *It revises the provisions on the definition of professional securities investors; stipulates that professional securities investors who are individuals may participate in the purchase, trading, and transfer of privately placed corporate bonds;*
- *and amends certain provisions on the conditions for public offerings and private placements of bonds.*

2025

17 June: Law No. 76/2025/QH15 amending and supplementing a number of articles of the Law on Enterprises

- *amends and supplements regulations on the types of investors eligible to purchase and trade privately placed corporate bonds, as well as the conditions for private placement of bonds by joint-stock companies that are not public companies. The amendments ensure consistency with the regulations on private placement of corporate bonds under the Law on Securities.*

4 July: Decision No. 21/2025/QD-TTg stipulating environmental criteria and confirming investment projects in the green taxonomy

11 September: Decree No. 245/2025/ND-CP amending and supplementing a number of articles of Decree No. 155/2020/NĐ-CP dated December 31, 2020, of the Government detailing the implementation of several provisions of the Law on Securities

- *revises and supplements certain provisions related to the conditions and documentation for public bond offerings, and adds the term "independent credit rating agency".*

2.3 What good practice reporting looks like

Reporting and disclosure are critical components of any green bond issuance and help to maintain the integrity of the market. While the various standards mandate certain disclosures, some examples of good practice reporting include:

1. Making frameworks and reports publicly available;
2. Keeping the format consistent over time;
3. Reporting at regular, predictable intervals (e.g. whenever a bond is issued; annually; etc.);
4. Making clear the calculations and assumptions;
5. Making distinctions between actual and expected impact; and,
6. Including benchmarks for context.

Regular communication improves the transparency of green bonds as a financial instrument and strengthens both market credibility and integrity. It also significantly reduces investors' concerns related to greenwashing. This is because annual reporting of the allocation of green bond proceeds and the impact(s) associated with the green assets/ projects gives investors the assurance that the green bond proceeds have been channelled towards projects that generate genuine environmental benefits and potential co-benefits.

The higher the degree of transparency, the greater the market confidence and the lower the risk of greenwashing occurring in the green bonds market.

Issuers can minimise the risk of greenwashing in their disclosures by ensuring – at the minimum – that their reporting:

1. follows the selected international and regional market guidance for green bonds;
2. complies with the local regulatory requirements (where applicable)
3. provides the data sources involved, the methodology used as well as assumptions made in the process (especially for annual reporting)

2.4 Format of disclosures needed at pre- and post-issuance stages

The disclosures required at both pre-issuance and post-issuance stages are guided by the issuer's choice of international and/or regional green bond principles or standards as well as the Vietnamese policies and regulations. It is mandatory for issuers to ensure compliance with Vietnamese regulations on green bond disclosures.

While alignment to a specific international green bond standard is not a legal/regulatory requirement under Vietnamese law, it is near universal market expectation. Additionally, failure of green bond issuers to align to international standards would disincentivise investment from jurisdictions that have applicable labelling laws (e.g. Sustainability Disclosure Requirements (SDR) in the UK, Sustainable Finance Disclosure Regulation (SFDR) in the EU) as they would/could not invest in a product that contravenes those requirements.

The choice of international/ regional standard stems from various considerations unique to each issuer. In some instances, green bond issuers may choose to align with multiple market guidance documents. In Figure 3 below, we highlight some of the key questions to consider for green bond issuers to determine the appropriate international and regional green bond standards/ principles to align to.

Figure 3: Key questions to determine the appropriate international and regional green bond standards/ principles to align a green bond framework

	ICMA Green Bond Principles	Climate Bonds Standard	ASEAN Green Bond Standards
What investor profile is my company targeting?	International investors	International investors	Regional investors
How much does my company know about the assets to be financed through green bonds?	High level list of project categories but no specific information about the assets	Have specific asset information which are screened using the Climate Bonds Taxonomy to determine eligibility	High level list of project categories which exclude fossil fuel power generation
How much time and resources can my company commit?	Low (e.g. urgent need to mobilise capital in a short time)	High (e.g. able to commit time and resources to meet all the requirements including engaging verifiers for both pre- and post-issuance stages)	Medium (e.g. able to commit more resources to conduct reporting on an annual basis or more frequently)
Is certification available for my company's green bond issuance?	ICMA does not provide green bond certification	CBI provides climate bond certification	ACMF does not provide green bond certification

2.4.1 Format of pre-issuance disclosures

The disclosure of information prior to the issuance of green bonds plays a crucial role in ensuring transparency, enhancing investor confidence, and demonstrating compliance with Vietnam's legal regulations. According to both international practices and Vietnamese law, pre-issuance disclosure documents must be carefully prepared and published through channels accessible to investors and relevant stakeholders.

According to Vietnamese law: For bond issuances—including green bonds—issuers in Vietnam must comply with the disclosure requirements applicable to ordinary corporate bonds. For green bond issuance, the issuer must clearly describe the use of proceeds for green projects and the processes for evaluating, selecting, managing, and monitoring the use of proceeds in accordance with Vietnamese regulations. These requirements are aligned with international practice regarding Green Bond Frameworks.

According to international practice: In addition to legal documents and mandatory disclosures under domestic regulations, green bond issuers are often recommended to provide supplementary documents in line with international best practices, including:

- **Green Bond Framework:** A central document describing how the issuer aligns with green bond principles (e.g., ICMA GBP, ASEAN GBS, or Climate Bonds Standard). This framework should clearly explain the use of proceeds, project evaluation and selection, management of proceeds and reporting.

- **External Review Report or Statement:** An independent assessment of the Green Bond Framework's alignment with international standards. The external review would include the following activities depending on the selected green bond standard(s):
  - If the framework aligns to the **ICMA GBP** and/ or **ASEAN GBS**: the external review report/ statement should be published on a website and/or other accessible communication channel.
  - If the framework is aligned to the **Climate Bonds Standard**: it is mandatory to submit the external review report to the Climate Bonds Standard Secretariat; it is optional to disclose this external review report publicly.
  - If the framework is aligned to all of the above international and regional green bond standards/ principles: the external review report must be submitted to the Climate Bonds Standard Secretariat **and** published on a website and/or other accessible communication channel.

2.4.2 Format of post-issuance disclosures

At the pre-issuance stage, green bond frameworks and external reviews are differentiating features between green bonds and conventional bonds. Similarly, green bonds also have unique disclosure requirements at the post-issuance stage. There are two main types of post-issuance reporting for green bonds to be provided on an annual basis:

- **Allocation reporting** which details how the net bond proceeds were deployed to eligible projects. In Vietnam, this report is a mandatory requirement for bond issuance and has been specifically stipulated in the Decrees and Circulars on corporate bond issuance under the title "Report on the Use of Proceeds from Green Bonds"; and,

- **Impact reporting** which aims to quantify the change in sustainability performance (as measured using a specific metric) that can be attributed to an eligible project (e.g. greenhouse gas (GHG) emissions reduced; GHG emissions avoided; tonnes of wastewater processed; etc.). In Vietnam, green bond issuers are required to submit annual reports on the environmental impact of green projects throughout the bond's duration and whenever there are significant changes in the allocation of proceeds.

Issuers who align with the Climate Bonds Standard are expected to include eligibility reporting in addition to the above in their post-issuance report. Eligibility reporting confirms the characteristics or performance of projects and assets to demonstrate their eligibility under the relevant Sector Criteria and is mandatory for all Certified debt instruments.

Issuers of green bonds should define the level of reporting, which can fall under three categories:

1. **Project:** At this level the information is more granular and may include summaries of projects financed by the net proceeds of the bond;
2. **Category:** The issuer can group projects by eligible categories according to the green bond framework or another method that allows data aggregation; and/or,
3. **Portfolio:** Issuers provide general portfolio information and may include qualitative information of specific projects or categories in their portfolio.

The format of information disclosure presented in this section provides a foundation for understanding the key reporting obligations and best practices that green bond issuers should consider at both the pre-issuance and post-issuance stages. Disclosure requirements are shaped by a combination of mandatory Vietnamese legal regulations and recommended international standards which better align with investors' expectations in the global markets.

To support issuers in effectively implementing these requirements, the following sections will provide detailed guidance tailored to each stage of the green bond lifecycle.

Section 3 focuses on pre-issuance disclosure, presenting the legal obligations under Vietnamese law as well as recommended practices based on international principles.

Section 4 follows with guidance on post-issuance disclosure, including annual allocation and impact reports, aiming to help issuers maintain transparency, strengthen investor confidence, and ensure legal compliance throughout the life of the bond.

These two sections of the manual are designed to provide a practical approach to help issuers both meet legal requirements and move toward alignment with global best practices in green bond disclosure.





3

Pre-issuance disclosure

What green bond issuers should report during the pre-issuance stage

This section focuses on pre-issuance disclosures based on the recommendations of international best practices as well as those mandated by Vietnamese regulations.
The rest of this section is structured as follows:
Section 3.1. "Pre-issuance disclosure requirements recommended by international best practices"
Section 3.2. "Pre-issuance disclosure requirements mandated by Vietnamese regulations"

3.1 Pre-issuance disclosure requirements recommended by international best practices

This section summarises the list of disclosure requirements for corporate issuers of green bonds at the pre-issuance and post-issuance stages.[21]

At the pre-issuance stage, issuers must develop their Green Bond Framework based on one or more international and/or regional green bond principles and/or standards and disclose information corresponding to the four main components. The Framework should also be supported by robust internal procedures which comply with the selected green bond principles and/or standards. Compliance with Vietnamese policies and regulation may be evidenced through the Framework or disclosure documentation associated with the bond issuance.

A green bond framework describes how the issuer will meet the requirements of the selected international and/or regional green bond principles or standards. The framework typically contains the following sections (in the order most commonly adopted by issuers):

- Section 1: Introduction
- Section 2: Background on issuer's commitments and environmental policies
- Section 3: Issuer's green bond and/ or programme
- Sections 4 and 5: These sections correspond to the main body of the framework, based on the minimum requirements of the Green Bond Principles
- Sections 6 (Amendments to this Framework) and 7 (Annexes): these sections are placeholders and is not mandatory from an investor perspective. Some issuers have chosen to include them to align with their internal procedures.

A suggested green bond framework template can be found in the Handbook on "How-to Issue Guide for Green Bonds, Social Bonds and Sustainability Bonds" published by the SSC in 2021 to guide issuers at the pre-issuance stage. **Appendix 1** provides a case study analysing Iberdrola's Green Financing Framework for pre-issuance disclosure.

21 The Vietnamese regulations referenced in this manual refer to regulations relevant to green bond issuances.

There is no fixed timeline for when these pre-issuance disclosures should be made. Issuers typically publicly disclose their Green Bond Framework and accompanying external review report anywhere between two to four weeks before issuance. However, these can also be issued much earlier in anticipation of future issuances.

Table 1 below sets out the specific information and statements corresponding to each of the components which the issuer should state in the Framework, internal procedures and disclosure documentation.

Appendix 2 shows the similarities and differences in pre-issuance disclosure requirements across the ICMA GBP, Climate Bonds Standard and ASEAN Green Bond Standards.



Table 1: Specific information and statements corresponding to each of the four components to be reflected in the Framework, internal procedures and disclosure documentation

Component 1: Use of Proceeds

Reference documents	Requirement details
ICMA Green Bond Principles (June 2025)	➤ Use of the bond proceeds for eligible green projects should be appropriately described in the bond's legal documentation. ➤ All eligible green projects should have clear environmental benefits assessed and, where feasible, quantified by the issuer. ➤ Issuers are recommended to estimate the share of financing versus refinancing, which investments or project portfolios can be refinanced, and to the extent relevant, the expected look-back period for refinanced eligible green projects. ➤ All green enabling projects should provide clear environmental benefits and ensure protection against any potential adverse environmental and social impacts.[22]
Climate Bonds Standard Version 4.3	➤ The issuer must document the nominated projects and assets which are eligible to be associated with the debt instrument. The issuer must compile a list of nominated projects and assets which must be kept up to date during the term of the bond. ➤ All nominated projects and assets must meet the documented objectives of the debt instrument as set out in the issuer's green finance framework. ➤ Issuers must allocate at least 95% of the net proceeds of the debt instrument to projects and assets that meet the Sector Criteria requirements of the Standard. ➤ For any part of the net proceeds that finance projects and assets that do not fully satisfy the Sector Criteria requirements (up to 5%), the issuer must provide detailed disclosures in the green finance framework. ➤ Any nominated projects and assets which do not fully satisfy the Sector Criteria may be considered eligible if they meet all of the following conditions: 1. They relate to asset categories or activities or sectors for which Climate Bonds has not yet developed Sector Criteria; and 2. They fall under any of the project categories listed in the ICMA Green Bond Principles or the ICMA Social Bond Principles; and

22 The GBP recognise that green enabling projects may be a necessary component for an eligible green project to be developed and/or implemented. ICMA provides additional guidance on green enabling activities, https://www.icmagroup.org/assets/documents/Sustainable-finance/2024-updates/Green-Enabling-Projects-Guidance-document-June-2024.pdf

Reference documents	Requirement details
	3. The verification report opinion confirms their alignment with the ICMA Green/Social Bond Principles; and 4. They do not relate to any of the following excluded activities: i. The exploration, extraction or transportation of proven conventional or unconventional fossil fuel reserves, ii. Natural gas production, iii. Refining crude oil to produce derivative products, iv. Conversion or fragmentation of high-carbon stock (HCS) land or unsustainable operations on HCS land leading to the loss of its status as HCS land. ➤ The expected net proceeds of the debt instrument must be no greater than the issuer's total investment exposure to the proposed nominated projects and assets or the relevant proportion of the total market value of the proposed nominated projects and assets owned or funded by the issuer. ➤ Nominated projects and assets must not be nominated to other Certified debt instruments, unless the issuer demonstrates that distinct portions of the nominated projects and assets are being funded by different Certified debt instruments or, the existing Certified debt instrument is being refinanced via another Certified debt instrument.
ASEAN Green Bond Standards	➤ The use of proceeds from any ASEAN Green Bond must be described in the documentation for the issuance. ➤ The issuer must disclose: 1. the categories of eligible Green Projects to which the ASEAN Green Bonds proceeds will be allocated; and/or, 2. information on specific Green Projects where the issuer has already identified the projects to which the proceeds will be allocated. ➤ All eligible green projects should have clear environmental benefits assessed and, where feasible, quantified by the issuer. ➤ Issuers are recommended to estimate the share of financing versus refinancing, which investments or projects can be refinanced, and to the extent relevant, the expected look-back period for refinancing. ➤ Fossil fuel power generation projects are excluded from the ASEAN GBS.

Component 2: Project Evaluation and Selection

Reference documents	Requirement details
ICMA Green Bond Principles (June 2025)	➢ The issuer of a green bond should clearly communicate to investors: 1. The environmental sustainability objectives of the eligible green projects; 2. The process by which the issuer determines how the projects fit within the eligible green project categories 3. Complementary information on processes by which the issuer identifies and manages perceived social and environmental risks associated with the relevant project(s). ➢ Issuers are also encouraged to: 1. Position the information communicated above within the context of the issuer's overarching objectives, strategy, policy and/ or processes relating to environmental sustainability. 2. Provide information, if relevant, on the alignment of projects with official or market-based taxonomies, related eligibility criteria, including if applicable, exclusion criteria; and also disclose any green standards or certifications referenced in project selection. 3. Have a process in place to identify mitigants to known material risks of negative social and/ or environmental impacts from the relevant project(s). Such mitigants may include clear and relevant trade-off analysis undertaken and monitoring required where the issuer assesses the potential risks to be meaningful.
Climate Bonds Standard Version 4.3	➢ The issuer must establish, document, and maintain a decision-making process which it uses to determine the eligibility of the Nominated projects and assets. ➢ The decision-making process must include, without limitation: 1. A statement on the climate-related objectives of the debt instrument. 2. How the climate-related objectives of the debt instrument are positioned within the context of the issuer's overarching objectives, strategy, policy and/ or processes relating to environmental sustainability. 3. The issuer's rationale for issuing the bond. 4. A process to determine whether the Nominated projects and assets meet the eligibility requirements of the Climate Bonds Standard.

Reference documents	Requirement details
	5. Related Sector Criteria, including any exclusion criteria and any other process, applied to identify and manage potentially material environmental or governance risks associated with the Nominated projects and assets. 6. Any green standards or certifications referenced in the selection of Nominated projects and assets.
ASEAN Green Bond Standards	➢ The issuer of ASEAN Green Bonds must clearly communicate to investors: 1. The environmental sustainability objectives; 2. The process by which the issuer determines how the projects fit within the eligible green project categories identified 3. The related eligibility criteria, including, if applicable, exclusion criteria or any other process applied to identify and manage potentially material environmental and social risks associated with the green projects. ➢ The issuer must establish the process for project evaluation and selection prior to the issuance of the ASEAN Green Bonds and disclose the same to investors in the documentation for the issuance of the ASEAN Green Bonds. ➢ Issuers are encouraged to position this information within the context of the issuer's overarching objectives, strategy, policy and/ or processes relating to environmental sustainability. Issuers are also encouraged to disclose any green standards or certifications referenced in project selection. ➢ It is recommended that the issuer's process for project evaluation and selection be supported by an external review. ➢ The issuer must make the following publicly available on a website designated by the issuer at the time of the issuance and throughout the tenure of ASEAN Green Bonds 1. The process for project evaluation 2. The use of proceeds 3. External review report on the process (if any).

Component 3: Management of Proceeds

Reference documents	Requirement details
ICMA Green Bond Principles (June 2025)	The issuer is expected to disclose its approach to managing the green bond proceeds. The GBP stipulates that, - The net proceeds of the green bond, or an amount equal to these net proceeds, should be credited to a sub-account, moved to a sub-portfolio or otherwise tracked by the issuer in an appropriate manner, and attested to by the issuer in a formal internal process linked to the issuer's lending and investment operations for eligible green projects. - Where the green bond is outstanding, the balance of the tracked net proceeds should be periodically adjusted to match allocations to eligible green projects made during that period. The issuer should make known to investors the intended types of temporary placement for the balance of unallocated net proceeds. - The proceeds of green bonds can be managed per bond (bond-by-bond approach) or on an aggregated basis for multiple green bonds (portfolio approach). The GBP encourage a high level of transparency and recommend that an issuer's management of proceeds be supplemented by the use of an external auditor, or other third party, to verify the internal tracking method and the allocation of funds from the green bond proceeds.
Climate Bonds Standard Version 4.3	- The issuer must document and disclose to the Approved Verifier the systems, policies, and processes they will use to manage the Net Proceeds. These must include arrangements for the following activities: 1. Tracking of proceeds: The Net Proceeds of the debt instrument can be credited to a sub-account, moved to a sub-portfolio, or otherwise tracked by the issuer in an appropriate manner and documented. 2. Managing unallocated proceeds: The balance of unallocated Net Proceeds can be managed as per the post-issuance requirements for the management of outstanding green bonds. Pending such allocations to Nominated projects and assets, the balance of unallocated Net Proceeds must be:

Reference documents	Requirement details
	i. Held in temporary investment instruments that are cash, money-market instruments or other liquid, short-term cash equivalent instruments within a Treasury function; and/ or ii. Held in temporary investment instruments that do not relate to greenhouse gas intensive projects or any projects which are inconsistent with the delivery of a low-carbon and climate resilient economy; and/ or iii. Applied to temporarily reduce the indebtedness of a revolving nature before being redrawn for investments in or disbursements to Nominated projects and assets. 3. Earmarking funds to Nominated projects and assets: An earmarking process can be used to manage and account for funding to the Nominated projects and assets and enables estimation of the share of the Net Proceeds being used for financing and refinancing. ➤ Where the prospectus requires the proceeds to be ring-fenced, they must be credited to designated bank accounts that can only fund the specified Nominated projects and assets. The issuer must track and monitor all payments from the designated bank accounts.
ASEAN Green Bond Standards	The issuer must disclose to investors the process for managing the net proceeds from the ASEAN Green Bonds in the documentation for the issuance of the ASEAN Green Bonds. The ASEAN GBS stipulates that, ➤ The net proceeds of the green bond, or an amount equal to these net proceeds, must be credited to a sub-account, moved to a sub-portfolio or otherwise tracked by the issuer in an appropriate manner, and attested to by a formal internal process linked to the issuer's lending and investment operations for green projects. The total amount deployed from the net proceeds for the eligible green projects need not occur simultaneously. ➤ Where the ASEAN green bonds are outstanding, the balance of the tracked net proceeds must be periodically adjusted to match allocations to eligible green projects made during that period. The issuer must also disclose to investors in the documentation for the issuance of the ASEAN green bonds the intended types of temporary placement for the balance of unallocated net proceeds.

Reference documents	Requirement details
	The ASEAN GBS recommends that the issuer's management of proceeds be supplemented by the use of an auditor, or other third party, to verify the internal tracking method and the allocation of funds from the ASEAN green bonds proceeds. Where the issuer appoints an auditor or other third party to verify the issuer's management of proceeds, the issuer must make the report produced by the auditor or other third party publicly available on a website designated by the issuer at the time of the issuance of the ASEAN green bonds.

Component 4: Reporting

Component 4: Reporting	Requirement details
ICMA Green Bond Principles (June 2025)	➤ Issuers should make, and keep, readily available up to date information on the use of proceeds to be renewed annually until full allocation, and on a timely basis in case of material developments. ➤ The annual report should include a list of the projects to which green bond proceeds have been allocated, as well as a brief description of the projects, the amounts allocated, and their expected impact. ➤ Where confidentiality agreements, competitive considerations, or a large number of underlying projects limit the amount of detail that can be made available, the GBP recommends that information is presented in generic terms or on an aggregated portfolio basis (e.g. percentage allocated to certain project categories). ➤ The GBP recommends the use of qualitative performance indicators and, where feasible, quantitative performance measures and disclosure of the key underlying methodology and/ or assumptions used in the quantitative determination. ➤ Issuers should refer to and adopt, where possible, the guidance and impact reporting templates provided in the *Harmonised Framework for Impact Reporting*.[23]

23 "Handbook – Harmonised Framework for Impact Reporting June 2024," International Capital Market Association, Last modified June, 2024. https://www.icmagroup.org/assets/documents/Sustainable-finance/2024-updates/Handbook-Harmonised-Framework-for-Impact-Reporting-June-2024.pdf

Reference documents	Requirement details
Climate Bonds Standard Version 4.3	➢ The issuer must prepare a Green Finance Framework and make it publicly available prior to, or at the time of, issuance. The Green Finance Framework must be provided to the Climate Bonds Standard Secretariat as one of the certification documents. ➢ The Green Finance Framework must include all of the following: 1. A statement of compliance with the Climate Bonds Standard and/ or other applicable standards such as the Green Bond Principles or the United Nations Sustainability Development Goals. 2. A summary of the expected use of proceeds 3. A description of the decision-making process for project selection 4. A description of the issuer's processes for managing the proceeds 5. A description of the issuer's processes for reporting and external review or verification. ➢ The Green Finance Framework should also include the following, without limitation: 1. Information on the methodology and assumptions to be used for confirming that the characteristics or performance of the Nominated projects and assets conform to the relevant Sector Criteria, where required, and any other additional impact metrics that the issuer will define. 2. A summary of the approach to managing unallocated Net Proceeds in accordance with the post-issuance requirements for the management of outstanding green bonds. 3. The intended approach to provide Update Reports to reaffirm conformance with the Climate Bonds Standard while the debt instrument remains outstanding. 4. The list of proposed Nominated projects and assets associated with the debt instrument and the investment areas into which the Nominated projects and assets fall. Where there are limits on the detail that can be made publicly available about specific Nominated projects and assets, information disclosed must include the investment areas into which the Nominated projects and assets fall and an explanation of why detail on Nominated projects and assets is limited. 5. Where a proportion of the Net Proceeds is used for refinancing, information must be provided regarding the respective shares of the Net Proceeds used for financing and refinancing, and the relevant Nominated projects and assets or investment areas which may be refinanced. This may also include the expected look-back period for refinanced Nominated projects and assets.

Reference documents	Requirement details
	➢ While issuers are encouraged to disclose as much information as possible with respect to Nominated projects and assets, in many cases, it is not possible for the issuer to disclose detailed information about specific projects and assets prior to the issuance of the bond. This limitation may be due to confidentiality arrangements with owners of projects and assets, the dynamic nature of the project portfolio, competitive considerations, or other legal provisions which limit the disclosure of detailed information. ➢ The issuer must include the following in its Disclosure Documentation: 1. The investment areas into which the Nominated projects and assets fall 2. The intended types of temporary investment instruments for the management of unallocated Net Proceeds in accordance with the post-issuance requirements for the management of outstanding green bonds. 3. The Approved Verifier engaged by the issuer for the mandatory verification engagements. 4. The intended approach to provide Update Reports to reaffirm conformance with the Climate Bonds Standard while the debt instrument remains outstanding, including the location of the published documents. 5. The Climate Bonds Disclaimer provided in the Certification Agreement.
ASEAN Green Bond Standards	➢ Issuers must report to investors at least on an annual basis and are encouraged to make more frequent reporting on the use of proceeds until full allocation, and on a timely basis in the case of material developments. The annual report should include a list of the projects to which the ASEAN green bonds proceeds have been allocated, as well as a brief description of the projects and the amounts allocated, and their expected impact. ➢ Where confidentiality agreements, competitive considerations, or a large number of underlying projects limit the amount of detail that can be made available, the issuer may present the information in generic terms or on an aggregated portfolio basis (e.g. percentage allocated to certain project categories). ➢ It is recommended that issuers use qualitative performance indicators, and where feasible, quantitative performance measures and disclose the key underlying methodology and/ or assumptions used in the quantitative determination. ➢ It is recommended that the issuer's annual reporting on the use of proceeds be supplemented by a confirmation of such use of proceeds by an external reviewer along with any relevant updates of the external review. ➢ The issuer must provide to investors the annual reporting and the external review on the annual reporting, if any, through a website designated by the issuer and/ or annual reports throughout the tenure of the ASEAN green bonds.

3.2 Pre-issuance disclosure requirements mandated by Vietnamese regulations

Pre-issuance disclosure is an important step to ensure transparency, enhance investor confidence, and affirm the issuing organisation's commitment to sustainable development. In Vietnam, green bond issuers must comply with information disclosure regulations under corporate bond laws and environmental laws.

3.2.1 Pre-issuance disclosure requirements under Corporate Bond Laws

The legal framework for the green bond market in Vietnam has developed significantly to enhance transparency and supervision. The legal framework for offering and trading corporate bonds in Vietnam has been comprehensively issued by the National Assembly, Government, and Ministry of Finance from law level, decrees to implementing circulars. These documents are continuously supplemented and improved to meet the practical requirements of the market. New regulations, particularly **Decree 65/2022/ND-CP amending and supplementing several articles of Decree No. 153/2020/ND-CP dated December 31, 2020** regarding the offering and trading of private corporate bonds in the domestic market and offering corporate bonds to international markets, have centralised the management of private corporate bonds through the registration, depository and trading system at the Stock Exchange (specifically the Hanoi Stock Exchange - HNX), to enhance market publicity and transparency.

Legal documents currently in effect providing detailed regulations and guidance on offering, trading, and information disclosure of corporate bonds include:

Law on Securities No. 54/2019/QH14[24]: **The Law on Securities is the highest-level legal instrument governing Vietnam's securities market, including the offering and trading of corporate bonds**. It sets out fundamental principles on information disclosure; protection of investors' lawful rights and interests; conditions for public offerings and private placements; and reporting obligations of issuers. The provisions of the Law on Securities provide the legal foundation for sub-law documents to specify transparency and supervisory requirements for corporate bonds.

Circular No. 96/2020/TT-BTC guiding information disclosure on the securities market: This Circular specifies the information disclosure regime applicable to public companies, listed organisations, trading registration organisations, and other relevant entities on the securities market. It provides detailed guidance on the types of information to be disclosed, timelines, methods, and disclosure templates. For corporate bonds, Circular 96/2020/TT-BTC serves as the basis to ensure full and timely disclosure that meets the transparency and supervisory requirements of the regulators.

Decree No. 153/2020/ND-CP on offering and trading private corporate bonds in the domestic market and offering corporate bonds to international markets: This is the foundational document regulating the offering and trading of private corporate bonds in the domestic market and offering corporate bonds to international markets. Article 19 of Decree 153/2020/ND-CP provides guidance on

24 **Law No. 56/2024/QH15** amends the Law on Securities, the Law on Accounting, the Law on Independent Audit, the Law on State Budget, the Law on Management and Use of Public Assets, the Law on Tax Administration, the Law on Personal Income Tax, the Law on National Reserves, and the Law on Handling of Administrative Violations. Law No. 56/2024 revises the provisions on the definition of professional securities investors; stipulates that professional securities investors who are individuals may participate in the purchase, trading, and transfer of privately placed corporate bonds; and introduces several provisions on the conditions for public offerings and private placements of bonds.

information disclosure before corporate bond offerings, including provisions on green bond offering information disclosure.

Decree No. 155/2020/ND-CP detailing the implementation of certain articles of the Law on Securities: This Decree provides detailed guidance on the Law on Securities, including requirements for dossiers and procedures for offerings, listing and trading of bonds; conditions, order, and procedures for registering as a public company; and the disclosure regime for issuers and listed organisations.

Decree No. 65/2022/ND-CP amending and supplementing several articles of Decree 153/2020/ND-CP on offering and trading private corporate bonds in the domestic market and offering corporate bonds to international markets: Decree 65/2022/ND-CP was issued to timely address practical obstacles and enhance market publicity and transparency. Clause 14, Article 1 of Decree 65/2022/ND-CP has improved the legal basis for information disclosure requirements before offerings.

Decree No. 08/2023/ND-CP amends, supplements, and suspends the effect of certain provisions in the Decrees governing private placements and trading of corporate bonds in the domestic market and offerings of corporate bonds to the international market. Issued amid significant difficulties in the corporate bond market, the Decree aims to remove bottlenecks, support liquidity, and restore investor confidence. It allows enterprises and investors to agree on settling bond principal and interest with other assets; to extend bond maturities by up to 02 years; and it emphasises the importance of ad hoc disclosure in cases of changes to payment methods, while ensuring accountability for the legal status of any assets used for such settlements.

Circular No. 76/2024/TT-BTC dated November 6, 2024 of the Minister of Finance guiding information disclosure and reporting regimes for offering and trading private corporate bonds in the domestic market and offering corporate bonds to international markets: This circular provides detailed guidance on information disclosure and reporting regimes for offering and trading private corporate bonds in the domestic market and offering corporate bonds to international markets. This is an important step (replacing Circular No. 122/2020/TT-BTC) to improve the legal framework, providing detailed regulations on types of information to be disclosed, timing of disclosure, forms of disclosure, and applicable forms for each case, thereby enhancing supervision effectiveness and promoting healthy market development.

Decree No. 245/2025/ND-CP amending and supplementing a number of articles of Decree No. 155/2020/NĐ-CP dated December 31, 2020 of the Government detailing the implementation of several provisions of the Law on Securities. This Decree serves as an amendment to address shortcomings and improve the implementation of Decree No. 155/2020/NĐ-CP, which provides detailed guidance on the Law on Securities. The document revises 89 articles and repeals certain clauses and points in 22 articles of Decree No. 155/2020/NĐ-CP to align with the amended Law on Securities (Law No. 56/2024/QH15) and emerging practical requirements.

Figure 4 summarises the information disclosure requirements in the pre-issuance stage for green bonds in both private placement and public offering.

Figure 4: Summary of information disclosure requirements for green bonds at the pre-issuance stage under private placement and public offering in Vietnam

Legal Basis

- Law on Securities No. 54/2019/QH14
- Decree No. 155/2020/ND-CP
- Circular No. 96/2020/TT-BTC
- Decree No. 153/2020/ND-CP
- Decree No. 65/2022/ND-CP
- Decree No. 08/2023/ND-CP
- Circular No. 76/2024/TT-BTC
- Decree No. 245/2025/ND-CP

Private Placement



Disclosure Content

- According to Appendix I Circular No. 76/2024/TT-BTC

(Additional for green bonds: accounting procedures, management and disbursement processes for green bond proceeds)

- Report on the Results of the Offering



Disclosure Recipients

- Registered bond investors
- Hanoi Stock Exchange (HNX)



Format

- Paper or electronic documents (for investors)
- Electronic documents (for HNX at the Corporate Bonds page)
- Posted on the issuing enterprise's website



Disclosure Deadline

- Latest (1) working day before issuance date
- For the Offering Results Report: No later than (5) working days from the date of completion of the bond offering.

Public Offering



Register with SSC

Submit complete and valid documents to be granted a Certificate of Public Bond Offering

Within 7 working days



Information disclosure after obtaining the Certificate

Publish the Issuance Notice + Prospectus in the newspaper (3 consecutive issues) on the company's website and the stock exchange.

Within 10 days



Report the results of the offering

Report the results of the offering to the SSC (with confirmation from the bank or foreign bank branch associated with the designated account for the bond proceeds).

Registration dossier includes

Registration Application
Form No. 07 – Decree No. 245/2025/NĐ-CP

Board/ Shareholder Resolutions
Issuance plan, capital use and listing approval

Advisory Contract
With securities company

Prospectus
Per Article 19 Securities Law and Appendix 5 Circular No. 118/2020/TT-BTC

Underwriting commitment
Form No. 08 – Decree No. 155/2020/ND-CP (if applicable)

Credit rating report as required by law
Within 12 months

Information disclosure channels

- Website of the issuing enterprise
- Portal of the SSC
- Portal of the stock exchange where the listing/ trading is registered

* Other documents according to Article 18 of the Securities Law, Articles 20,22,25 of the Decree No. 155/2020/ND-CP, as amended and supplemented by Decree No. 245/2025/NĐ-CP.

3.2.2 Pre-issuance disclosure requirements under Environmental Laws

In addition to full compliance with mandatory legal regulations on corporate bond issuance, green bond issuers need to supplement specific information content to clearly demonstrate the "green" nature of the issuance. Based on the Environmental Protection Law 2020, Decree No. 08/2022/ND-CP guiding the Environmental Protection Law, Decision No. 21/2025/QD-TTg stipulating environmental criteria and confirmation of investment projects under the Green Taxonomy, issuers need to additionally disclose:

- **Purpose of capital use:** Clarify that proceeds from bond issuance will be accounted for, monitored, and used to finance projects that bring environmental benefits as regulated in Article 150 of the Environmental Protection Law 2020.
- **Environmental information:** Must provide information on environmental impact assessment and environmental permits of investment projects using proceeds from green bond issuance to investors.
- **Eligible project selection:** Appendix 1 attached to Decision No. 21/2025/QD-TTg on environmental criteria and confirmation of investment projects under the green classification list provides a catalogue of eligible projects. The list includes 45 projects across seven sectors, creating an important legal foundation for the domestic green finance market, including green credit and green corporate bonds. This framework establishes unified environmental criteria to identify and screen projects which are considered green in Vietnam, and eligible to receive green financing.
- **External review or verification:** Accordingly, the regulation allows for the confirmation of projects belonging to the Green Taxonomy upon request by the project owner and diversifies confirmation methods through competent functional agencies via the Environmental Impact Assessment evaluation process or through independent external reviewer that meet national standards such as TCVN ISO/IEC 17029:2020 or international standards such as ISO/IEC 17029:2019 and ISAE 3000.

The table below summarises the number of projects and types of investment projects under the Green Taxonomy in Decision No. 21/2025/QD-TTg:

Table 2: Summary of the number of projects and types of investment projects under the Green Taxonomy

No.	Sector/Field	Types of Investment Projects
1	Energy	***Investment projects of the following types:*** • Solar power • Wind power • Other renewable and clean energy (geothermal, biomass, tidal, ocean waves, ocean currents, waste, green hydrogen, green ammonia) • Works, equipment, technology serving transmission, storage, and evacuation of renewable energy sources...
2	Transportation	***Investment projects of the following types:*** • Transport by zero-emission or low-carbon vehicles • Infrastructure serving zero-emission or low-carbon transportation • Energy refueling services for zero-emission or low-carbon vehicles
3	Construction	***Investment projects of the following types:*** • New construction and renovation of various types of buildings achieving green building goals, energy-efficient use • New construction and renovation of environmentally friendly, energy-saving public works

No.	Sector/Field	Types of Investment Projects
4	Water Resources	***Investment projects of the following types:*** • Construction of water supply and drainage works • Exploitation, treatment and supply of clean water • Water quality management and water source protection
5	Agriculture, Forestry, Fisheries and Biodiversity Conservation	***Investment projects of the following types:*** • Cultivation according to VietGAP, GlobalGAP, circular standards... • Livestock farming according to good agricultural practice standards • New afforestation, forest quality improvement; application of agroforestry methods • Sustainable inland aquaculture • Sustainable food production and processing • Ecotourism • Conservation of genetic resources and rare and endangered animal and plant species of Vietnam • Sustainable farming on sloping land, lowland, acid soil, saline soil, coastal sandy soil, degraded soil, soil at risk of desertification and desertification • Treatment of pollution, remediation, restoration and protection of land resources • Collection, treatment, recycling, production of useful products from by-products and waste from agricultural, forestry, and fishery activities
6	Processing and Manufacturing	***Investment projects of the following types:*** • Production of electrical equipment and machinery, energy-saving and energy-efficient equipment • Production of electronic components and equipment serving low-carbon technology development • Production of environmentally friendly packaging • Production of chemicals and chemical products of natural origin, environmentally friendly • Production and development of technology, equipment, products serving environmental protection requirements
7	Environmental Services	***Investment projects of the following types:*** • Collection, classification, transfer, transport of municipal solid waste or ordinary industrial solid waste • Waste recycling • Treatment of municipal and ordinary industrial solid waste • Collection, classification, treatment of hazardous waste • Collection of urban wastewater, concentrated residential areas • Treatment of urban wastewater, concentrated residential areas • Collection and treatment of wastewater from production, business, and service activities • Air pollution treatment

Conclusion:

To affirm that the proceeds raised from green bonds are genuinely used for environmental protection and sustainable development activities, issuers are encouraged to develop and publish a Green Bond Framework.

The Green Bond Framework is not merely an internal document but also an important disclosure document prior to issuance. Although this is not yet mandatory under Vietnamese law, this Framework serves as a foundation to clearly demonstrate the issuer's commitment to complying with the Green Bond Principles, while enabling investors and the market to transparently understand how the proceeds are allocated and utilised. As a result, investors' confidence is strengthened and the corporate green bond issuer can better access the green capital market.

To enhance the credibility of the green bond issuance, issuers are encouraged to engage an independent external reviewer to verify the alignment of the Green Bond Framework with international standards. This assessment report should be made available to stakeholders and/or disclosed publicly, depending on the requirements of the standards applied.





4

Post-issuance disclosure

What green bond issuers should report during the post-issuance stage

This section focuses on post-issuance disclosures based on the recommendations of international best practices as well as those mandated by Vietnamese regulations.
The rest of this section is structured as follows:
Section 4.1. "Post-issuance disclosure requirements recommended by international best practices"
Section 4.2. "Post-issuance disclosure requirements mandated by Vietnamese regulations"

4.1 Post-issuance disclosure requirements recommended by international best practices

At the post-issuance stage, issuers must prepare their disclosures with reference to their Framework and the selected international and regional green bond principles and/or standards. Post-issuance disclosure is provided on an **annual basis** and is sometimes referred to as annual report (as mentioned in the ICMA GBP and ASEAN GBS). The Climate Bonds Standard refers to this as update report. This is usually provided within 12 months (in the case of ICMA GBP and ASEAN GBS) and up to 24 months (in the case of CBS) from the date of issuance of the debt instrument until its maturity.

Unlike the green bond framework which is usually a standalone document, currently there is no set market practice for how post-issuance annual report should look like. For instance, some green bond issuers may choose to make this a standalone report or publish on their website or weaved into their sustainability report depending on each issuer's preference.

Appendix 3 analyses Iberdrola's green bond annual report which includes disclosure related to the allocation of proceeds and the sustainability impact of its projects.

Table 3 below sets out the specific information and statements corresponding to the reporting component which the issuer should state in the annual report. **Appendix 4** shows the similarities and differences in post-issuance disclosure requirements across the ICMA GBP, Climate Bonds Standard and ASEAN Green Bond Standards. It is important to note that these international standards emphasise different types of reporting (allocation, eligibility and impact) at the post-issuance stage. The ICMA GBP and ASEAN GBS requires issuers to disclose both the use of green bond proceeds (i.e. allocation reporting) as well as their expected environmental impacts (impact reporting). On the other hand, the Climate Bonds Standard requires the issuer to include allocation reporting and eligibility reporting in their update report, and where required, impact reporting. Impact reporting must at a minimum include any metrics required for confirming compliance with specific Sector Criteria requirements. According to the Climate Bonds Standard, these three types of reporting can be included in a single update report.

Table 3: Specific information and statements corresponding to the reporting component which the issuer should state in the annual report

Reference documents	Requirement details
ICMA Green Bond Principles (June 2025)	▸ The annual report should include a list of the projects to which green bond proceeds have been allocated, as well as a brief description of the projects, the amounts allocated, and their expected impact. ▸ Where confidentiality agreements, competitive considerations, or a large number of underlying projects limit the amount of detail that can be made available, the GBP recommends that information is presented in generic terms or on an aggregated portfolio basis (e.g. percentage allocated to certain project categories). ▸ The GBP recommends the use of qualitative performance indicators and, where feasible, quantitative performance measures and disclosure of the key underlying methodology and/ or assumptions used in the quantitative determination. ▸ Issuers should refer to and adopt, where possible, the guidance and impact reporting templates provided in the *Harmonised Framework for Impact Reporting*.
Climate Bonds Standard Version 4.3	▸ In the event that the green bonds received a certificate from the Climate Bonds Initiative pre-issuance, to maintain the certification, all issuers must submit annual Update Reports within 12 to 24 months from the date of issue and annually thereafter until the post-issuance requirements have been fulfilled. A verification report prepared by an approved verifier may be submitted in place of the Update Report in any given year. Following the fulfilment of post-issuance requirements, issuers are encouraged, but not required, to continue submitting annual Update Reports until maturity of the instrument. ▸ Issuers of the following are required to submit annual Update Reports following post-issuance verification until maturity: ◦ Revolving credit facilities. ◦ Debt instruments financing projects and assets whose eligibility for Certification is determined by an emissions threshold and therefore monitored over time. ◦ Debt instruments financing dynamic asset portfolios where the composition of which may vary over the life of the instrument (e.g., green mortgage portfolios).

Reference documents	Requirement details
	▶ The issuer should provide an Update Report on a timely basis in case of material developments.[25] ▶ Issuers are encouraged to provide their Update Reports through existing bond market reporting channels, such as the US municipality sector's Electronic Municipal Market Access (EMMA) website. ▶ An Update Report includes allocation and eligibility reporting, and, where required, impact reporting: 1. Allocation reporting confirms the allocation of bond proceeds to eligible projects and assets and is mandatory for all Certified debt instruments. 2. Eligibility reporting confirms the characteristics or performance of projects and assets to demonstrate their eligibility under the relevant Sector Criteria and is mandatory for all Certified debt instruments. 3. Impact reporting discloses the metrics or indicators which reflect the expected or actual impact of eligible projects and assets and is encouraged for all Certified debt instruments. Impact reporting must at a minimum include any metrics required for confirming compliance with specific Sector Criteria requirements. ▶ The three different types of reporting can be included in a single Update Report, which must be provided to the Climate Bonds Secretariat and made publicly available or provided annually to the bondholders/ lenders for as long as the debt instrument remains outstanding. ▶ The timing of reporting can be aligned with the issuer's regular reporting schedule and does not need to follow the anniversary of the Certification or issuance of the bond. ▶ The Allocation Reporting must include, without limitation: 1. Confirmation that the bonds issued under the issuer's green finance framework are aligned with the Climate Bonds Standard. 2. A statement on the climate-related objectives of the bond. 3. The list of Nominated projects and assets to which Net Proceeds have been allocated (or re-allocated). 4. The amounts allocated to the Nominated projects and assets. 5. An estimate of the respective shares of the Net Proceeds used for financing and refinancing and which Nominated projects and assets have been refinanced. This may also include the expected look-back period for refinancing Nominated projects and assets. 6. The geographical distribution of the Nominated projects and assets.

25 Material developments include, but are not confined to, early repayment, change of control or acquisition, change of name, changes to the eligibility of assets and projects and any material amendments to transaction documents, including any winding-up process or enforcement.

Reference documents	Requirement details
	➤ The Eligibility Reporting must include the following, without limitation: 1. Confirmation that the Nominated projects and assets continue to meet the relevant eligibility requirements applicable when obtaining the Certification. 2. Information on the environmental characteristics or performance of Nominated projects and assets, which is prescribed by the relevant Sector Criteria. 3. The percentage of the Use of Proceeds allocated to, and detailed description of, the nominated projects and assets which do not fully satisfy the Sector Criteria, where the issuer has made use of the 5% flexibility pocket. ➤ Some bonds have a very stable allocation of proceeds and do not need to track any performance indicators to maintain the eligibility of the projects and assets (such as financing for a single large-scale solar facility). The annual Update Report can be concise and restate the information from previous reports. ➤ Where there are limits on the detail that can be made available in the Update Report about specific Nominated projects and assets, information disclosed must include the investment areas into which the Nominated projects and assets fall and an explanation of why detail on Nominated projects and assets is limited. ➤ The impact reporting shall, without limitation, provide the following information: 1. The expected or actual outcomes or impacts of the Nominated projects and assets concerning the climate-related objectives of the bond. 2. State qualitative performance indicators and, where feasible, quantitative performance measures of the outcomes or impacts of the Nominated projects and assets for the climate-related objectives of the bond. 3. The methods and the key underlying assumptions for the calculation of the performance indicators and metrics. • The issuer must make available to the public or to the bondholders any Verification Reports or other relevant material which supports the Update Report.

Reference documents	Requirement details
ASEAN Green Bond Standards	▶ Issuers must report to investors at least on an annual basis and are encouraged to make more frequent reporting on the use of proceeds until full allocation, and on a timely basis in the case of material developments. The annual report should include a list of the projects to which the ASEAN green bonds proceeds have been allocated, as well as a brief description of the projects and the amounts allocated, and their expected impact. ▶ Where confidentiality agreements, competitive considerations, or a large number of underlying projects limit the amount of detail that can be made available, the issuer may present the information in generic terms or on an aggregated portfolio basis (e.g. percentage allocated to certain project categories). ▶ It is recommended that issuers use qualitative performance indicators, and where feasible, quantitative performance measures and disclose the key underlying methodology and/ or assumptions used in the quantitative determination. ▶ It is recommended that the issuer's annual reporting on the use of proceeds be supplemented by a confirmation of such use of proceeds by an external reviewer along with any relevant updates of the external review. ▶ The issuer must provide to investors the annual reporting and the external review on the annual reporting, if any, through a website designated by the issuer and/ or annual reports throughout the tenure of the ASEAN green bonds.

4.2 Post-issuance disclosure requirements mandated by Vietnamese regulations

The legal framework for post-issuance disclosure of corporate bonds in Vietnam has been fully established from the level of Law to Decrees and guiding Circulars—namely the Securities Law (2019), Decree No. 153/2020/ND-CP, Decree No. 65/2022/ND-CP, Decree No. 08/2023/ND-CP, Circular No. 96/2020/TT-BTC, and Circular No. 76/2024/TT-BTC—to ensure transparency, oversight of the use of funds, and investor protection.

For green bonds, in addition to the general provisions above, issuers must also comply with the Law on Environmental Protection No. 72/2020/QH14 and Decree No. 08/2022/ND-CP guiding its implementation, which require periodic reporting on the use of proceeds for green projects and environmental impact assessment reports. Post-issuance reporting is typically divided into two groups: (1) periodic reports and disclosures applicable to all types of bonds; and (2) environmental impact assessment reports for green projects.

Figure 5 below summarises the requirements for post-issuance disclosure content under Vietnamese law.



Figure 5: Overview of the post-issuance disclosure requirements mandated by Vietnamese regulations

	Periodic reporting and information disclosure required for all types of bonds	Environmental impact assessment reports of green projects#
Legal basis	1. Law on Securities No. 54/2019/QH14 2. Circular No. 96/2020/TT-BTC 3. Decree No. 153/2020/ND-CP 4. Decree No. 65/2022/ND-CP 5. Clauses 6 and 7, Article 157 of Decree No. 08/2022/ND-CP 6. Circular No. 76/2024/TT-BTC	1. Law on Environmental Protection No. 72/2020/QH14 2. Decree No. 08/2022/ND-CP
Frequency*	Every six (6) months and annually according to fiscal year until bond maturity	Annually throughout the bond term and in case of significant changes in allocation
Information to disclose	1. **Semi-annual and annual financial statements** of the bond-issuing enterprise that have been audited or reviewed (if any).** 2. **Status of interest and principal payments on bonds**. 3. **Semi-annual and annual periodic reports on the use of proceeds** from bond issuance for outstanding bonds, audited by qualified audit organisations. 4. **Reports on the implementation of commitments** by bond issuers to bondholders. 5. **Reports on accounting, management and use of capital** from bond issuance with review opinions from audit organisations. 6. **Reports on project implementation progress, management status, and disbursement progress of proceeds** from green bond issuance.	1. **Decision approving environmental impact assessment report review results** (if any). 2. **Environmental permit** (if any). 3. **Information on assessment results of environmental benefits** of projects using green bond proceeds. Although it is mandatory to disclose environmental benefit assessment reports, Vietnamese law does not provide specific guidance on environmental benefit assessment report templates. According to international green bond standards, these reports can be developed by project or by sector and typically include the following content: i. Description of green projects; ii. Environmental objectives of green projects; iii. Detailed information on green projects financed by the green bond proceeds; iv. Information and measurement indicators on projects and environmental impacts; v. If not detailed in the Green Finance Framework, supplementary information on methodology and assumptions used to assess the impact of green projects.

* timeline of disclosure: submit periodic disclosure information to the Hanoi Stock Exchange. The deadline for semi-annual periodic disclosure is no later than 60 days from the end of the first six months of the fiscal year, and the deadline for annual periodic disclosure is no later than 90 days from the end of the fiscal year.

** unaudited annual financial statements and semi-annual financial statements that have not been audited or reviewed must be confirmed by the General Meeting of Shareholders or Board of Directors or Members' Council or Company Chairman. If the bond-issuing enterprise is a parent company, disclosed financial statements include consolidated financial statements and parent company financial statements.

Hướng dẫn triển khai xây dựng Báo cáo tác động không nằm trong phạm vi của Sổ tay này

Conclusion:

According to international practice, post-issuance disclosure is carried out in line with the commitments set out in the Green Bond Framework, including the **Allocation Report**, the **Eligibility Report**, and the **Impact Report**. At present, there is no unified standard on the format of annual post-issuance reports; their form depends on the specific green bond standards or principles applied.

In Vietnam, these requirements have been codified into law and are reflected in the form of the **Report on the Use of Proceeds** and the **Environmental Impact Report**. While the terminology differs from international usage, the objectives remain the same: ensuring transparency, strengthening accountability, and facilitating the effective monitoring of green bond proceeds.

In addition, although neither Vietnamese law nor international practice currently mandates it, issuers are encouraged to engage an **independent external reviewer** to verify the annual post-issuance report. This enhances the reliability of the disclosed information, reinforces investor confidence, and affirms the issuer's commitment to sustainable development.



Appendix 1: Pre-issuance reporting: Iberdrola's Green Financing Framework Case Study

Below we provide an example from Iberdrola Sociedad Anonima ("Iberdrola"), a Spanish company that specialises in clean energy including wind power, solar and hydroelectric, smart grids, energy storage, and green hydrogen. Iberdrola issued its first green bond in 2014, marking its first green financing transaction. As of the end of 2024, its green financing transactions, including green bonds, stands at an aggregate of EUR 36,758[26] million, with EUR 7,796.1[27] million in transactions closed during 2024.

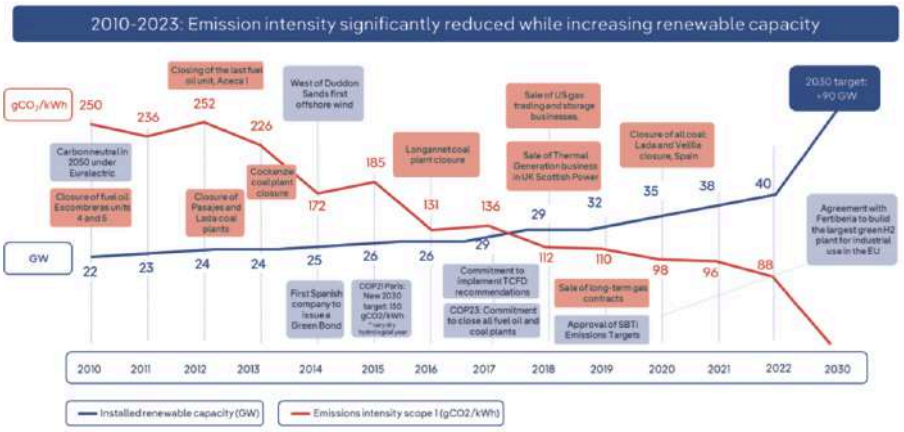
Besides its long track record in green financing, Iberdrola is a notable green bond issuer as it is the first company in the world to issue a bond that simultaneously adheres to the EU green bond standard (EU GBS) and the ICMA GBP.[28]

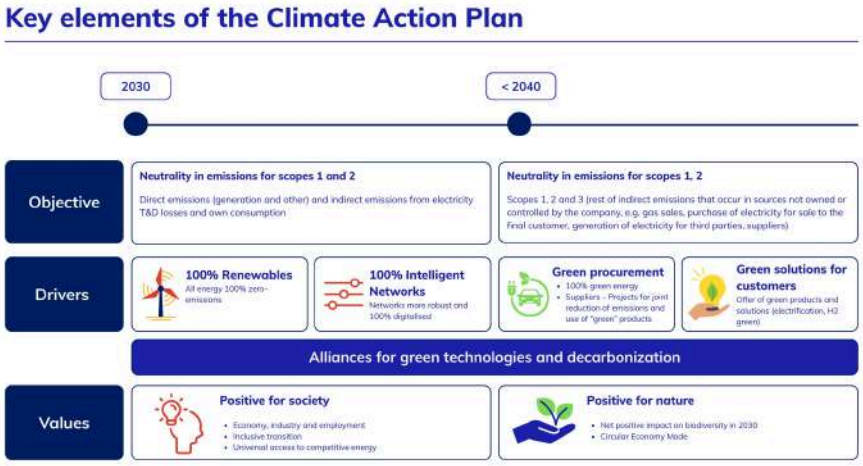
Iberdrola's Green Financing Framework dated December 2023,[29] consists of three sections namely, 1) Introduction; 2) Core components and 3) Annexes.

The framework has received a Second Party Opinion from Moody's to confirm the alignment of the framework with the requirements of the ICMA GBP and the Loan Markets Association (LMA) Green Loan Principles (GLP).

Section 1: Introduction	
1.1 Rationale	
Our analysis	Selected excerpt(s) from the framework
This section provides background to the energy sector and the issuer's business	"Iberdrola is committed to an energy model that prioritises the well-being of people and the preservation of the planet. This is rooted in the corporate purpose that inspires the entire strategy of the company: "to continue building together each day a healthier, more accessible energy model, based on electricity". For more than 20 years, in anticipation of the energy transition, Iberdrola has **been developing sustainable solutions to support the increasing electrification of the global economy**: cleaner energy, more storage capacity, more backup power, more and smarter grids, and more digitisation. Today Iberdrola is a benchmark in the fight against climate change and has an active presence at the United Nations Climate Change Summits. The protection of the environment and the commitment to a sustainable development have set priorities over the past years. The company has **invested more than 140b€ in energy transition since 2000,** allowing the **transformation of the electric system towards a more decarbonised generation mix, increasing its installed capacity free of emissions** and therefore achieving a **significant reduction of emissions**."

26 Figures referred to the whole Iberdrola Group, including financial transactions of its subsidiaries Avangrid and Neoenergia, and including 100% of the green financing in which Iberdrola participates with partners.
27 Ibid.
28 "Iberdrola, the first company in the world to issue a green bond under European Union and ICMA standards", May 7, 2025. https://www.iberdrola.com/press-room/news/detail/iberdrola-first-company-in-the-world-to-issue-a-green-bond-under-eu-and-icma-standards
29 "Iberdrola Framework for Green Financing", December 2023.
https://www.iberdrola.com/documents/20125/42169/Iberdrola_Framework_for_Green_Financing.pdf/5d2f964c-a785-0f6f-de35-9eae0fc83fc0?t=1630655010198

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<td>This is followed by an overview of the issuer's climate change efforts (e.g. its targets and action plans)</td>
<td>“In its commitment to the Paris Agreement and the energy transition, Iberdrola's Climate Action Plan establishes an ambitious roadmap with SBTi (Science Based Targets initiative) verified targets of achieving carbon neutrality for scopes 1 and 2 by 2030 and net-zero emissions before 2040 for all scopes, including scope 3 (expressed in carbon dioxide equivalent). The plan also defines the levers and associated actions that, in turn, contribute to the decarbonisation of the economy as a whole, as well as the values, tools and indicators on which the achievement thereof is based.”


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The issuer describes how green financing is a tool that supports its business strategy and investments as well as broader Sustainable Development Goals (SDGs)	“In the coming years, Iberdrola will continue to deploy its business model, with **more investments in renewable energy, in smart networks, efficient storage, green hydrogen and innovative solutions** for its customers to achieve these above-mentioned targets. Such investments will drive results growth and strengthen its position and leadership, firmly committed to the **Sustainable Development Goals (SDGs) of the United Nations**, which have been fully incorporated into the business strategy and in particular: • SDG 7: ensuring access to affordable and reliable energy, increasing the share of renewable energy and doubling the global rate of improvement in energy efficiency. • SDG 13: taking action to fight climate change increasing clean energy capacity and developing smart grids to allow its integration. In this context, **green financing is a tool perfectly aligned with the strategy of the company that will be used to develop its investment plan** while giving investors the transparency to better allocate their funds and the ability to measure their contribution to sustainability. Iberdrola aims to apply the highest standards in every activity it performs and does so for green financing. With this objective, it has designed, approved and implemented a set of procedures that jointly form the “Iberdrola Framework for Green Financing” (hereafter “the Framework”). This Framework has been created to facilitate transparency, disclosure and integrity of Iberdrola’s green financing initiatives.”
1.2 Scope	
Our analysis	**Selected excerpt(s) from the framework**
This section lists the types of potential green financing instruments, the geographical location of eligible projects and the possibility for the issuer to update this framework in the future	“This Framework defines how green financing instruments are set up in all green financing transactions executed by Iberdrola (the “Company”). The eligible projects under this Framework will be **mainly located (but not limited to) in Continental Europe, the United Kingdom, the United States of America, Australia and Asia-Pacific**. **Potential green financing instruments** include green bonds, green loans, green project finance and any other green financial instrument to which an eligible asset or project, or a group of those, are allocated, i.e., they will be green “use of proceeds” instruments (the “Green Financing Instruments”). This framework applies to Green Financing Instruments issued after the date of the publication of this Framework. **The Company could eventually update this Framework** and is committed to ensuring that any new version will keep current levels of transparency and reporting, being publicly available on its website.”

1.3 Principles and general guidelines	
Our analysis	Selected excerpt(s) from the framework
This section states the Principles and Standards which the framework is aligned to, in Iberdrola's case, the ICMA Green Bond Principles, the LMA Green Loan Principles as well as the EU Green Bond Standard.	"This Framework is aligned to and follows the **Green Bond Principles (GBPs)** published by the International Capital Markets Association (ICMA) and the **Green Loan Principles (GLP)** published by the Loan Markets Association (LMA). Due to this, the procedures implemented by this Framework cover the four core components: 1. "Use of Proceeds" 2. "Projects Evaluation and Selection" 3. "Management of Proceeds" 4. "Reporting and External review" "This framework has been structured to try to meet, on a best effort basis, the requirements of the EU Green Bond Standard, drafted by the European Commission's Technical Expert Group, and has been adapted to include all elements of the Green Bond Framework."
The framework also states that the eligible projects align with the EU Taxonomy's definition of sustainable activities.	"... the projects included in this Framework are **part of sustainable activities as defined in the European Commission's Technical Expert Group final report on European Union Taxonomy and the technical annex to the report** published in March 2021 (the "EU Taxonomy"), all of them contributing to climate change mitigation."
The issuer provides general guidelines to ensure no double counting and maintain transparency.	"With the objective **to avoid double counting and ensure the due transparency**, the following **general guidelines** will be followed: • Green Financing Instruments should not be considered fungible with other financing instruments that are not aligned with the 4 core components of the GBP or GLP and thus are not governed by this Framework. • Each eligible asset or project can be allocated to one or several Green Financing Instruments within the scope of this Framework. Iberdrola will implement a control system to assure coordination in assets allocation and avoidance of double counting. The total amount of green debt raised by Iberdrola allocated to an asset will never be higher than the total asset capex (after having subtracted any other potential external debt associated with such asset). The non-existence of double counting is verified externally every year, as it is explained in 2.4 Reporting and External review. • If, as a consequence of a change of ownership or capital structure in an asset, Iberdrola reduces the financing amount of that asset in some proportion, the Company commits to restructure the allocation of the corresponding Green Financing Instrument in the corresponding new proportion, by substituting the corresponding part of the asset by another Eligible Green Project (as defined below). • When a Green Financing Instrument matures, allocated Eligible Green Projects (as defined below) can be refinanced and re-allocated into other Green Financing Instruments.

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- If an asset reaches the end of its lifetime, or definitively stops operations during the period of financing, the Company commits to substitute that asset with an alternative Eligible Green Project (as defined below).
- If any “material controversy” emerges, in relation to a specific asset, the Company commits to substitute that asset with an alternative Eligible Green Project (as defined below).
- Reallocations and substitutions will be publicly informed to bondholders on an annual reporting.”

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<tr><td colspan="2">Section 2: Core components</td></tr>
<tr><td colspan="2">2.1 Use of proceeds</td></tr>
<tr><td>Our analysis</td><td>Selected excerpt(s) from the framework</td></tr>
<tr><td>The issuer discloses the categories of eligible green projects, the activity description, how each project meets the EU Taxonomy criteria and the NACE code.</td><td>

“An amount equal to the net proceeds of the Green Financing Instruments will be used to finance, or refinance, in whole or in part, Eligible Green Projects.
Eligible Green Projects will be included in some of the categories included in the following table and will meet all the Eligibility Criteria of this Framework, as defined in 2.2 Project evaluation and selection.”

a) Smart grids:

Category and Subcategory	Activity description	EU Taxonomy Substantial Contribution to Climate Mitigation Objective	NACE code
a.1	Activity description General networks investment. Networks projects that facilitate the full decarbonization of the system as defined by the EU Taxonomy are also eligible, as they are **absolutely necessary** to foster a widespread renewable generation, providing reliability to the system and connecting renewable facilities with the customers.	**4.9 Transmission and distribution of electricity.** The transmission and distribution infrastructure or equipment is in an electricity system that complies with at least one of the following criteria: – The system is the interconnected European system, i.e. the interconnected control areas of Member States, Norway, Switzerland and the United Kingdom, and its subordinated systems. – More than 67% of newly enabled generation capacity in the system is below the generation threshold value of 100 gCO_2e/kWh measured on a life cycle basis in accordance with electricity generation criteria, over a rolling five-year period.	35.12 – Transmission of electricity 35.13 – Distribution of electricity

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<tr><td>The issuer describes the environmental benefits associated with the eligible green projects.</td><td>

“**Eligible Green Projects are deemed to provide environmental benefits** that contribute to: (i) avoid CO2 emissions, (ii) connect renewable energy production units to the general network, (iii) improve networks in terms of demand-size management, energy efficiency and access to electricity or (iv) ensure the stability and back up of generation systems with significant renewable energy penetration. These benefits will be **assessed and, where feasible, quantified** by Iberdrola annually in the corresponding reporting (see Reporting and External review below).”

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<tr><td>In the event that the issuer expands the list of eligible green projects, the issuer outlines the steps to be taken to maintain the credibility and integrity of the framework.</td><td>

“**The Company may, at any time, expand the list of Eligible Green Projects to other type of assets** which provide verifiable sustainability benefits and are aligned to the GBP / GLP. In this case, **the Company commits to update the current Framework** and **to obtain an updated Second Party Opinion** on the new Framework.”

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2.2 Project evaluation and selection	
Our analysis	Selected excerpt(s) from the framework
The issuer describes the roles and responsibilities of its internal expertise to evaluate and select eligible projects.	"The process for the evaluation and selection of eligible projects uses internal expertise: • The **list of Eligible Green Projects is set up by the Control department**, based on internal expertise and their daily coordination with Business units (Renewables, Networks...). Such list is periodically submitted to the Finance & Treasury department for validation, selection and confirmation that no double-counting exists. • **The alignment of the Eligible Green Projects to the EU Taxonomy is confirmed** to the Finance & Treasury department **by the Sustainable Development Team, within the ESG Division**. • In respect of the **use of proceeds requirement**, i.e.,the definition of the category the Eligible Green Project belong to, this is **triple checked by the corresponding business unit** (e.g., Renewables, Networks...), **the Control department and the Finance & Treasury department**. • The **project fulfilment with the additional selection criteria** described in Annex 2: Additional selection criteria **is ensured by different areas**, who are contacted by Iberdrola´s Finance & Treasury department prior to the selection of the Eligible Green Projects for the corresponding transaction. These areas confirm both the compliance of the specific projects with these additional selection criteria and the non-concurrence of any Material Controversy in any of them. Among these areas there are Compliance, Procurements, Environment, People & Organisation, Legal and the ESG Division. The whole process is always performed and coordinated by Iberdrol´s Finance & Treasury Department."
2.3 Management of proceeds	
Our analysis	Selected excerpt(s) from the framework
The issuer explains how the net proceeds will be managed to ensure it is channelled to eligible green project.	"Upon receipt, the net proceeds will be managed by Iberdrola's Financing and Treasury Department. This department is responsible for the allocation of Green Financing Instrument proceeds to an Eligible Green Project, selected in line with what has been described at the Project Evaluation and Selection Criteria pillar above."
The issuer outlines its approach to managing unallocated proceeds and the exclusion criteria applied.	"Unallocated proceeds will be temporarily held in any form of cash, time deposit with banks or other form of available short term liquid funding sources and will not include GHG intensive or controversial activities."

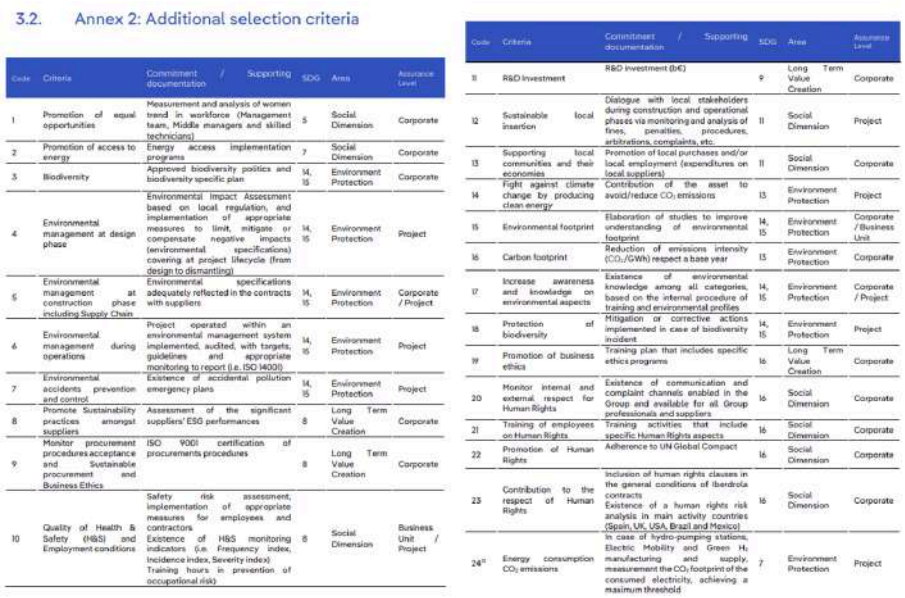
The issuer specified a timeline in which it will allocate the proceeds from the green financing instrument (e.g. green bond).	“Iberdrola commits to completing allocation of the Green Financing instrument proceeds within 24 months from the instrument issue date.”
The issuer will seek external assurance to verify the correct use of proceeds.	“Iberdrola is committed to perform an external assurance of the invested capital once the corresponding proceeds are allocated from the accounting and treasury records to check the correct use of proceeds.”

2.4 Reporting and external review	
Our analysis	Selected excerpt(s) from the framework
The issuer states the types of post-issuance reporting, the content and the frequency of reporting.	“For each Green Financing Instrument outstanding during the year, Iberdrola is committed to reporting annually and until the maturity date in its Green financing Returns Report: 1. Use of the Green Financing Instrument proceeds a) List of projects with individual information. b) Total funds allocation (with breakdown per project category). c) When the net proceeds are used for refinancing purposes, Iberdrola will report annually on the share of refinancing at issuance. Also, on the date of the transaction and upon investors´ request, Iberdrola commits to provide its best estimation on the share of refinancing, as well as the operating dates, location and category of the projects that are being refinanced. 2. Impact reporting The Company will publish annually a set of reporting indicators to show the contribution to the above-mentioned EU Taxonomy objectives and SDGs. The type of indicators will depend on the type of asset or activity financed by the Green Financing Instrument. Annex 2: Additional selection criteria Annex 3: Reporting indicators includes an exhaustive description of the reporting indicators per asset category related to sustainability impact reporting indicators. Iberdrola will publicly disclose the impact methodology and assumptions. For Green Financing Instruments publicly traded, i.e., listed bonds that have been publicly offered in the primary market, the reporting will be publicly disclosed within Iberdrola´s corporate website in the Fixed Income section.

	3. Assurance of compliance of selected projects with the Framework for Green Financing An external auditor will verify annually the compliance of all outstanding Green Financing Instruments of the Company with this Framework.”
The issuer commits to making its green bond information accessible to investors.	“To allow investors to follow the information related to green bonds, Iberdrola will provide this information on its website https://www.iberdrola.com/shareholdersinvestors/investors/fixed-income/information-related-to-green-finance. ”
The issuer outlines the two types of external reviews involved and when they will be performed.	“Iberdrola’s Green Financing Instruments are supported by two external reviews: 1. Second Party Opinion on the Green Financing Framework The Framework will be reviewed by a second party to assure its consistency with the GBP, GLP and best market practices. This review will take place whenever the Framework is updated. 2. Annual assurance Annually, the Green financing Returns Report will be verified by an auditor. This independent assurance will cover: a. The review of the implementation of the procedures, including the consideration and internal documentation of the eligibility criteria, described in this Framework, and the final list of assets or projects. b. The alignment of the projects allocated to the outstanding Green Financing Instruments with the EU Taxonomy. c. The review of the part of the invested capital attributable to each reported financing instrument. d. The tracking of the proceeds, when required. e. The review of the indicators describing the reporting of sustainability benefits. f. The review that the potential material controversies (if any) are considered, analysed and monitored by Iberdrola both at issuance level and annually afterwards.”
Section 3: Annexes	
3.1. Annex 1: Iberdrola’s Sustainable Development Policy	
Our analysis	Selected excerpt(s) from the framework
The issuer highlights the importance of its sustainable development policy to govern the sustainable development strategy of the Group.	“The Board of Directors of IBERDROLA, S.A., as part of its Corporate Governance system, has approved and implemented The General Sustainable Development Policy. This policy lays down the general principles and structures the foundations that must govern the sustainable development strategy of the Group to ensure that all its corporate activities and businesses are carried out while fostering the sustainable creation of value for society, the citizenry in general, shareholders, the communities in which the Group is present and the people to which it supplies energy, equitably compensating all groups

	that contribute to the success of its business enterprise, promoting the values of sustainability, integration and dynamism, favouring the achievement of the Sustainable Development Goals (SDGs) and rejecting actions that contravene or hinder them..."

3.2. Annex 2: Additional selection criteria

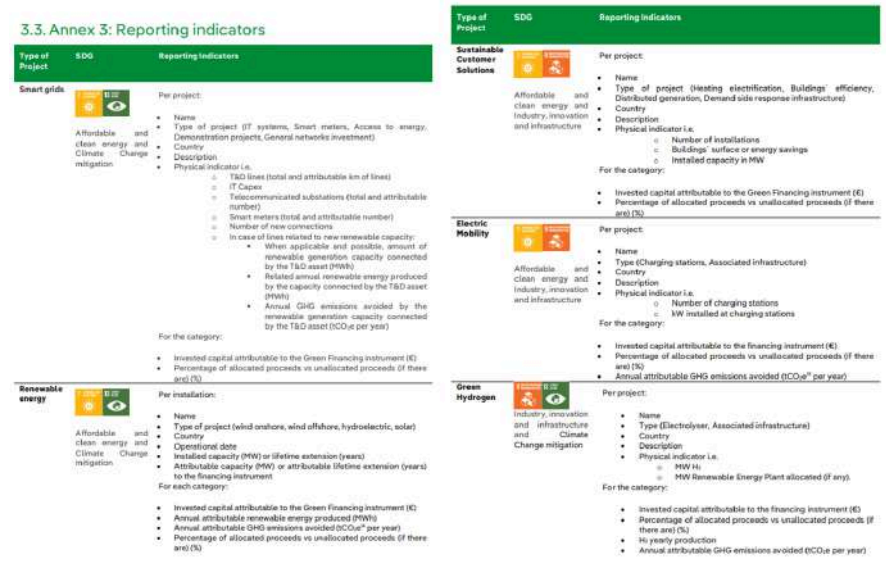
Our analysis	Selected excerpt(s) from the framework
The issuer provides additional selection criteria to guide the selection of the eligible green projects	

3.2. Annex 2: Additional selection criteria

Code	Criteria	Commitment / Supporting documentation	SDG	Area	Assurance Level
1	Promotion of equal opportunities	Measurement and analysis of women trend in workforce (Management team., Middle managers and skilled technicians)	5	Social Dimension	Corporate
2	Promotion of access to energy	Energy access implementation programs	7	Social Dimension	Corporate
3	Biodiversity	Approved biodiversity politics and biodiversity specific plan	14, 15	Environment Protection	Corporate
4	Environmental management at design phase	Environmental Impact Assessment based on local regulation, and implementation of appropriate measures to limit, mitigate or compensate negative impacts (environmental specifications) covering at project lifecycle (from design to dismantling)	14, 15	Environment Protection	Project
5	Environmental management at construction phase including Supply Chain	Environmental specifications adequately reflected in the contracts with suppliers	14, 15	Environment Protection	Corporate / Project
6	Environmental management during operations	Project operated within an environmental management system implemented, audited, with targets, guidelines and appropriate monitoring to report (i.e. ISO 14001)	14, 15	Environment Protection	Project
7	Environmental accidents prevention and control	Existence of accidental pollution emergency plans	14, 15	Environment Protection	Project
8	Promote Sustainability practices amongst suppliers	Assessment of the significant suppliers' ESG performances	8	Long Term Value Creation	Corporate
9	Monitor procurement procedures acceptance and Sustainable procurement and Business Ethics	ISO 9001 certification of procurements procedures	8	Long Term Value Creation	Corporate
10	Quality of Health & Safety (H&S) and Employment conditions	Safety risk assessment, implementation of appropriate measures for employees and contractors Existence of H&S monitoring indicators (i.e. Frequency index, Incidence index, Severity index) Training hours in prevention of occupational risk)	8	Social Dimension	Business Unit / Project

Code	Criteria	Commitment / Supporting documentation	SDG	Area	Assurance Level
11	R&D Investment	R&D investment (b€)	9	Long Term Value Creation	Corporate
12	Sustainable local insertion	Dialogue with local stakeholders during construction and operational phases via monitoring and analysis of fines, penalties, procedures, arbitrations, complaints, etc.	11	Social Dimension	Project
13	Supporting local communities and their economies	Promotion of local purchases and/or local employment (expenditures on local suppliers)	11	Social Dimension	Corporate
14	Fight against climate change by producing clean energy	Contribution of the asset to avoid/reduce CO_2 emissions	13	Environment Protection	Project
15	Environmental footprint	Elaboration of studies to improve understanding of environmental footprint	14, 15	Environment Protection	Corporate / Business Unit
16	Carbon footprint	Reduction of emissions intensity (CO_2/GWh) respect a base year	13	Environment Protection	Corporate
17	Increase awareness and knowledge on environmental aspects	Existence of environmental knowledge among all categories, based on the internal procedure of training and environmental profiles	14, 15	Environment Protection	Corporate / Project
18	Protection of biodiversity	Mitigation or corrective actions implemented in case of biodiversity incident	14, 15	Environment Protection	Project
19	Promotion of business ethics	Training plan that includes specific ethics programs	16	Long Term Value Creation	Corporate
20	Monitor internal and external respect for Human Rights	Existence of communication and complaint channels enabled in the Group and available for all Group professionals and suppliers	16	Social Dimension	Corporate
21	Training of employees on Human Rights	Training activities that include specific Human Rights aspects	16	Social Dimension	Corporate
22	Promotion of Human Rights	Adherence to UN Global Compact	16	Social Dimension	Corporate
23	Contribution to the respect of Human Rights	Inclusion of human rights clauses in the general conditions of Iberdrola contracts Existence of a human rights risk analysis in main activity countries (Spain, UK, USA, Brazil and Mexico)	16	Social Dimension	Corporate
24[a]	Energy consumption CO_2 emissions	In case of hydro-pumping stations, Electric Mobility and Green H_2 manufacturing and supply, measurement the CO_2 footprint of the consumed electricity, achieving a maximum threshold	7	Environment Protection	Project

3.3. Annex 3: Reporting indicators

Our analysis	Selected excerpt(s) from the framework
The issuer maps the type of project against the UN SDGs and lists the information to be disclosed at the project and the category level.	

3.3. Annex 3: Reporting indicators

Type of Project	SDG	Reporting Indicators
Smart grids	Affordable and clean energy and Climate Change mitigation	Per project: • Name • Type of project (IT systems, Smart meters, Access to energy, Demonstration projects, General networks investment) • Country • Description • Physical indicator i.e. ○ T&D lines (total and attributable km of lines) ○ IT Capex ○ Telecommunicated substations (total and attributable number) ○ Smart meters (total and attributable number) ○ Number of new connections ○ In case of lines related to new renewable capacity: ▪ When applicable and possible, amount of renewable generation capacity connected by the T&D asset (MWh) ▪ Related annual renewable energy produced by the capacity connected by the T&D asset (MWh) ▪ Annual GHG emissions avoided by the renewable generation capacity connected by the T&D asset (tCO_2e per year) For the category: • Invested capital attributable to the Green Financing instrument (€) • Percentage of allocated proceeds vs unallocated proceeds (if there are) (%)
Renewable energy	Affordable and clean energy and Climate Change mitigation	Per installation: • Name • Type of project (wind onshore, wind offshore, hydroelectric, solar) • Country • Operational date • Installed capacity (MW) or lifetime extension (years) • Attributable capacity (MW) or attributable lifetime extension (years) to the financing instrument For each category: • Invested capital attributable to the Green Financing instrument (€) • Annual attributable renewable energy produced (MWh) • Annual attributable GHG emissions avoided (tCO_2e[a] per year) • Percentage of allocated proceeds vs unallocated proceeds (if there are) (%)

Type of Project	SDG	Reporting Indicators
Sustainable Customer Solutions	Affordable and clean energy and Industry, innovation and infrastructure	Per project: • Name • Type of project (Heating electrification, Buildings' efficiency, Distributed generation, Demand side response infrastructure) • Country • Description • Physical indicator i.e. ○ Number of installations ○ Buildings' surface or energy savings ○ Installed capacity in MW For the category: • Invested capital attributable to the Green Financing instrument (€) • Percentage of allocated proceeds vs unallocated proceeds (if there are) (%)
Electric Mobility	Affordable and clean energy and Industry, innovation and infrastructure	Per project: • Name • Type (Charging stations, Associated infrastructure) • Country • Description • Physical indicator i.e. ○ Number of charging stations ○ MW installed at charging stations For the category: • Invested capital attributable to the financing instrument (€) • Percentage of allocated proceeds vs unallocated proceeds (if there are) (%) • Annual attributable GHG emissions avoided (tCO_2e[a] per year)
Green Hydrogen	Industry, innovation and infrastructure and Climate Change mitigation	Per project: • Name • Type (Electrolyser, Associated infrastructure) • Country • Description • Physical indicator i.e. ○ MW H_2 ○ MW Renewable Energy Plant allocated (if any). For the category: • Invested capital attributable to the financing instrument (€) • Percentage of allocated proceeds vs unallocated proceeds (if there are) (%) • H_2 yearly production • Annual attributable GHG emissions avoided (tCO_2e per year)

Appendix 2: High-level comparison of pre-issuance disclosure requirements across international and regional green bond standards

PRE-ISSUANCE DISCLOSURE ITEMS				
Category	**To disclose**	**ICMA GBP**	**CBS**	**ASEAN GBS**
Use of Proceeds	A statement which confirms that the green bond proceeds will be utilised for eligible green projects. These green projects should provide clear environmental benefits which will be assessed and where feasible, quantified by the issuer.	Required		Required
	List of green project categories.	Required		Required
	The environmental objectives which the green projects contribute to.	Required		Required
	List of Nominated projects and assets which are eligible to be associated with the green bond which must be kept up to date during the term of the bond.		Required	
	All nominated projects and assets must meet the documented objectives of the debt instrument as set out in the issuer's green finance framework.		Required	
	Issuers must allocate at least 95% of the net proceeds of the debt instrument to projects and assets that meet the Sector Criteria requirements of the Standard.		Required	
	For any part of the net proceeds that finance projects and assets that do not fully satisfy the Sector Criteria requirements (up to 5%), the issuer must provide detailed disclosures in the green finance framework.		Required	
	Any nominated projects and assets which do not fully satisfy the Sector Criteria may be considered eligible if they meet all of the following conditions: 1. They relate to asset categories or activities or sectors for which Climate Bonds has not yet developed Sector Criteria; and		Required	

PRE-ISSUANCE DISCLOSURE ITEMS				
Category	**To disclose**	**ICMA GBP**	**CBS**	**ASEAN GBS**
Use of Proceeds	2. They fall under any of the project categories listed in the ICMA Green Bond Principles or the ICMA Social Bond Principles; and 3. The verification report opinion confirms their alignment with the ICMA Green/Social Bond Principles; and 4. They do not relate to any of the following excluded activities: i) The exploration, extraction or transportation of proven conventional or unconventional fossil fuel reserves, ii) Natural gas production, iii) Refining crude oil to produce derivative products, iv) Conversion or fragmentation of high-carbon stock (HCS) land or unsustainable operations on HCS land leading to the loss of its status as HCS land.			
	The expected net proceeds of the debt instrument must be no greater than the issuer's total investment exposure to the proposed nominated projects and assets or the relevant proportion of the total market value of the proposed nominated projects and assets owned or funded by the issuer.		Required	
	Nominated projects and assets must not be nominated to other Certified debt Instruments, unless the Issuer demonstrates that distinct portions of the Nominated projects and assets are being funded by different Certified debt Instruments or, the existing Certified debt Instrument is being refinanced via another Certified debt Instrument.		Required	
	Share of financing vs re-financing and the expected look-back period for refinanced eligible green projects (where applicable).	Encouraged		Encouraged
	A statement confirming that the eligible project categories exclude fossil fuel power generation projects.			Required
	All green enabling projects should provide clear environmental benefits and ensure protection against any potential adverse environmental and social impacts.	Required		

PRE-ISSUANCE DISCLOSURE ITEMS				
Category	**To disclose**	**ICMA GBP**	**CBS**	**ASEAN GBS**
Project Evaluation and Selection	The environmental sustainability objectives of the eligible green projects.	Required	Required	Required
	How the climate-related objectives of the debt instrument are positioned within the context of the issuer's overarching objectives, strategy, policy and/or processes relating to environmental sustainability.		Required	
	The process to determine how the projects fit within the eligible green project categories.	Required		Required
	The process to determine whether the Nominated projects and assets meet the eligibility requirements of the Climate Bonds Standard.		Required	
	The issuer's rationale for issuing the bond.		Required	
	Processes to identify and manage perceived social and environmental risks associated with the relevant projects.	Required		Required
	Position the above information within the context of the issuer's overarching objectives, strategy, policy and/ or processes relating to environmental sustainability.	Encouraged		Encouraged
	The alignment of projects with official or market-based taxonomies.	Encouraged		
	The process established to identify mitigants to known material risks of negative social and/ or environmental impacts from the relevant project(s).	Encouraged		Required
	Related Sector Criteria, including any exclusion criteria and any other process, applied to identify and manage potentially material environmental or governance risks associated with the Nominated projects and assets.		Required	
	Any green standards or certifications used in project selection.	Encouraged	Required	Encouraged
	External review report on the process (if any).			Encouraged

PRE-ISSUANCE DISCLOSURE ITEMS				
Category	**To disclose**	**ICMA GBP**	**CBS**	**ASEAN GBS**
Management of Proceeds	How the green bond proceeds will be tracked and managed (e.g. credited to a sub-account, moved to a sub-portfolio for instance).	Required	Required	Required
	How the outstanding green bond proceeds will be tracked and managed, and periodically adjusted to match allocations to eligible green projects.	Required	Required	Required
	The intended types of temporary placement for the balance of unallocated net proceeds.	Required	Required	Required
	Where the prospectus requires the proceeds to be ring-fenced, they must be credited to designated bank accounts that can only fund the specified nominated projects and assets. The issuer must track and monitor all payments from the designated bank accounts.		Required	
	Whether an external auditor or third party will be engaged to verify the internal tracking method and the allocation of funds from the green bond proceeds.	Encouraged		Encouraged
	External review report on the management of proceeds (if any). Report to be publicly available on a website designated by the issuer at the time of the issuance.			Required
Reporting	Commit to providing up to date information on the use of proceeds to be renewed annually until full allocation, and on a timely basis in case of material developments.	Required		
	Commit to reporting to investors at least on an annual basis and if possible, to make more frequent reporting.			Required
	Elaborate on the expected contents of the annual report which should include a list of the projects to which the green bond proceeds have been allocated, a brief description of the projects, the amounts allocated and their expected impact.	Required		Required

PRE-ISSUANCE DISCLOSURE ITEMS				
Category	**To disclose**	**ICMA GBP**	**CBS**	**ASEAN GBS**
Reporting	Commit to presenting information in generic terms or on an aggregated portfolio basis (e.g. percentage allocated to certain project categories) in the event that confidentiality agreements, competitive considerations, or a large number of underlying projects limit the amount of detail that can be made available.	Encouraged		Encouraged
	In the case of impact reporting, to commit to using qualitative performance indicators and where feasible, quantitative performance measures. For quantitative performance measures, the issuer is committed to disclosing the key underlying methodology and/ or assumptions used.	Encouraged		Encouraged
	Refer to and adopt, where possible, the guidance and impact reporting templates provided in the *Harmonised Framework for Impact Reporting*.	Required		
	Whether the annual report will be supplemented by a confirmation by an external reviewer along with any relevant updates of the external review.			Encouraged
	Commit to provide to investors the annual reporting and the external review on the annual reporting, if any, through a website designated by the issuer and/ or annual reports throughout the tenure of the ASEAN green bonds.			Required



Appendix 3: Post-issuance reporting: Iberdrola's Green Bond Annual Report Case Study

In this section, we examine Iberdrola's Green financing returns report for the year 2024.[30] The report covers the corporate green financing transactions excluding other transactions formalised by Avangrid and Neoenergia and their subsidiaries. Iberdrola commits to disclose on an annual basis the list of existing green transactions during the previous year, as well as the environmental impact that its investments in these projects generate during the respective period.

The green financing returns report has been verified by KPMG Auditores, S.L. according to the current version of the framework (December 2023).

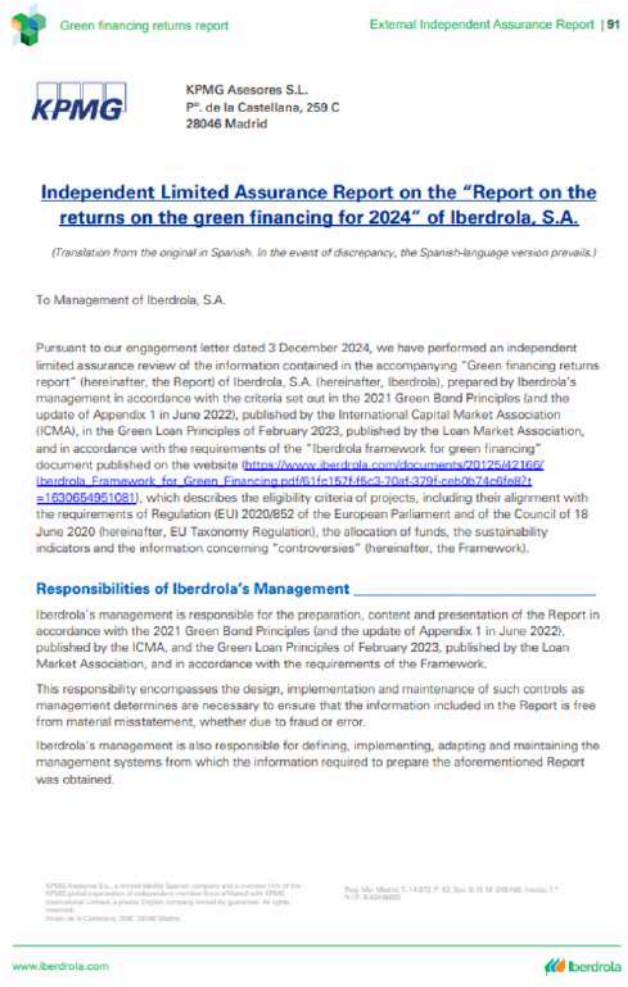
Our analysis	Selected excerpt(s) from the annual report
This issuer states the number of outstanding transactions in its green bond portfolio, the amounts allocated, and other financial information related to each issuance.	"In the capital markets, Iberdrola is the world private leading group in green bonds issued. The company has issued both public and private transactions, including senior and subordinated debt (hybrid bonds), issued by the Corporation or other subsidiaries (Avangrid's green bonds and Neoenergia's green debentures and all other companies under these subholdings). During 2024, Iberdrola's green bond portfolio has included 28 outstanding transactions at some moment. The following table shows their amounts and main features."

Green bonds

ISIN code	Issue date	Issuer	Public / Private placement	Senior / Subordinated	Nominal (€ million)	Maturity	Coupon
XS1398476793	21-Apr-16	Iberdrola International	Public	Senior	1.000	apr-26	1.13%
XS1490726590	15-Sep-16	Iberdrola International	Public	Senior	700	sep-25	0.38%
XS1527758145	07-Dec-16	Iberdrola Finanzas	Public	Senior	750	mar-24[6]	1%
XS1564443759	20-Feb-2017 (extended to 22-Jun-2017)	Iberdrola Finanzas	Private placement	Senior	250	feb-24[6]	Euribor 3 M + 0.67%
XS1575444622	07-Mar-17	Iberdrola Finanzas	Public	Senior	1,000	mar-25	1%
XS1682538183	06-Sep-17	Iberdrola Finanzas	Public	Senior	750	sep-27	1.25%
XS1797138960	26-Mar-18	Iberdrola International	Public	Subordinated	700[7]	Perpetual	2.625%
XS1847692636	28-Jun-18	Iberdrola Finanzas	Public	Senior	750	oct-26	1.25%

30 "Report on the returns on the green financing for 2024". https://www.iberdrola.com/documents/20125/42169/green-financing-returns-report-2024.pdf/b8c4bd68-4c16-ef32-953b-09943cdb5f3c?t=1741359505770

<table>
<tr><th>Our analysis</th><th>Selected excerpt(s) from the annual report</th></tr>
<tr><td>The issuer states that potential material controversies are being monitored and no controversy has been identified.</td><td>“Regarding the potential material controversies associated, Iberdrola has in place a periodic control system, through which the status of those assets being financed by any green financing instrument is monitored, in respect of the applicable eligibility criteria and in order to ensure that the circumstances under they were selected remain unchanged at each moment. In this context, it is worth noting that no controversy has arisen with regards the projects that have been financed or refinanced by the green transactions.”</td></tr>
<tr><td>The issuer provides details of the allocated assets for each bond issued. These details include the type of project, technology, name of project, location, start-up year as well as installed capacity attributable to the bond (MW).</td><td>April 2016 Bond (ISIN code XS1398476793)
Allocated assets
<table>
<tr><th>Area</th><th>Technology</th><th>Name of project</th><th>Location</th><th>Start-up year</th><th>Installed capacity attributable to the bond (MW)[25]</th></tr>
<tr><td>Renewables</td><td>Onshore wind</td><td>Alvao</td><td>Portugal</td><td>2009</td><td>42</td></tr>
<tr><td>Renewables</td><td>Onshore wind</td><td>Puerto de Malaga</td><td>Spain</td><td>2008</td><td>12</td></tr>
<tr><td>Renewables</td><td>Onshore wind</td><td>Cabezas</td><td>Spain</td><td>2009</td><td>17</td></tr>
<tr><td>Renewables</td><td>Onshore wind</td><td>Centenar</td><td>Spain</td><td>2009</td><td>40</td></tr>
<tr><td>Renewables</td><td>Onshore wind</td><td>Majal Alto</td><td>Spain</td><td>2009</td><td>50</td></tr>
<tr><td>Renewables</td><td>Onshore wind</td><td>Retuerta</td><td>Spain</td><td>2009</td><td>38</td></tr>
<tr><td>Renewables</td><td>Onshore wind</td><td>Saucito</td><td>Spain</td><td>2009</td><td>30</td></tr>
<tr><td>Renewables</td><td>Onshore wind</td><td>Tallisca</td><td>Spain</td><td>2009</td><td>40</td></tr>
<tr><td>Renewables</td><td>Onshore wind</td><td>Valdefuentes</td><td>Spain</td><td>2009</td><td>28</td></tr>
<tr><td>Renewables</td><td>Onshore wind</td><td>Torrecilla</td><td>Spain</td><td>2009</td><td>16</td></tr>
<tr><td>Renewables</td><td>Onshore wind</td><td>Coterejon II</td><td>Spain</td><td>2009</td><td>6</td></tr>
<tr><td>Renewables</td><td>Onshore wind</td><td>Lirios</td><td>Spain</td><td>2010</td><td>48</td></tr>
<tr><td>Renewables</td><td>Onshore wind</td><td>Nogueira</td><td>Spain</td><td>2010</td><td>3</td></tr>
<tr><td>Renewables</td><td>Onshore wind</td><td>Espartal</td><td>Spain</td><td>2012</td><td>6</td></tr>
<tr><td>Renewables</td><td>Onshore wind</td><td>Torrecilla II</td><td>Spain</td><td>2012</td><td>22</td></tr>
<tr><td>Renewables</td><td>Onshore wind</td><td>Las Cabras</td><td>Spain</td><td>2012</td><td>22</td></tr>
<tr><td>Renewables</td><td>Onshore wind</td><td>Carrascosa</td><td>Spain</td><td>2006</td><td>9</td></tr>
<tr><td>Renewables</td><td>Onshore wind</td><td>Areclecch</td><td>United Kingdom</td><td>2011</td><td>120</td></tr>
<tr><td>Renewables</td><td>Solar Photovoltaic</td><td>Andévalo</td><td>Spain</td><td>2020</td><td>10</td></tr>
<tr><td>Renewables</td><td>Solar Photovoltaic</td><td>Barcience</td><td>Spain</td><td>2021</td><td>10</td></tr>
</table></td></tr>
<tr><td>The issuer explains the calculation method for quantitative metrics.</td><td>“The installed capacities attributable to each green operation are calculated based on the total installed capacity of each asset, adjusted according to the amount allocated to it in each operation (relative to the total amount of the investment).”</td></tr>
<tr><td>For each bond, the issuer also discloses the total amount invested by area (i.e. type of project)</td><td>Total amount invested by area
<table>
<tr><th>Area</th><th>Investment allocated to the bond (€ millions)</th></tr>
<tr><td>Renewables</td><td>1,000</td></tr>
</table></td></tr>
<tr><td>The issuer discloses the sustainability indicators used, the calculation method as well as the information sources referenced.</td><td>Sustainability indicators
<table>
<tr><th>Installed capacity attributable to the bond (MW)</th><th>2024 production attributable to the bond (GWh)</th><th>CO_2 avoided due to the bond (Tm)[26]</th></tr>
<tr><td>965</td><td>1,335</td><td>141,720</td></tr>
</table>
“CO_2 avoided reported in the 2024 Green Financing Returns Report have been calculated as the product of the production attributable to each operation and the emission factor corresponding to the country where the assets are geographically located. Sources: REE, DEFRA, European Environment Agency, CRE, Australian Government: Clean Energy Regulator, U.S. Environmental Protection Agency (US EPA).”</td></tr>
</table>

Our analysis	Selected excerpt(s) from the annual report
The issuer publishes the external review on the annual report.	

KPMG Asesores S.L.
Pº. de la Castellana, 259 C
28046 Madrid

Independent Limited Assurance Report on the "Report on the returns on the green financing for 2024" of Iberdrola, S.A.

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

To Management of Iberdrola, S.A.

Pursuant to our engagement letter dated 3 December 2024, we have performed an independent limited assurance review of the information contained in the accompanying "Green financing returns report" (hereinafter, the Report) of Iberdrola, S.A. (hereinafter, Iberdrola), prepared by Iberdrola's management in accordance with the criteria set out in the 2021 Green Bond Principles (and the update of Appendix 1 in June 2022), published by the International Capital Market Association (ICMA), in the Green Loan Principles of February 2023, published by the Loan Market Association, and in accordance with the requirements of the "Iberdrola framework for green financing" document published on the website (https://www.iberdrola.com/documents/20125/42166/Iberdrola_Framework_for_Green_Financing.pdf/61fc157f-f5c3-70af-379f-cab0b74c6fe8?t=1630654951081), which describes the eligibility criteria of projects, including their alignment with the requirements of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 (hereinafter, EU Taxonomy Regulation), the allocation of funds, the sustainability indicators and the information concerning "controversies" (hereinafter, the Framework).

Responsibilities of Iberdrola's Management

Iberdrola's management is responsible for the preparation, content and presentation of the Report in accordance with the 2021 Green Bond Principles (and the update of Appendix 1 in June 2022), published by the ICMA, and the Green Loan Principles of February 2023, published by the Loan Market Association, and in accordance with the requirements of the Framework.

This responsibility encompasses the design, implementation and maintenance of such controls as management determines are necessary to ensure that the information included in the Report is free from material misstatement, whether due to fraud or error.

Iberdrola's management is also responsible for defining, implementing, adapting and maintaining the management systems from which the information required to prepare the aforementioned Report was obtained.



Appendix 4: High-level comparison of post-issuance disclosure requirements across international and regional green bond standards

POST-ISSUANCE DISCLOSURE ITEMS				
Category	**To disclose**	**ICMA GBP**	**CBS**	**ASEAN GBS**
Reporting	Include a list of the projects to which the green bond proceeds have been allocated, a brief description of the projects, the amounts allocated and their expected impact.	Required		Required
	Present information in generic terms or on an aggregated portfolio basis (e.g. percentage allocated to certain project categories) in the event that confidentiality agreements, competitive considerations, or a large number of underlying projects limit the amount of detail that can be made available.	Encouraged		Encouraged
	In the case of impact reporting, qualitative performance indicators and where feasible, quantitative performance measures are used. For quantitative performance measures, the issuer provided the key underlying methodology and/ or assumptions used.	Encouraged		Encouraged
	Where applicable, reference is made to the guidance and impact reporting templates provided in the Harmonised Framework for Impact Reporting.	Required		
	Provide an Update Report which includes allocation and eligibility reporting, and where required, impact reporting. This must be provided to the Climate Bonds Secretariat and made publicly available or provided annually to the bondholders/ lenders for as long as the green bond(s) remain(s) outstanding.		Required	
	The Allocation Reporting must include, without limitation: 1. Confirmation that the bonds issued under the issuer's green finance framework are aligned with the Climate Bonds Standard. 2. A statement on the climate-related objectives of the bond.		Required	

POST-ISSUANCE DISCLOSURE ITEMS				
Category	**To disclose**	**ICMA GBP**	**CBS**	**ASEAN GBS**
Reporting	3. The list of Nominated projects and assets to which Net Proceeds have been allocated (or re-allocated). 4. The amounts allocated to the Nominated projects and assets. 5. An estimate of the respective shares of the Net Proceeds used for financing and refinancing and which Nominated projects and assets have been refinanced. This may also include the expected look-back period for refinancing Nominated projects and assets. 6. The geographical distribution of the Nominated projects and assets.			
	The Eligibility Reporting must include the following, without limitation: 1. Confirmation that the Nominated projects and assets continue to meet the relevant eligibility requirements applicable when obtaining the Certification. 2. Information on the environmental characteristics or performance of Nominated projects and assets, which is prescribed by the relevant Sector Criteria. 3. The percentage of the Use of Proceeds allocated to, and detailed description of, the Nominated projects and assets which do not fully satisfy the Sector Criteria, where the issuer has made use of the 5% flexibility pocket.		Required	
	Where there are limits on the detail that can be made available in the Update Report about specific Nominated projects and assets, information disclosed must include the investment areas into which the Nominated projects and assets fall and an explanation of why detail on Nominated projects and assets is limited.		Required	
	The impact reporting shall, without limitation, provide the following information: 1. The expected or actual outcomes or impacts of the Nominated projects and assets concerning the climate-related objectives of the bond.		Required	

POST-ISSUANCE DISCLOSURE ITEMS				
Category	**To disclose**	**ICMA GBP**	**CBS**	**ASEAN GBS**
Reporting	2. State qualitative performance indicators and, where feasible, quantitative performance measures of the outcomes or impacts of the Nominated projects and assets for the climate-related objectives of the bond. 3. The methods and the key underlying assumptions for the calculation of the performance indicators and metrics.			
	Report to investors at least on an annual basis and if possible, to make more frequent reporting on the use of proceeds until full allocation, and on a timely basis in the case of material developments.			Required
	It is recommended to supplement the annual report with a confirmation of such use of proceeds by an external reviewer along with any relevant updates of the external review.			Encouraged
	Make available to the public or to the bondholders any verification reports or other relevant material which supports the Update Report.		Required	
	Provide to investors the annual reporting and the external review on the annual reporting, if any, through a website designated by the issuer and/ or annual reports throughout the tenure of the ASEAN green bonds.			Required

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