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ASSESSMENT
4 April 2023

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Bank of Cyprus Holdings Public Limited Company

Second Party Opinion – Sustainable Finance Framework Assigned SQS2 Sustainability Quality Score

Summary

We have assigned an SQS2 Sustainability Quality Score (very good) to Bank of Cyprus Public Company Limited's (Bank of Cyprus) Sustainable Finance Framework dated 4 April 2023. The bank has established its use-of-proceeds framework to finance projects across six eligible categories, of which four are green and two are social. Bank of Cyprus has described the main characteristics of the sustainable financing instruments within a formalized financing framework that is aligned with the International Capital Market Association's (ICMA) Green Bond Principles 2021 (including June 2022, Appendix 1), Social Bond Principles 2021 (including June 2022, Appendix 1) and Sustainability Bond Guidelines 2021, and the Loan Market Association, the Asia Pacific Loan Market Association and the Loan Syndications & Trading Association's (LMA/APLMA/LSTA) Green Loan Principles 2023 and Social Loan Principles 2023. The framework also demonstrates a high contribution to sustainability.

Sustainability quality score

SQS2

SQS5 Weak | SQS4 Intermediate | SQS3 Good | SQS2 Very good | SQS1 Excellent

Alignment with principles

USE OF PROCEEDS

Overall alignment

Not aligned | Partially aligned | Aligned | Best practices

FACTORS	ALIGNMENT
Use of proceeds	
Evaluation and selection	
Management of proceeds	
Reporting	

Contribution to sustainability

Overall contribution

Poor | Limited | Moderate | Significant | High

Expected impact
Relevance and magnitude

ADJUSTMENTS	
ESG risk management	No adjustment
Coherence	No adjustment

Scope

We have provided a Second Party Opinion (SPO) on the sustainability credentials of the Bank of Cyprus' Sustainable Finance Framework, including the framework's alignment with the ICMA's Green Bond Principles 2021 (including June 2022, Appendix 1), Social Bond Principles 2021 (including June 2022, Appendix 1) and Sustainability Bond Guidelines, and the Green Loan Principles 2023 and Social Loan Principles 2023 of the LMA/APLMA/LSTA. Under its framework, the Bank of Cyprus plans to issue use-of-proceeds green, social, or sustainability bonds and loans to finance projects across four green categories and two social categories, as outlined in Appendix 2 of this report.

Our assessment is based on the Bank of Cyprus' Framework dated on 4 April 2023, and our opinion reflects our point-in-time assessment of the details contained in this version of the framework, and other public and nonpublic information provided by the bank.

We produced this SPO based on our Framework to Provide Second Party Opinions on Sustainable Debt, published in October 2022.

Issuer profile

Bank of Cyprus Public Company Limited (Bank of Cyprus) is a full-fledged commercial bank based in Cyprus and is the main operating subsidiary of Bank of Cyprus Holdings Public Limited Company (Bank of Cyprus Holdings). The bank also has a real estate management unit responsible for the management and disposal of property acquired in debt satisfaction. As of 31 December 2022, Bank of Cyprus was the largest bank in Cyprus, with assets of €25.4 billion and market shares of 37.2% in terms of deposits and 40.9% in terms of loans. Most of Bank of Cyprus' loans are granted in Cyprus, following the divestment of its overseas noncore operations. The bank's sustainability strategy encompasses regulatory requirements and integration of environmental, social and governance (ESG) considerations into its risk management framework, but also the provision of sustainable products and services, such as loans for electric and hybrid vehicles or home renovation loans for improving energy efficiency.

Strengths

» Financing best-in-class projects under renewable energy and energy efficiency

» Comprehensive and transparent project evaluation and selection process, including robust environmental and social risk mitigation practices

» Clearly defined and relevant environmental and social objectives associated with all eligible categories

» Disclosure of the estimated distribution of proceeds among the six eligible categories

Challenges

» No independent verification of the impact reporting on environmental and social benefits or externalities associated with the financed projects

Alignment with principles

Bank of Cyprus' Sustainable Financing Framework is aligned with the four core components of the ICMA's Green Bond Principles 2021 (including June 2022 Appendix 1), Social Bond Principles 2021 (including June 2022 Appendix 1), and Sustainability Bond Guidelines 2021, and the Green Loan Principles 2023 and Social Loan Principles 2023 of the LMA/APLMA/LSTA:

- ☑ Green Bond Principles (GBP)
- ☑ Social Bond Principles (SBP)
- ☑ Green Loan Principles (GLP)
- ☑ Social Loan Principles (SLP)
- ○ Sustainability-Linked Bond Principles (SLBP)
- ○ Sustainability Linked Loan Principles (SLLP)

Use of proceeds

Not aligned | Partially aligned | Aligned | Best practices ▼

Clarity of the eligible categories – BEST PRACTICES

Bank of Cyprus has clearly and comprehensively communicated the nature of the spending, the eligibility criteria, including relevant exclusion criteria, and the location for all eligible categories. Eligible projects will be located primarily in Cyprus. Energy efficiency projects will also be located in Greece. The target population for the two social categories is also clear. The framework includes granular descriptions of the eligible projects to be financed, including references to internationally recognized technical thresholds and certifications.

Clarity of the environmental or social objectives – BEST PRACTICES

Bank of Cyprus has clearly outlined relevant and coherent environmental and social objectives for all six eligible categories. These objectives include climate change mitigation, increasing and improving healthcare infrastructure capacity for all, and supporting employment generation. The framework has referenced relevant United Nations' (UN) Sustainable Development Goals (SDGs) and associated targets in articulating the objectives of the eligible categories.

Clarity of expected benefits – BEST PRACTICES

Bank of Cyprus has identified clear and relevant expected environmental and social benefits for all six eligible categories. The benefits are measurable for all project categories and will be quantified for all categories in the reporting. The issuer has defined a maximum look-back period limited to 3 years prior to the issuance and has committed in internal documentation to transparently communicate the estimated share of refinancing before each issuance.

Best practices identified

» Eligibility criteria are clearly defined for all project categories

» Objectives set are defined, relevant and coherent for all project categories

» Relevant benefits are identified for all project categories

» Benefits are measurable and quantified for most projects, either ex-ante with clear baselines or with a commitment to do so in future reporting

» Commitment to transparently disclose the share of proceeds used for refinancing where feasible

» Commitment to transparently communicate the associated look-back period where feasible

Process for project evaluation and selection

Not aligned	Partially aligned	Aligned	Best practices ▼

Transparency and quality of process for defining eligible projects – BEST PRACTICES

Bank of Cyprus has established a clear and structured process for the evaluation and selection of eligible projects, including detailed decision-making criteria, and roles and responsibilities formalized in its publicly available framework. The process relies on relevant internal expertise and more precisely on the existence of a Sustainable Financing Working Group (SFWG), consisting of a funding team, an ESG risk team, an investor relations and ESG team, and relevant business lines. The SFWG is chaired by the treasury director and meets at least biannually to identify, approve and monitor eligible projects, to ensure continued compliance with the framework while any relevant instruments are outstanding. The SFWG is also responsible for reviewing the annual allocation and impact reporting. The SFWG commits to removing projects from the eligible asset pool that no longer meet the eligibility criteria. In addition, it also assesses any controversies that may arise in relation to an eligible project and, on this basis, may choose to recommend the removal of said project from the eligible asset pool. For any new products, Bank of Cyprus has established a New Products Forum (NPF) that provides a forum for discussing the launch of new products and services, where proposals are submitted to the Asset and Liability Committee for approval. The details of any new product should be first communicated to a representative of the SFWG, which will determine whether the product is eligible for sustainable finance, ensuring that all its Sustainable Finance Framework criteria are met, consequently providing its recommendation to the NPF. The traceability of the decision-making process is ensured through meeting minutes.

Environmental and social risk mitigation process – BEST PRACTICES

The environmental and social risk mitigation process is disclosed in the framework. The management of such risks includes initial assessments and screenings (that is, preventive measures), as well as corrective measures. Material environmental and social risks are assessed across eligible projects against Bank of Cyprus' Lending Policy and its Environmental and Social Policy, both of which were communicated to us during the SPO process. Any potential ESG controversies linked to an eligible project are monitored in line with the Reputation Risk Policy.

Best practices identified

» The roles and responsibilities for project evaluation and selection are clearly defined and include relevant expertise

» There is evidence of continuity in the selection and evaluation process through the life of the financial instrument(s), including compliance verification and procedures to undertake mitigating actions when needed

» The process for project evaluation and selection is traceable

» Material environmental and social risks for most project categories are identified

» Presence of corrective measures to address environmental and social risks across projects

» ESG controversies are monitored

Management of proceeds

Not aligned | Partially aligned | Aligned | **Best practices** ▼

Allocation and tracking of proceeds – BEST PRACTICES
The proceeds will be placed in Bank of Cyprus' general treasury and appropriately tracked to ensure usage in accordance with Bank of Cyprus' Sustainable Finance Framework. The eligible asset portfolio is monitored on an ongoing basis by the SFWG. The allocations will be reviewed twice a year to ensure that the aggregate amount of eligible projects is at least equal to the total outstanding amount of Bank of Cyprus' sustainable financing instrument(s). The allocation period will be of 24 months or less and all recommended management of proceeds elements are disclosed in the framework.

Management of unallocated proceeds – BEST PRACTICES
Any temporary unallocated proceeds will be invested according to the general liquidity management guidelines of the bank, and in line with its environmental and social policy. The latter policy includes some controversial activities, including the extraction of fossil fuels with a specific extraction limit. The issuer has also confirmed in internal documentation that the exclusion criteria defined in the framework also applies to temporary placements. Bank of Cyprus asserts it will use its "best efforts" to substitute any eligible projects that no longer qualify as soon as qualifying substituting assets are identified.

Best practices identified

» Broad disclosure of a clearly articulated and comprehensive management of proceeds policy to external stakeholders; bondholders or lenders at a minimum

» Short allocation period, for example typically less than 24 months

» Disclosure on temporary placement and presence of exclusion criteria toward environmentally or socially harmful activities

» Commitment to reallocate proceeds to projects that are compliant with the framework

Reporting

Not aligned | Partially aligned | **Aligned** ▼ | Best practices

Transparency of reporting – ALIGNED
The bank will report annually on the use of proceeds of bonds issued under its framework, and this reporting will be made publicly available on its website. Reporting will occur until full allocation of funds and in case of any material developments, issues or controversies related to the projects or assets.

The bank has stated that reporting will include the amount of proceeds allocated at the category level, as well as the likely sustainable benefits of the projects, measured in terms of both environmental and social impact indicators. Where appropriate, the bank intends to use case studies outlining qualitative or quantitative metrics, or both, to discuss project impacts.

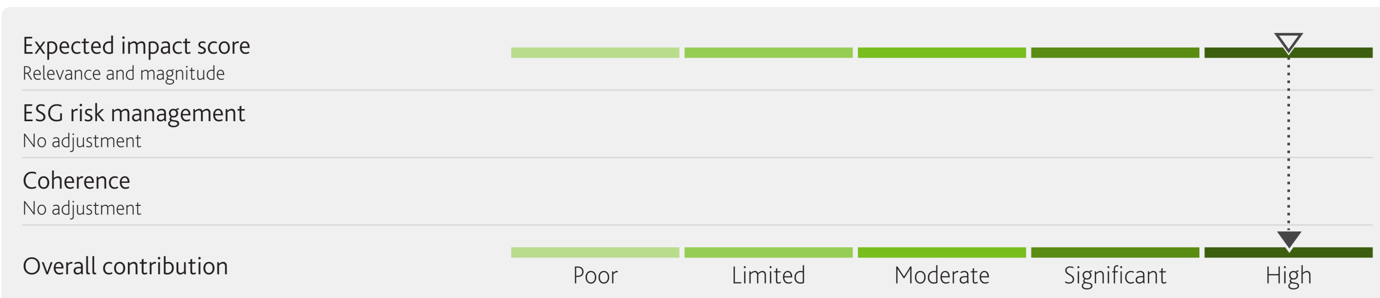
The bank has identified relevant environmental and social reporting indicators for each eligible category and has clearly disclosed these indicators in its framework. The calculation methodologies and assumptions used for the environmental and social indicators will be published at the time of reporting. The company will employ an independent external auditor to verify the tracking and allocation of funds to eligible projects or categories, at least until full allocation of proceeds and in case of material changes. There will not be, however, an independent impact assessment of the environmental and social benefits, or of externalities associated with the financed projects.

Best practices identified

- Reporting covers material developments and issues related to the projects or assets
- Reporting on allocation of proceeds and benefits done at least at eligible category level
- Clear and relevant indicators to report on the expected environmental/social impact of all the projects, where feasible, or eligible categories
- Disclosure of reporting methodology and calculation assumptions to bondholders or lenders at a minimum
- Independent audit of the tracking and allocation of funds at least until full allocation and in case of material changes

Contribution to sustainability

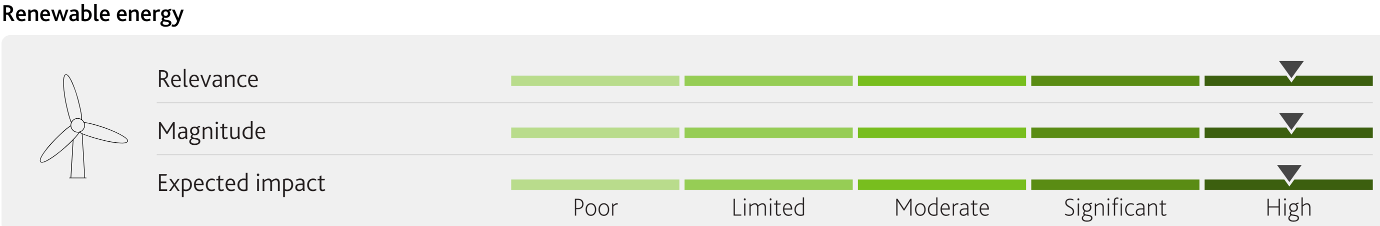
The framework demonstrates a high expected contribution to sustainability.



Expected impact

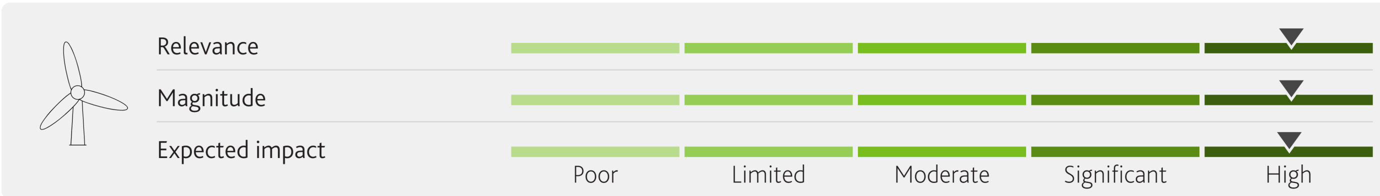
The expected impact of the eligible projects on environmental objectives is high. The bank has provided the estimate distribution of proceeds to the six eligible categories. Thus, we have weighted the categories accordingly for the purpose of assessing their contribution to sustainability. Detailed assessment by eligible category is provided below.

Renewable energy



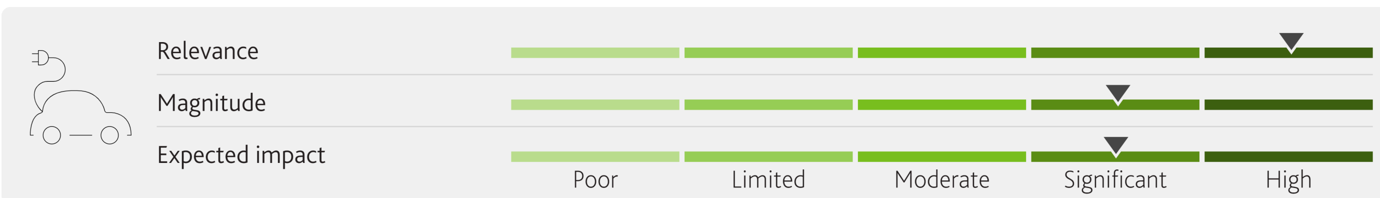
Under this category, the bank is planning to invest in or finance renewable energy projects comprising, wind, solar (photovoltaic panels only), geothermal, and waste biomass. Increasing the share of renewable energy in the energy mix is a key issue in Cyprus which has a highly carbon-intensive energy mix. In Cyprus, according to the International Energy Agency (IEA), 98.5% of electricity generated in 2020 came from oil. The specific solar, wind, geothermal, and waste biomass projects, and general criteria established by the bank use the most advanced technologies and stringent thresholds concerning clean energy and avoid any potential negative lock-in effects, supporting a structurally positive and sustainable impact. By following the European Union (EU) Climate Delegated Act screening criteria and, for waste biomass projects, including criteria to ensure that feedstock do not compete with food production or contribute to deforestation, the category demonstrates adherence to stringent standards. Overall, this category is highly likely to advance the environmental objective of mitigating climate change by significantly reducing greenhouse gas emissions.

Energy efficiency



Under this category, the bank plans to finance projects related to the installation of energy-efficient heating, ventilation, air conditioning, and refrigeration solutions, as well as the construction and retrofitting of electricity distribution infrastructure. In general, activities related to efficiency gains for heating and cooling, and the replacement of outdated technologies and infrastructure play an important role in improving energy performance. The projects are of high relevance and respond to sustainability challenges relevant to both the Cypriot and Greek economies in which projects under this category will be located. Bank of Cyprus aims to contribute to the claimed objectives by adopting internationally recognized standards, including the same thresholds used by the EU taxonomy (such as a 30% minimum improvement threshold for the efficiency of new appliances installed). Heating and cooling, and electricity infrastructure, are likely to have a significant positive and sustainable impact while avoiding possible lock-in effects. Inherent risks such as leakage of refrigerant gases (which are potent greenhouse gases) are managed through the bank's environmental and social lending policy.

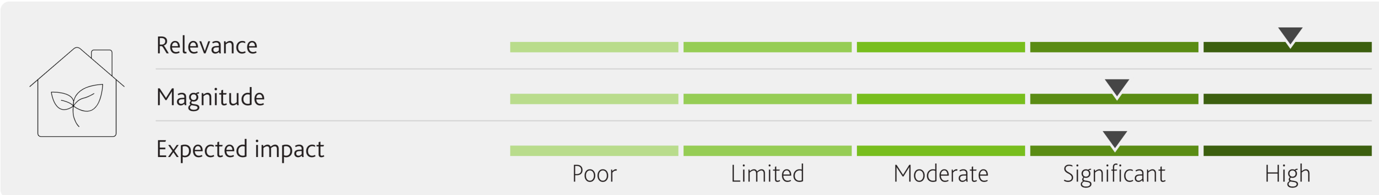
Clean transportation



Under this category, the bank plans to finance low-emission and zero-emission vehicles; low- and zero-emission public transportation vehicles; and various forms of mass transit, including light rail systems, metros, trams, and trolley buses. According to global data from the IEA, transport emissions have risen faster than any other end-use sector over the last 30 years[1]. To get on track with the Net Zero Emissions by 2050 Scenario, carbon dioxide (CO_2) emissions from the sector must fall by about 3% per year to 2030[2]. Therefore, activities related to public transportation and zero-emission vehicles play an important role in ensuring a sustainable low-carbon transition for the transport sector. The projects are of high relevance and respond to sustainability challenges relevant to the Cypriot economy. Currently, road transport emissions constitute 23% of all Cypriot emissions[3]. The financing of zero-emission public and mass transportation systems in particular is relevant to the issue of sustainable mobility because it is increasingly acknowledged as one of the main transition factors of the transport sector. The specific assets eligible under this category (light rail transit, metro, trams, trolley buses and buses) are highly relevant, as they have considerable life spans and allow for the transportation of large groups of people, a key environmental consideration.

We consider the magnitude of this category "significant" rather than "high" because of the lock-in effect expected from the financing of low-emission vehicles (that is, vehicles that still have an internal combustion engine mechanism). No commitment has been identified to ensure that these vehicles meet the emissions thresholds of 50g CO2eq per p-km(passenger activity threshold) until 2026 and 0g beyond. Additionally, the fact this category allows for financing private vehicles means that it is likely to have a lower environmental impact than a category focused solely on mass transit. Finally, Cyprus' energy mix remain heavily carbon-intensive which raises additional concerns for this project category, as even fully electric vehicles will be operating on carbon-intensive electricity. Nevertheless, the benefits are expected to increase over time with the country's changing energy mix[4] and lowered grid emissions intensity.

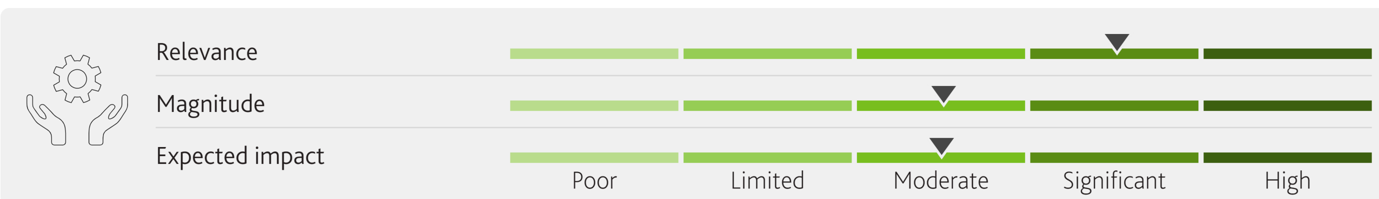
Green buildings



Buildings are a key sector for the low-carbon transition because the real estate and construction sectors together are responsible for 30% of total global final energy consumption[5]. To align with the IEA Net Zero Scenario, carbon emissions from buildings operations would need to more than halve by 2030. In the local context of this framework, the local need for better buildings is particularly high. For instance, in Cyprus, 91% of buildings were built before any energy efficiency requirements[6], had been implemented in the country.

This eligible category includes the construction and acquisition of buildings following very good, widely recognized, international or national standards of certification, which reduce the ecological footprint of buildings. Although these certifications are in line with market practices, best-in-class certifications (for example, BREEAM outstanding and excellent, LEED Platinum, DGNB Platinum) are not required as part of the eligibility criteria. It is also worth noting that the category includes new construction, which has an absolute effect on energy consumption and on land use, and therefore has a less positive impact compared with renovation. As far as acquisition is concerned, acquiring already energy-efficient buildings contributes to a lesser degree to the transition of the building sector (as opposed to acquiring less-energy-efficient buildings with the objective to renovate them and upgrade their EPC class for example). Nevertheless, the category also encompass building renovations and refurbishments, which must demonstrate an improvement in energy efficiency that results in an annual reduction of primary energy demand on a square-meter basis of at least 30%. Eligible projects following this threshold will meet stringent international standards, and contribute to energy efficiency of buildings and the objective of climate change mitigation.

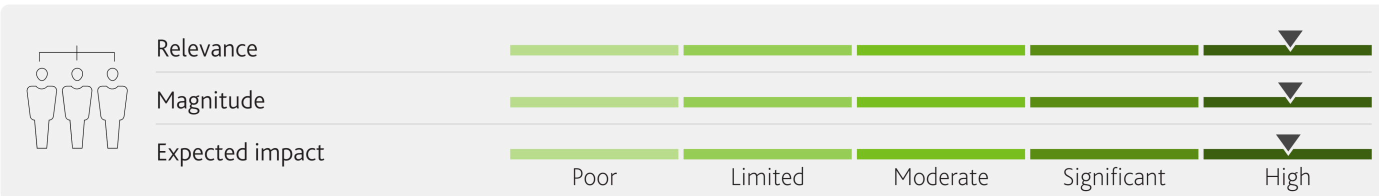
Access to essential services - healthcare



Cyprus is exposed to high risks in healthcare services according to our sovereign social risk assessment scores. Similarly, the SDG dashboard index shows that significant challenges remain for Cyprus to achieve SDG 3 on good health and well-being. According to the World Health Organization (WHO),[7] access to healthcare and financial protection deteriorated in Cyprus following health budget cuts and coverage restrictions in 2012-15. A study by the WHO also showed that, historically in Cyprus, catastrophic (out-of-pocket) healthcare expenditure affected older people and people who were publicly covered and do not have voluntary health insurance. However, major reforms were introduced in 2019, including a new National Health System, to help address long-standing problems in the healthcare system. This new system aims to eradicate inequity, protect beneficiaries from catastrophic healthcare expenditure, and offer the full spectrum of health services.

The eligible category includes building new and expanding existing healthcare services; retrofitting or improving the quality of the existing healthcare facilities and spaces, equipment, and IT systems; and provision of medical equipment and consumable material. The affordability of the service that will be provided through the eligible projects will depend on Cyprus' healthcare system and the availability of public funding for patients in the country's healthcare system. The issuer has communicated in internal documentation that the eligible projects financed under this category will be either public or private facilities that are subsidized by the National Health System of Cyprus. According to the WHO,[8] eligibility subsidies for some treatments and procedures in the private sector are determined by a medical board, with the approval of the Ministry of Health, following an assessment of an individual's income and medical needs. Additionally, the bank reports that the subsidy scheme works via a reimbursement approach. Overall, the projects under this category can help improve the access to healthcare infrastructure and needs over the long term. However, the broad definition of the target population may limit accessibility and affordability of the most vulnerable populations and marginalized groups to the expected social benefit. The issuer reports to not have access to data on the most disadvantaged or needy subsets of the population, and therefore it finances healthcare in a way that does not preclude access to anyone (allowing maximum people covered) while also allowing the healthcare facilities to target the most vulnerable people. Additionally, the social impact of the category may be limited depending on the type of care provided by private facilities. Although the issuer has provided some background information on the healthcare system of Cyprus, we lack visibility into whether all, or at least most, of the services and procedures performed at the eligible private facilities are fully covered by the Cypriot national health system (GESY). Nevertheless, the issuer has reported that for loans in the healthcare industry, GESY participation is one of the main parameters examined by the bank and failure by the borrower to use the loan amount as agreed, constitutes breach of the loan agreement.

Employment generation and SME financing



The category aims to promote employment by small and medium-sized enterprises (SMEs) in Cyprus. Employment remains an important concern in the country. While the unemployment rate has fallen somewhat from the highs reached during the European financial crisis, it is still among the highest in the euro area and European Union. In December 2022, Cyprus's seasonally adjusted unemployment rate was the EU's fourth-highest at 7.7%.[9] In Cyprus, 84% of all employment comes from SMEs, making these kinds of companies particularly relevant.[10] Specific types of projects envisioned by the bank under this category include financing loans for SMEs, training programs, and the promotion of entrepreneurship. SMEs are considered a vulnerable target population as they typically struggle to access finance and the impact of the coronavirus pandemic was particularly severe for them, emphasizing the need to generate social impact by supporting their recovery. The bank's loan programs targeting SMEs and women-owned businesses are financed under this category with defined eligibility criteria to ensure support for a highly relevant target population. In addition, the bank reports that it offers some extra-financial services to help empower the target population, including financial awareness support and assistance to local companies in their overseas expansion.

ESG risk management

We have not applied a negative adjustment for ESG risk management to the expected impact score.We found that Bank of Cyprus appears to appropriately identify, assess and manage potential ESG risks associated with the eligible projects, mainly via its Environmental and Social Policy that governs its lending. The bank verifies acceptable levels of ESG risks (for new lending to legal entities) by screening out customers who carry out activities that appear on the European Bank for Reconstruction and Development's (EBRD) “Exclusion and Referral Sectors” list and making an initial assessment for the environmental and social risks. For customers assessed as medium or high risk, additional due diligence is carried out. The bank was transparent in detailing to us the measures it has in place to prevent overindebtedness, and assess the credit capacities of beneficiaries and inform them of the conditions, rights and responsibilities of loans. The bank systematically undertakes environmental assessments for project, structured and asset financing. The previously mentioned due diligence reports cover matters such as separation of waste streams, recycling and partnership with licensed operators, noise and dust measurements, among others, and a review of the customer's environmental management policy, if applicable.

Coherence

We have not applied a negative adjustment for coherence to the expected impact score. Projects financed under Bank of Cyprus' Sustainable Finance Framework align with its broader sustainability priorities as shown by its strategic Paris alignment scheme, which aims to quantify and set a transparent climate strategy to decarbonize its operations and portfolio. Under this plan, Bank of Cyprus' objective is to become carbon neutral by 2030 and reach Net Zero by 2050. The bank's climate concerns are evidenced by, among other endeavours, its offering of products like specific loans for environmentally-friendly home renovations, loans for the installation of home energy-saving systems, and loans for clients wanting to acquire an electric or hybrid car. In addition to its climate mitigation objectives, the bank's strategic approach to sustainability includes alignment with relevant SDGs for its activity such as supporting startups and SMEs (SDG 8). Through its Idea Innovation Centre, 74 startups had been financially supported and 90+ new jobs created by year-end 2021, with €16.1 million in loans issued as part of European Funding Projects that same year. Among other expected spending, additional investments under the framework to promote employment generation, especially for SMEs and women-owned enterprises, demonstrate a clear and coherent rationale with the Bank of Cyprus' broader policies.

Appendix 1 - Mapping eligible categories to the UN's SDGs

The six eligible categories included in Bank of Cyprus framework are likely to contribute to five of the UN's SDGs, namely:

UN SDG 17 Goals	Eligible Category	SDG Targets
GOAL 3: Good Health and Well-being	Access to essential services - Healthcare	3.8: Achieve universal health coverage with access to quality and affordable essential health-care services and medicines for all
		6.4: Increase water-use efficiency across all sectors and ensure sustainable supply of freshwater to reduce water scarcity
GOAL 7: Affordable and Clean Energy	Renewable energy	7.A: Enhance international cooperation and promote investment for clean energy infrastructure, research and technology
	Energy Efficiency	7.2: Increase substantially the share of renewable energy in the global energy mix
	Green Buildings	7.3: Double the global rate of improvement in energy efficiency
GOAL 8: Decent Work and Economic Growth	Employment Generation and SME Financing	8.3: Promote policies that support productivity, job creation, entrepreneurship, innovation, and encourage the growth of SMEs
		8.6: Substantially reduce the proportion of youth not in employment, education or training
GOAL 11: Sustainable Cities and Communities	Clean Transportation	11.2: Provide access to safe, affordable, accessible and sustainable transport systems for all
GOAL 13: Climate Action	Renewable Energy Energy Efficiency Clean Transportation Green Buildings	UN SDG 13 consists of taking urgent action to combat climate change and its impacts. Financial institutions can contribute to this goal by investing in reducing GHG emissions from their operations and value chains.

The UN's SDGs mapped in this SPO consider the eligible project categories (or key performance indicators) and associated sustainability objectives/benefits documented in the issuer's financing framework, as well as resources and guidelines from public institutions, such as the ICMA's SDG Mapping Guidance and the UN's SDG targets and indicators.

Appendix 2 - Summary of eligible categories in Bank of Cyprus' framework

Eligible Category	Description	Sustainability Objectives	Impact Reporting Metrics
Renewable Energy	Projects related to the production, transmission, distribution, and battery storage of energy from renewable sources including: - Wind - Solar (photovoltaic technology) - Geothermal with lifecycle GHG emissions <100gCO2/kWh - Waste biomass	Climate Change Mitigation	GHG emissions avoided (tCO2e) Electricity generated (MWh) Renewable capacity (MW)
Energy efficiency	Projects to reduce energy consumption, to include: -Installation of efficient heating, cooling, ventilation, or refrigeration with at least 30% energy saving Projects to improve electricity distribution, where: -More than 67% of newly enabled generation capacity is <100gCO2e/kWh over its life cycle -Average grid emissions <100g CO2e/kWh	Climate Change Mitigation	Energy savings (MWh) GHG emissions avoided (tCO2e)
Clean transportation	Financing and projects including: -Low and zero emissions vehicles, and public transport vehicles (<50g CO2/p-km) -Mass transit systems -Zero emissions land transport, e.g. light rail, metro, tram, trolleybus, electric buses	Climate Change Mitigation	GHG emissions avoided (tCO2e) Passenger-kilometers Number of EVs deployed
Green buildings	1) Construction and acquisition of commercial or residential buildings complying with: LEED "gold", BREEAM "very good", DGNB "gold", or EPC A 2) Renovation of buildings leading to a reduction in primary energy demand of at least 30% per m2	Climate Change Mitigation	Area of buildings (sq. ft.) GHG emissions (tCO2e) GHG emissions avoided (tCO2e)
Access to essential services -- Healthcare	Provide and expand healthcare access through: - Building and expanding healthcare facilities - Retrofitting existing facilities and equipment - Provision of medical equipment	Improved Healthcare Access	Number of hospitals built Number of residents with access Number of beneficiaries
Employment generation and SME Financing	Support employment generation at small and medium enterprises (SMEs), including: - Loans to SMEs - Professional training programs - Promotion of entrepreneurship	Employment Generation	Value of loans to SMEs (€) Number of jobs created

Source: Bank of Cyprus's Framework

Moody's related publications

Second Party Opinion analytical framework:

» Framework to Provide Second Party Opinions on Sustainable Debt, October 2022

Topic page:

» ESG Credit and Sustainable Finance

Endnotes

1 International Energy Agency, Transport, September 2022.

2 International Energy Agency, Transport, September 2022.

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