How does a **green bond** work?

Green bonds channel investment towards projects with environmental benefits. From issuance to impact monitoring, **each stage ensures that funds are allocated to sustainable initiatives and that their use is transparent**.

1

Green bond issuance

The issuing entity launches a green bond to raise funding exclusively for projects with environmental benefits.

2

Investment by financial markets

Institutional and individual investors purchase the bond, providing the capital needed to finance the projects.



3

Allocation of funds to eligible projects

The funds raised are allocated to eligible projects, such as renewable energy, electricity grids, energy storage and energy efficiency.

4

Project development

The funds enable the construction, expansion or modernisation of infrastructure that contributes to a cleaner, more efficient and resilient energy system.

5

Environmental impact monitoring and reporting

The issuing entity provides regular reports on how the funds are used, how they are allocated across the different projects and their environmental contribution. Verification processes help strengthen transparency and investor confidence.