

PRESS RELEASE

Luxembourg, 22 September 2017

## **LuxFLAG grants Europe's first Green Bond Labels**

LuxFLAG, the Luxembourg Finance Labelling Agency, has granted the first Green Bond Labels to 18 Climate Awareness Bonds issued by the European Investment Bank. The following Climate Awareness Bonds have received the Green Bond Label: *LU0953782009, US298785GQ39, US298785HD17, XS0773059042, XS0852107266, XS0955018261, XS0994434487, XS1041094118, XS1051861851, XS1107718279, XS1198278175, XS1280834992, XS1314336204, XS1317148580, XS1490971634, XS1500338618, XS1551293019* and *XS1572222526*. The funds are earmarked to match disbursements to EIB lending projects contributing to climate action in the fields of renewable energy (e.g. wind, hydro, solar and geothermal energy production projects) and the energy efficiency sector (e.g. district heating, co-generation, building insulation, energy loss reduction in transmission and distribution and equipment replacement with significant energy efficiency improvements). The labels are valid for the lifecycle of the bonds.

In June this year, LuxFLAG has launched its Green Bond Label that is granted after a rigorous assessment to eligible instruments that finance green projects. The label aims to avoid free-riding and strengthen environmental integrity in the market. By setting strict eligibility criteria, LuxFLAG sets the bar appropriately to provide the necessary accountability and confidence for green investments in the debt capital markets. The LuxFLAG Label requires green bonds amongst others to report on qualitative and quantitative performance indicators in the management of proceeds and to provide ex-ante external review and commit to mandatory regular ex-post reporting. Furthermore, the green bond must agree to transparency and disclosure by following internationally recognized standards such as the Green Bond Principles or Climate Bonds Initiative.

Furthermore, *Finethic Microfinance Sub-fund II* has been granted the Microfinance Label and *NEF Ethical Balanced Dynamic* has been granted the ESG Label for the first time. *Threadneedle European Social Bond Fund* has received the applicant fund status.

LuxFLAG renewed the Microfinance Label for 11 funds: *Advans SA, Dual Return Fund Vision Microfinance Local Currency, Finethic Microfinance Sub-fund, KCD Mikrofinanzfonds I -Global, Microfinance Enhancement Facility, Triodos Microfinance Fund, Symbiotics SICAV (Lux.) – SEB Microfinance Fund II, III, IV; Symbiotics Global Microfinance Fund* and *Wallberg Global Microfinance Fund*. Furthermore, LuxFLAG renewed the Environment Label for *Triodos Renewables Europe Fund*. The ESG Label was renewed for the following 10 funds: *FDC SICAV Actions Monde Actif 3, MAM Human Values, NN(L) European Sustainable Equity, NN(L) Global Sustainable Equity, Nordea 1 - Emerging Stars Equity Fund, Nordea 1 - Nordic Stars Equity Fund, Nordea 1 - Global Stars Equity Fund, OFI Invest RS Ethical European Equity, Sparinvest Emerging Markets Value* and *Sparinvest Ethical Global Value*.

LuxFLAG is pleased to welcome BIL Manage Invest as new Associate member. Manuel Tonnar, Director for Development Cooperation and Humanitarian Aid in the Ministry of Foreign and European Affairs, has been appointed new Vice-Chairman to the Board, replacing Ambassador Martine Schommer.

In total, LuxFLAG has issued 78 investment vehicle labels (32 Microfinance funds, 11 Environment funds, 13 ESG funds, 4 Climate Finance funds, 18 Green Bonds) and 2 applicant fund status.

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More information on the [Eligibility Criteria](#), [Eligibility Committee](#) and [application procedure](#), is available on [LuxFLAG's website](#).

For further information, please contact:

Julie Didier

Marketing & Communication Manager

[julie.didier@luxflag.org](mailto:julie.didier@luxflag.org)

Tel: +352 22 30 26 57

[www.luxflag.org](http://www.luxflag.org)

### **About LuxFLAG**

LuxFLAG, the Luxembourg Finance Labelling Agency, is an independent and international, non-profit association created in Luxembourg in July 2006 by seven founding partners, the Luxembourg Government, ALFI, ABBL, ADA, the European Investment Bank, Luxembourg for Finance and the Luxembourg Stock Exchange who are the Charter members. LuxFLAG aims to promote the raising of capital for the Responsible Investment sector by awarding a recognisable label to eligible investment vehicles in Microfinance, Environment, ESG (Environment, Social, Governance), Climate Finance and Green bonds. The objective is to reassure investors that the labelled investment vehicles invest in a responsible manner.