

Money Matters

Sustainability Bond listing and Nasdaq membership



Claire Hobbs
Chief Treasurer

On Wednesday, 2 June 2021, Bank Windhoek, Namibia's leading financial services provider in green and alternative financing solutions, successfully listed the country's first Sustainability Bond. As with the Green Bond in 2019, the Sustainability Bond is also a first for commercial financial services institutions in Southern Africa.

Subsequently, on Monday, 7 June 2021, the National Association of Securities Dealers Automated Quotations (Nasdaq) Sustainable Bond Network in New York welcomed us as its newest member of the Association. We are very proud of this achievement. Nasdaq shared the announcement on its official website, social media platforms, and the prominent billboard in Times Square, New York City.

Known as "use of proceeds bonds", Sustainability Bonds are a new addition to the variety of financial instruments, which along with established Green Bonds, promote positive change in society and the environment. They are unique, fixed-income instruments and investment vehicles for commercial and institutional investors. The proceeds are applied exclusively to finance or re-finance new, existing green and social projects. Funding is for the total amount or only a part of the full amount.

For investors, Sustainability Bonds provide an opportunity to support socially and environmentally responsible projects, along with the additional benefits associated with investing in an award-winning, highly regulated, and "risk-free" instrument with a strong emphasis on transparency and impact disclosure.

Projects eligible for funding include those focussed on renewable energy, green buildings, energy efficiency, sustainable waste management, sustainable agriculture, tourism, and investments into quality, accessible, innovative healthcare and education facilities.

The Sustainability Bond issuance, as per the Bank's Sustainable Bond Framework, is aligned with the core components of the International Capital Market Association's (ICMA) Green Bond Principles (GBP), Social Bond Principles (SBP), and Sustainability Bond Guidelines. The four components for compliance include the use of funds received, a process for project evaluation and selection, the management of proceeds, and impact reporting.

Bank Windhoek will evaluate social projects based on the primary objectives and the underlying impact of the project. The Bank will report on the environmental and social effects of the projects financed in its annual Sustainable Bond Impact Report.

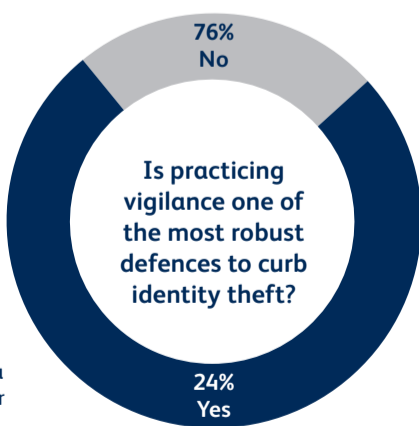
It is important to note that the proceeds of the Sustainable Bonds are intended to support a wide array of projects offering broad societal, economic, and environmental benefits. Moreover, we aim to avail favourable financing to financially feasible projects. Each project will be dealt with on a case-by-case basis. The final terms and conditions are based on the financed applicant's repayment-ability and the project's overall risk profile.

For more information on our Sustainability Bond, please contact Ruan Bestbier at Tel: +264 61 299 1651, send an email to sustainabilityloan@bankwindhoek.com.na, or visit our website www.bankwindhoek.com.na.

Win N\$1000 in our Opinion Poll

Is Bank Windhoek a member of Nasdaq's Sustainable Bond Network?

Email: poll@bankwindhoek.com.na with your full name, contact number and your "yes" or "no" answer.



Winner: Ms Ndapandula Mwatunga is the lucky winner in the Money Matters Issue 426 poll draw.



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