



## Use of Proceeds

In **2021** aggregate climate financing of BSTDB amounted at USD 117m and contributed to fulfilling the Bank's Climate Change Strategy Objective 2 that is "mobilizing more capital for shifting economies to low-carbon and climate resilient models and increasing gradually to at least 30 percent the share of its funding in the next ten years for climate mitigation and adaptation operations, and operations with climate co-benefits". This comprised the following operations:

- Alro SA (Romania) USD 40m corporate loan. The loan focused on improving energy efficiency in aluminum production and supported the company's sustainability performance primarily through implementing state-of-the-art technologies targeting emission reduction, energy efficiency, and resource use optimization. This included a new aluminum waste processing line of 100 thousand tpa at its production facilities in Slatina. The facility processes aluminum scrap and uses advanced energy efficient technologies such as double-chamber furnaces with oxi-gas burner in order to reduce the natural gas consumption, and the induction furnace for melting aluminum. The expected outcomes are reduction in energy consumption by 95% and 42% reduction in GHG emissions if compared to production of electrolytic aluminum. Other investments included also use of Low Energy- AP12LE solution for electrolysis pots, which allows more efficient operation with an estimated energy savings of approximative 52 GWh; and improving the efficiency of the production process by using vertical filters to reduce steam consumption in controlling filtration of the aluminate solution; Published [Press Release](#) and [Project Description](#);
- Energo Pro (Bulgaria, Georgia and Turkey) - the leading independent hydropower plant operator and power distributor in the Black Sea Region. BSTDB invested USD 45m in the 5-years senior bond issuance and contributed at improving the Issuer's environmental and social performance by strengthening its environmental and social management system and expanding it to more sites in Bulgaria, Turkey and Georgia and increasing adaptability of its power generation to the impacts of the changing climate. Published [Project Description](#);
- GEK Terna Sustainability linked Corporate Bond – EUR 18m. Note: Bond participation was for EUR 30m but the Bank considers only 60% or EUR 18m as eligible green financing contributing to fulfilling the Climate Change Strategy objectives. The bond includes a sustainability feature with a target to reduce the Group's CO2 intensity by 25% by 2025 compared to 2021. Published [Press Release](#) and [Project Description](#).
- Ralfi Energy Efficiency Romania) loan – EUR 10m. BSTDB financed through the Financial Intermediary energy improvements and resource efficiency of residential buildings in Romania. The three-year facility was on-lent to Romanian homeowners to invest in upgrades leading to reduction in energy use, renewable energy generation, water consumption, and improve waste management. Published [Press Release](#) and [Project Description](#).

Please, note that currently no other climate data are available for the above operations, as the reporting requirements of such data towards its borrowers will be introduced by BSTDB only in 2023.