

Climate Bonds Guide to Certification

ASSETS



Climate Bonds ^{INITIATIVE}



SHOW YOUR CREDIBILITY WITH **CLIMATE BONDS CERTIFICATION**

The [Climate Bonds Standard and Certification Scheme](#) is a voluntary labelling scheme for investments that address the challenge of climate change, and are consistent with the goal of limiting global temperature rise to 1.5°C above pre-industrial levels.

Launched in 2012, the Standard was initially designed as a mechanism to support confidence in the climate change action credentials of green bonds and other debt instruments and to provide a tool to allow quick investment decision making. Climate Bonds have Certified over USD270bn of Use of Proceeds Green Bonds since the launch of the Certification Scheme.

The latest [Standard](#) expands Certification coverage to general purpose instruments, such as Sustainability-linked debt instruments, Assets and Entities. [Certification](#) under this Standard confirms that debt instruments, assets, or entities meet [Criteria](#) published under the Climate Bonds Standard. Transparently developed scientific criteria underpin the Scheme and independent assessment is provided by a network of Climate Bonds Approved Verifiers.

An international independent Climate Bonds Standard Board, comprised of institutional investor representatives and reporting to the Trustees of the Climate Bonds Initiative, provides oversight and a strong governance framework for the Scheme.

Benefits of Certification



The Certification label is an endorsement of the green credentials of the Assets.



The science-based eligibility criteria are developed through a rigorous process, demonstrating credibility and robustness.



Certification increases visibility to investors.



A globally recognised symbol of best practice in green finance.



Clearly demonstrates to the market that the Certified green assets meet the highest standards for climate integrity.



Enhanced reputation benefits for Issuers, Companies or Asset owners.

ASSET CERTIFICATION

The owner of any asset, project or portfolio of assets that satisfies the relevant Sector Eligibility Criteria may apply for Certification of such assets. The Certification is not related to the financing of these assets.

Dynamic vs Static Certification



Static asset Certification refers to a project, asset or portfolio of assets, the composition of which does not change over the duration of the certification period - 12 months for a one-off asset Certification.

Dynamic asset Certification refers to a pool of assets into which new assets may be added over the duration of certification. In a dynamic certification process, the Approved Verifier must assess the asset owner's asset selection controls and procedures.

LABEL

LEVEL 1

Assets that are already aligned with 1.5 degree pathways qualify for Level 1 Certification. This category includes both those already near net-zero and those above net-zero but within sectoral 1.5 degree pathways and transition plans that predict alignment with those pathways going forward.



Certification is available for a single Asset, as well as for a series of Asset issuances (Programmatic):

	Single Asset	Programmatic
Certification attaches to	Single asset/Portfolio of assets.	Regular Asset/Project Certification under a single Certification agreement.
Suitability	Funds/Asset owners.	Funds/Asset owners.
Eligibility rules	Assets or projects fully eligible under Sector Specific Criteria.	Assets or projects fully eligible under Sector Specific Criteria.
Validity of certification	12 months	Initially 12 months, and renewed annually.
Types of instruments that can be certified	Not linked to a debt Instrument.	Not linked to a debt Instrument.
Regularity of verification	At the time of applying for certification.	At the time of applying for certification and then annually thereafter.
Examples	Certification of a buildings' portfolio of a Real Estate Investment Trust (REIT).	Annual Certification of a portfolio of buildings of a Real Estate Investment Trust (REIT).
Safeguards on wider entity	No.	No.

ASSET CERTIFICATION PROCESS

Asset Certification Application

1. Certification Agreement (for the initial Certification only)
2. Certification Information Form (CIF)
3. Verification Report

Submitted to CBI

**Certification
Awarded by
Climate Bonds**



12 MONTHS

**Asset owner to
renew Certification?**

YES

NO

**End of
process**

Certification is
confirmed or awarded

Decision



Contact us

Contact email for Certification Team: certification@climatebonds.net

Detailed requirements information on Certification can be found on the Climate Bonds website: <https://www.climatebonds.net/certification>



Disclaimer: The information contained in this document does not constitute investment advice in any form or any invitation or inducement to engage in investment activity and the Climate Bonds Initiative is not an investment adviser. Any reference to a financial organisation or debt instrument or investment product is for information purposes only. Links to external websites are for information purposes only. The Climate Bonds Initiative accepts no responsibility for any content on any external website.

Certification under the Climate Bond Standard relates exclusively to the conformity of one or more designated debt instruments, designated assets and/or designated entities with the applicable Climate Bonds Standard at the time of certification. Certification under the Climate Bond Standard carries no implication (and should not be understood as carrying any implication) as to any other aspect of any debt instrument or investment product or any collection of debt instruments or investment products or any asset or entity or group of assets or entities or as to continuing conformity at any time after the time of certification. In particular, such certification carries no implication (and should not be understood as carrying any implication) that any stated target has been or will at any time be met or that any particular legal or regulatory requirement has been or will be satisfied.

The Climate Bonds Initiative is not endorsing, recommending or advising on the financial merits or (subject to the previous paragraph) any other aspect of any debt instrument or investment product or any collection of debt instruments or investment products or any asset or entity or group of assets or entities and no information within this document should be taken as such, nor should any information in this document be relied upon in making any investment decision.

A decision to invest in anything is solely yours. The Climate Bonds Initiative accepts no liability of any kind, for any investment made by an individual or organisation, nor for any investment made by third parties on behalf of an individual or organisation, based in whole or in part on any information contained within this, or any other Climate Bonds Initiative document.