FINANCING CAN BE GREEN

Jean Traboulsi
Head of Marketing & Communications
Bank Audi

08 November, 2018
How Sustainable Financing Can change the world
The Paris COP 450 Scenario Believes So

Cumulative global energy supply investment by type and scenario, 2016–40

(US$ billion, in 2015 terms).

<table>
<thead>
<tr>
<th></th>
<th>NPS</th>
<th>450 scenario</th>
<th>Difference (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fossil fuels</td>
<td>26,626</td>
<td>17,263</td>
<td>-35%</td>
</tr>
<tr>
<td>Renewables</td>
<td>7,478</td>
<td>12,582</td>
<td>68%</td>
</tr>
<tr>
<td>Electricity networks</td>
<td>8,059</td>
<td>7,204</td>
<td>-11%</td>
</tr>
<tr>
<td>Other low-carbon</td>
<td>1,446</td>
<td>2,842</td>
<td>97%</td>
</tr>
<tr>
<td>Total supply</td>
<td>43,609</td>
<td>39,891</td>
<td>-9%</td>
</tr>
<tr>
<td>Energy efficiency</td>
<td>22,980</td>
<td>35,042</td>
<td>52%</td>
</tr>
</tbody>
</table>
Green Financing

Government
- Regulatory Framework
- Institutional Setup
- Tariff Designing
- Subsidies & Guarantees

Business
- Financial Share
- Technical Innovation
- Managerial Role
- Local Knowledge
- Backward & Forward Linkages

Citizens
- Willingness to Pay
- Awareness and Will
- Environmental Friendly Life Styles
Creating A Green Economy

The solution starts with Sustainable Management and physical modification to our economy. Significant investment is required, thus financing towards:

- environmentally friendly energy saving,
- an increase of energy efficiency,
- sustainable mobility,
- an enhancement of material efficiency,
- the recycling economy,
- ecological sustainable water management,
- and ecological sustainable agriculture
Climate change is destroying our path to sustainability. Ours is a world of looming challenges and increasingly limited resources. Sustainable development offers the best chance to adjust our course.

Ban Ki-Moon
Focusing on Bank Audi’s Contribution

It starts with our role as a Corporate Citizen

Our sustainability framework is based on five strategic pillars:

- *best practice* Corporate Governance,
- *amplified* Economic Development,
- *balanced* Community Development,
- *energised* Human Development,
- *precautionary* Environmental Protection
Commitment to SDG’s

As a leading financial institution, and although our sphere of influence impacts 11 of the 17 goals, Bank Audi has chosen to champion 5 SDGs:
In Lebanon, and for too long investing in green solutions was perceived more as a cost with marginal benefits
Change in mindset for Corporations, SME and Individuals:

- Driven by technological innovations
- Lower cost for execution
- Increased awareness on sustainable growth
- Green solutions at the center of how companies intend to compete and on how families would like to behave
Grassroots Activation

1. Awareness on Resource Usage
2. Awareness on Wheels
3. My Carbon Footprint (initiative & microsite)
Bank Audi is a firm believer and supporter of green lending

- Largest portfolio of BDL green lending
- Mandated to structure and finance the 1st wind farms in Lebanon
- First bankable power purchase agreement with the government of Lebanon
- Winner of the “2018 Energy Ambassador of the Year” award
$200MM to Finance Green Solutions

- Bank Audi and EBRD with the support of the ICDF (Taiwan)

- Granting of US$100mn loan, under the EBRD Green Economy Financing Facility (GEFF).

- This is EBRD's largest “green loan” ever granted to a single bank in the region.

- The facility will also offer clients expert technical support to help identify the best solutions and ensure quality green economy projects are successfully financed.
Only a combined effort of Gov, Org and Com with our personal ambition can help us achieve the pledge made at the Paris meeting to produce up to 30% of our energy from non-fossil fuel resources by 2030.