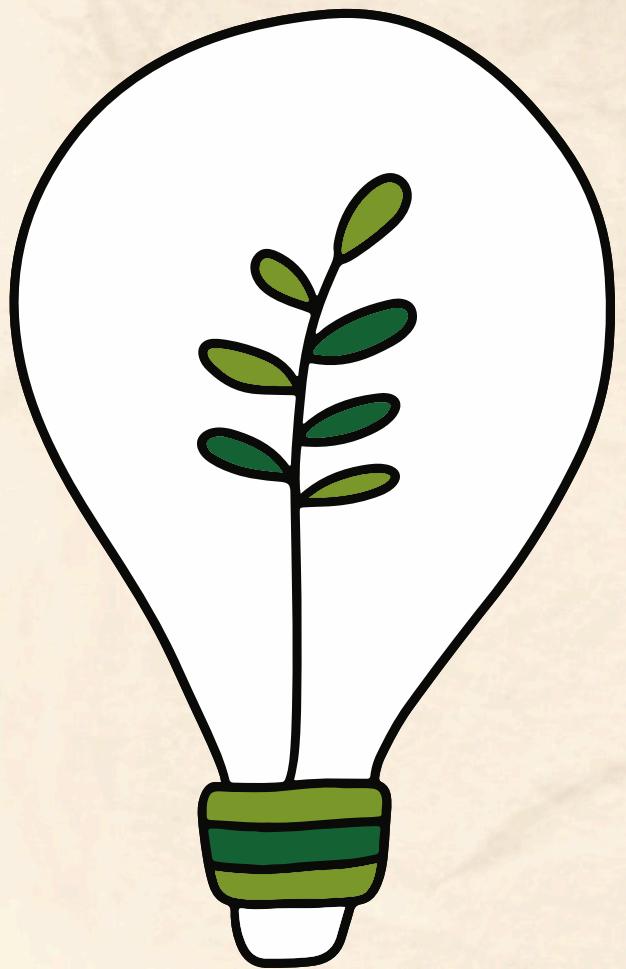


WHAT ARE GREEN BONDS?

(Simplest Explanation Ever)



LET'S UNDERSTAND

Imagine you want to borrow money to build something good for the planet, like a **wind farm or a solar power plant**. But instead of asking just one person for all the money, you ask a lot of people to lend you a little bit each. In return, you promise to pay them back with a little extra. That's what a **Green Bond** is!



KEY POINTS

- **Purpose:** Green bonds are used to raise money for projects that help the environment, like clean energy or pollution control.
- **Investors:** People who care about the planet buy these bonds because they want to support eco-friendly projects.
- **Return:** Just like regular bonds, green bonds pay back the money borrowed, plus a little extra as interest.



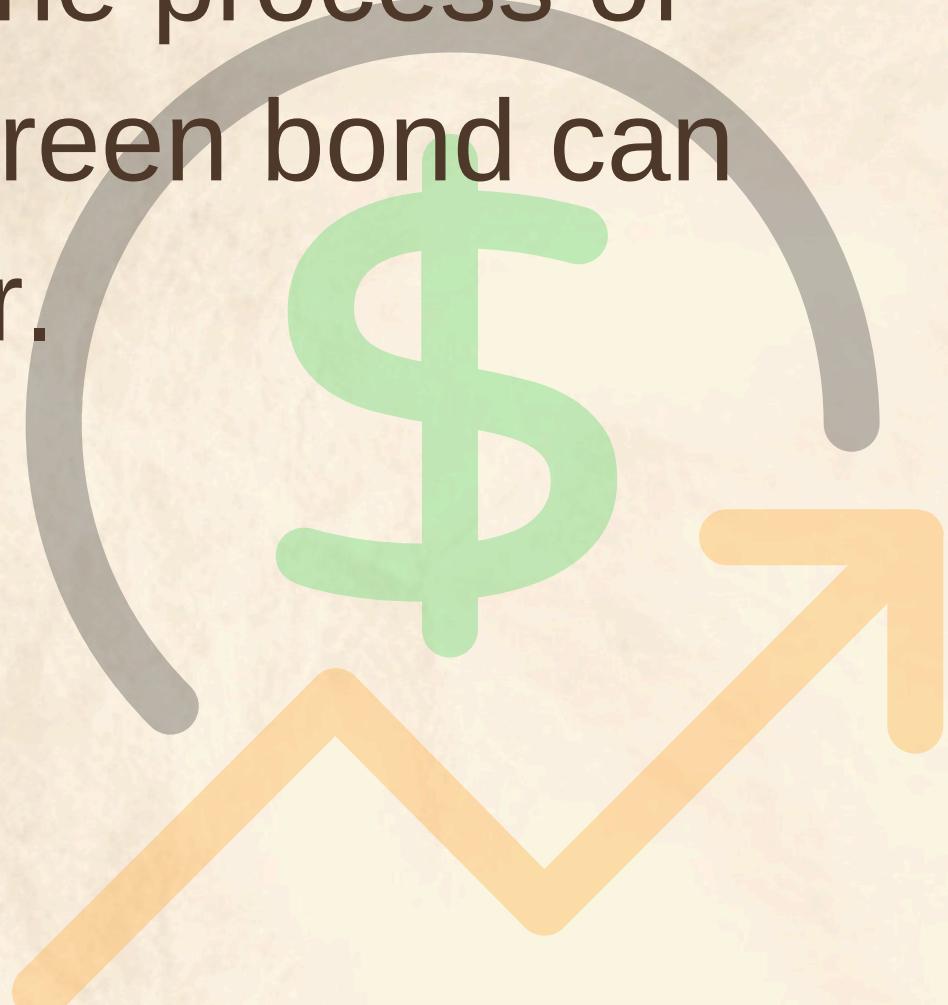
WHAT ARE IT'S ADVANTAGES?

- **Positive Impact:** Investors can support projects that help the planet.
- **Attractive to Eco-Conscious Investors:** People who care about the environment are drawn to these bonds.
- **Potential Tax Benefits:** In some regions, there are tax incentives for investing in green bonds.



WHAT ARE IT'S DISADVANTAGES?

- **Lower Returns:** Green bonds might offer lower interest rates compared to regular bonds.
- **Limited Availability:** Not as many green bonds are available as regular bonds, so choices may be limited.
- **Verification Costs:** The process of getting certified as a green bond can be costly for the issuer.



CONCLUSION

- **Eco-friendly Focus:** Funds are exclusively used for environmental projects.
- **Transparency:** Issuers provide reports to show how the money is being used.
- **Certification:** Many green bonds are certified by independent organizations to ensure they meet environmental standards.

