



Comunidad  
de Madrid

CONSEJERÍA DE ECONOMÍA,  
HACIENDA Y EMPLEO



## SUSTAINABLE FINANCE



# Rationale for Sustainable Financing



## Community of Madrid' Sustainability Mandate

- Comunidad de Madrid devotes a substantial portion of its budget to social and environmental spending
- Via the issuance of sustainable debt, Community of Madrid contributes to its social and environmental policies and actions
- Alignment of the funding strategy with the sustainability strategy

## Addressing the social and environmental transition

- By issuing Sustainable Finance Instruments, Community of Madrid contributes to global, EU and national social and environmental objectives
- Contribution to the achievement of UN Sustainable Development Goals (SDGs)
- Achievement of sustainable growth for Community of Madrid's citizens

## Supporting the growth of a sustainable financial market

- Address the increasing demand for more sustainable assets by responsible investors
- Diversify its investor base targeting SRI and dark green investors, while fostering the relationship with existing investors
- Contribution to the development of a sustainable financial market

**Comunidad de Madrid believes that Sustainable Finance Instruments are effective tools to channel investments to projects demonstrating climate and social benefits**



# Sustainable Finance Framework

## Alignment with the Standards

The Sustainable Finance Framework of the Community of Madrid complies with:

- ICMA Green Bond Principles, Social Bond Principles, Sustainability Bond Guidelines
- LMA Green Loan Principles



## Community of Madrid Framework's pillars

1

Use of Proceeds

- Sustainable Finance Instruments' proceeds will be allocated to eligible expenditures with a clear social and/or environmental benefit within the General Budget

2

Project Evaluation and Selection

- Carried out by the Committee of Selection, Monitoring and Evaluation that meets before the issuance of a Sustainable Finance Instrument, in accordance with the Eligibility and the Exclusionary Criteria

3

Management of Proceeds

- Sustainable Finance Instruments' proceeds will be managed in a portfolio approach

4

Reporting

- Allocation and Impact reporting provided annually until full allocation of the Sustainable Finance Instruments' proceeds

5

External Review

- Second Party Opinion (SPO) from Sustainalytics. Community of Madrid might hire an external party to audit the allocation of proceeds

**Under the Green Finance Framework, Community of Madrid can issue Sustainable Finance Instruments which include Green, Social, Sustainability bonds, private placements and loans**

Source: Comunidad de Madrid



# Second Party Opinion by Sustainalytics<sup>1</sup>

## Use of Proceeds

- By financing social housing, CdM **directly supports Spain's State Housing Plan**
- Comunidad de Madrid's finances **public education for all**, and allocates resources to guarantee access to education for **students in disadvantaged situations**
- The financing of the healthcare programme will facilitate **the ongoing provision of quality healthcare services to the local population**
- Comunidad de Madrid **supports social cohesion and inclusion, protection of children and women, and care for the elderly and incapacitated** via its measures and policies
- The support provided to Madrid's SMEs, will **strengthen the competitiveness of SMEs and leading to the creation and preservation of jobs**, and **promote the integration of vulnerable people**
- Financing **low carbon transportation and reduction of global CO2 emissions** are considered an impactful use of proceeds

## Project Evaluation and Selection

In line with market practice

## Management of Proceeds

In line with market practice

## Reporting

In line with market practice



Sustainalytics is of the opinion that the Comunidad de Madrid Sustainable Finance Framework is credible and impactful, and aligns with the Green and Social Bond Principles and Green Loan Principles 2018

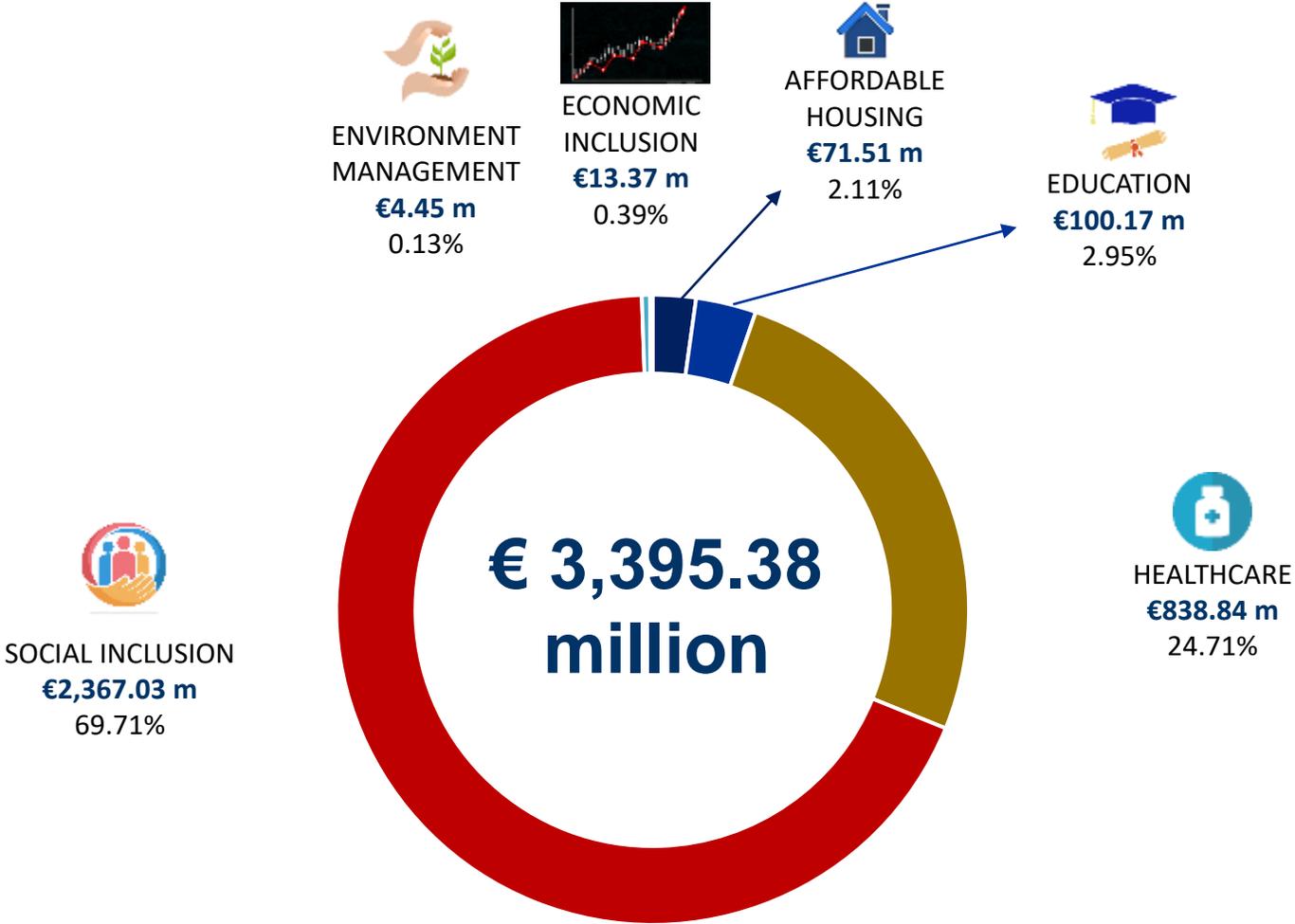
Source Comunidad de Madrid

<sup>1</sup>The full Second Party Opinion is available at: <http://www.comunidad.madrid/inversion/relacion-inversores/deuda-sostenible>



# 2025 Eligible Portfolio – Budgetary Programs

## AMOUNT OF THE RESPONSIBLE EXECUTED PORTFOLIO



# 2025 Eligible Portfolio

Eligible categories	Program Description	Program in the General Budget	Amount in € million (budgeted 2025)	UN SDGs
<b>Affordable Housing</b>	<ul style="list-style-type: none"> <li>Provision of affordable housing and shelter to disadvantaged populations</li> </ul>	261B	470.85	
<b>Education</b>	<ul style="list-style-type: none"> <li>Provision of education to the youth (including disadvantaged groups) and support of public schools and universities</li> </ul>	232A / 322A, B, C, F / 323M / 324M	2,955.62	
<b>Healthcare</b>	<ul style="list-style-type: none"> <li>Support to Madrid's Public Healthcare System and financing of high impact medicines against rare diseases</li> </ul>	312A, 313B	3,813.17	
<b>Social Inclusion</b>	<ul style="list-style-type: none"> <li>Fight against gender violence and promotion of equal opportunities</li> <li>Integration, education and employment programmes and financial assistance to vulnerable groups at risk of social exclusion</li> <li>Universal accessibility to the public transportation system (reduced price ticket)</li> <li>Provision of goods and services to the elderly and the mentally and/or physically disabled</li> </ul>	231A,B,C,D,E,F,I / 232A, B, E / 241A, M / 261B / 322A,B,F / 323M / 324 M / 422B/ 431A/ 433A/ 453N / 463A /	2,618.50	 
<b>Economic Inclusion</b>	<ul style="list-style-type: none"> <li>SMEs financing</li> <li>Employment promotion and advancement, including people with distance to labour market</li> </ul>	463A / 466A	547.94	 
<b>Environmental Management</b>	<ul style="list-style-type: none"> <li>Environmental conservation and biodiversity</li> </ul>	422B / 453N / 456A,N	797.97	

Source: Comunidad de Madrid



# Reporting Framework example: Sustainability Financing: Allocation Reporting 2025



**% of Eligible Sustainable Project Portfolio allocated: 68.5%**

**% Sustainable net proceeds allocated: 100%**

Source: Comunidad de Madrid



# Sustainability Financing Impact KPIs

Project category		Target population	Allocation information			Impact indicators			
Eligible Project Category	SDG Addressed	Target Group (if applicable)	Budgetted amount	Allocated to sustainable bond (amount)	Share of Total Budget Financing	Number of beneficiaries		Other impact indicators	
			mEUR		%	Number	Unit of measure	Additional Indicators	number / unit of measure
Affordable Housing	Goal 1: No Poverty Goal 11: Sustainable Cities and Communities	Disadvantaged and underserved groups	71,512,834.84	71,512,834.84	3.08%	130	Families with social housing	Number of social housing units acquired	879
								Number of mortgages granted	3,979
Education	Goal 4: Quality education	Youth, disadvantaged groups	100,170,893.33	100,170,893.33	4.31%	508,099	Number of vulnerable students	Number of students with academic reinforcement	34,634
								Number of scholarships professional training higher degree	12,270
								Number of public schools (0-18 years)	1,463
Healthcare	Goal 3: Good Health and Well-being	Citizens (including disadvantaged and underserved groups)	838,844,020.75	838,844,020.75	36.08%	1,206	Number of people with a rare disease being provided access to services and adequate medication	Number of people treatment medication high impact	77,804
Social inclusion	Goal 1: No Poverty SDG 5: Gender equality	Disadvantaged and underserved groups	2,367,032,322.50	1,296,654,806.16	55.77%	1,400,872	Number of individuals or families benefiting from social benefits	Number of individuals or families benefiting of social minimum income	488
								Number of victims of gender violence supported	2,638
								Number of subsidized trips	171 millions
Economic inclusion	Goal 4: Quality education Goal 8: Decent work and economic growth	SMEs and long-term unemployed	13,367,202.64	13,367,202.64	0.57%	228	Number of SMEs that received support	Number of projects that received subsidies	164
Environmental management	Goal 13: Climate Action		4,450,242.28	4,450,242.28	0.19%			Number of annual data for air quality parameters	1,432,199
								Number of annual data meteorological parameters	1,703,654
								Number of environmental education centers	13
Total			3,395,377,516.34	2,325,000,000.00	100%	1,910,535			



# Sustainability Bond Impact KPIs

Project category		Target population	Allocation information			Impact indicators			
Eligible Project Category	SDG Addressed	Target Group (if applicable)	Budgetted amount	Allocated to sustainable bond (amount)	Share of Total Budget Financing	Number of beneficiaries		Other impact indicators	
			mEUR		%	Number	Unit of measure	Additional Indicators	number / unit of measure
Affordable Housing	Goal 1: No Poverty Goal 11: Sustainable Cities and Communities	Disadvantaged and underserved groups	71,512,834.84	30,758,208.53	3.08%	56	Families with social housing	Number of social housing units acquired	378
								Number of mortgages granted	1,711
Education	Goal 4: Quality education	Youth, disadvantaged groups	100,170,893.33	43,084,255.20	4.31%	218,537	Number of vulnerable students	Number of students with academic reinforcement	14,896
								Number of scholarships professional training higher degree	5,277
								Number of public schools (0-18 years)	629
Healthcare	Goal 3: Good Health and Well-being	Citizens (including disadvantaged and underserved groups)	838,844,020.75	360,793,127.20	36.08%	519	Number of people with a rare disease being provided access to services and adequate medication	Number of people treatment medication high impact	33,464
Social inclusion	Goal 1: No Poverty SDG 5: Gender equality	Disadvantaged and underserved groups	2,367,032,322.50	557,700,991.90	55.77%	602,526	Number of individuals or families benefiting from social benefits	Number of individuals or families benefiting of social minimum income	210
								Number of victims of gender violence supported	1,135
								Number of subsidized trips	73,548,387
Economic inclusion	Goal 4: Quality education Goal 8: Decent work and economic growth	SMEs and long-term unemployed	13,367,202.64	5,749,334.47	0.57%	98	Number of SMEs that received support	Number of projects that received subsidies	71
Environmental management	Goal 13: Climate Action		4,450,242.28	1,914,082.70	0.19%			Number of annual data for air quality parameters	616,000
								Number of annual data meteorological parameters	732,754
								Number of environmental education centers	6
Total			3,395,377,516.34	1,000,000,000.00	100%	821,736			



# Selected Projects for the 2025 Sustainability Bond

*Comunidad de Madrid has a clear social and environmental mandate to meet the needs of its citizens.*

*Sustainable development is at the centre of our policies for strong, sustainable and inclusive growth and development.*

## SELECTED PROJECTS



ELIGIBLE CATEGORY	PROJECT NAME	AMOUNT
Affordable Housing	My First Home Program (Programa Mi Primera Vivienda)	25,000,000.00
	Maintenance and conservation of occupied social housing	6,433,375.89
	Land development for social housing construction	0.00
	Neighborhood Assistance Service of the Community of Madrid (ASIVECAM)	1,305,724.86
	Construction of new social housing developments	31,490,398.06
Education	Repair of vacant social housing for secondary allocation	7,283,336.03
	Support for students with special educational needs	3,657,593.84
	Book loan program (ACCEDE Program)	35,570,230.60
	Maintenance of Secondary Education Centers	22,735,565.30
	"Refuerza" Program (academic support and reinforcement activities)	2,708,200.00
	Training and awareness for women at risk of social exclusion	540,000.00
	Higher-level vocational training scholarships	28,252,684.91
	Educational compensation classrooms	706,618.68
Healthcare	Financial aid for public university studies	6,000,000.00
	High-impact medicines and orphan drugs	837,330,000.00
	Collaboration with Local Entities (CCLL)	116,400
	Collaboration with professional entities	52,967.50
	Mobile service for drug-dependent individuals	844,653.25
Social Inclusion	Collaboration with citizen organizations	500,000.00
	Reduced prices for school menus	61,003,264.75
	Economic benefits for dependency situations	402,811,962.95
	Home care for dependency situations	155,140,863.00
	Care for the elderly in centers	422,723,021.05
	Public transport user subsidies	1,248,036,615.00
	Senior center care	16,298,311.00
	Comprehensive care in residential centers for gender-based violence	900,443.64
	Soup kitchen services	4,202,028.00
	Care in non-residential centers for gender-based violence	0.00
	Economic benefits for the social integration of women victims of gender violence	292,320.00
	Free school transport for students in special education centers	9,401,603.03
	Free transport for students with physical disabilities	10,325,707.73
	Free school canteen service for students in special education centers	4,242,844.90
	Free school transport for students from shanty towns	628,554.55
	Participation and Integration Centers (CEPI)	2,371,420.00
	Volunteering school	147,361.94
	"Housing First" Program	295,759.61
	Care center for persons in situations of social exclusion	2,393,927.27
	Network of volunteer information points (PIV)	76,465.66
	Madrid Information and Care Program for LGTBI individuals	321,829.20
	Minimum Insertion Income (RMI)	1,378,476.01
Subsidies for integration projects linked to Minimum Insertion Income	4,900,000.00	
Telecare service for dependent persons	9,585,983.00	
Development cooperation subsidies	4,490,232.00	
Youth at risk of social exclusion	1,527,125.97	
Youth: Temporary residential care (severe risk of social exclusion)	130,858.50	
Youth: First professional experience	1,300,000.00	
Convalescent care for those at severe risk of social exclusion	1,807,241.74	
Homeless women	0.00	
"Sal de la calle" Program	298,102.00	
Economic Inclusion	Re-guaranteeing Avalmadrid (Land purchase)	5,000,000.00
	Aid to promote technological sectors and Start-ups	1,225,631.87
	Innovation service aid for SMEs (Innovation Vouchers)	562,270.76
	Aid for industrial SMEs (Industry 4.0 projects)	5,703,331.20
Environmental Management	Aid for intermediate innovation entities	875,968.81
	Environmental protection and improvement measures. Environmental Education	2,789,469.08
	Subsidies for non-profit entities with environmental goals	500,000.00
	Air Quality Network	1,160,773.20
	<b>TOTAL</b>	<b>3,395,377,516.34</b>

Source: Comunidad de Madrid



# CASE STUDY for HEALTHCARE



## High Impact Medicines and Orphan Drugs



- Comunidad de Madrid offers universal healthcare coverage to all of its citizens. The overall objective of the healthcare programme is the maintenance of a quality healthcare service and an efficient use of resources. Madrid's public healthcare service includes plans such as the **"Plan to improve healthcare services for people with rare diseases"**.
- Providing integrated and comprehensive care by all the agents involved is essential to improve the daily life of these people and their families.

## Mobile Support Service for Drug Dependency



- **Comunidad de Madrid provides healthcare to drug addicts** out of treatment **through mobile devices in marginal areas.**
- This project aims to minimize the negative effects related to consumption and contributes to public health by controlling and monitoring transmitted diseases, providing referrals to drug addiction treatment, counselling and support services network.

Proceeds of the bond will be allocated to projects aimed at providing a modern and sustainable public healthcare service system to the citizens of Madrid (including, but not limited to, vulnerable groups)

Source: Comunidad de Madrid



# CASE STUDY for EDUCATION



## ACCEDE – Book lending program



- **Accede Program textbook lending program** for eligible students of Primary Education, Compulsory Secondary Education and Basic Vocational Training.
- Over **515,000 students** from nearly **1,400 schools** benefited from this program.
- Comunidad de Madrid has allocated **EUR 35.5m** to this program.

## Education Centers Maintenance



- Comunidad de Madrid **offers a wide network of public primary and secondary education schools and special education schools.**
- Every year, Comunidad de Madrid builds new centers to cope with takes care of the maintenance of schools, by taking preventive, diagnostic, updating, replacement, and repair procedures.

## REFUERZA-Academic Support



- **The Academic Support program** seeks to complement Primary Schools training by offering students reinforcement activities, study techniques or knowledge expansion sessions.
- Over **12,000 students benefited** from this program.

Education is a fundamental social right, bringing significant benefits to society. An educated and skilled workforce is essential for our region's competitiveness.

Source: Comunidad de Madrid



# CASE STUDY for AFFORDABLE HOUSING



## Uninhabited Social Houses Refurbishment



- **Comunidad de Madrid** dedicated close to **EUR 7.2m** to Social Housing projects.
- Among others those dedicated to the maintenance and conservation of inhabited social housing to **improve the safety** and the **accessibility** and enhance its **energy efficiency**
- **222 vacant** social homes were **refurbish**

## Mortgage Assistance Program



- **'Mi primera Vivienda'** is a pioneering plan for young people under 40 years old who are economically solvent but do not have savings.
- The project facilitates the granting of up to 100% of the mortgage
- Budget of 25 million euros for 2025
- 3,979 mortgages conceded

## ASIVECAM – Neighborhood Assistance



- **ASIVECAM** – the Comunidad de Madrid Neighborhood Assistance service
- Aims to favor and activate processes of coexistence and communication, to provide answers to the problems raised in the promotions of public housing of the Social Housing Agency, which facilitate the integration of people and the development of these, through their participation.
- Hired 41 socio-educational technicians, acquisition 5 vehicles

Comunidad de Madrid is committed to tackle inequalities and provide access to affordable and quality housing. Social housing plays a vital role in meeting the housing needs of people across Comunidad de Madrid

Source: Comunidad de Madrid



# CASE STUDY for SOCIAL INCLUSION



## Minimum Insertion Income (RMI)



- **Minimum Insertion Income (RMI)** refers to the different programs aimed at individuals and families who lack sufficient economic resources to cover their basic needs, accompanied by a process of social intervention.
- Comunidad de Madrid earmarked **EUR 7.8m** for this purpose

## Assistance for Women Victims of Gender Violence



- Comunidad de Madrid funds a broad range of initiatives and programs aiming to **end all forms of gender-based violence**
- In 2025, **100 women and 70 children** were treated in **Shelter Centers** specialized in offering women and their dependents a comprehensive recovery treatment that from the psychological, educational, socio-labour and legal fields, favors the normalization of the family unit.

## Care for Seniors in Centers



- Comunidad de Madrid provided assistance to more than **22,299 dependent people**.
- Promote the social integration of older people by encouraging them to remain in their environment.
- Create and maintain adequate resources for the care of dependent elderly people through the provision of specialised and quality services.

Comunidad de Madrid's strategy for social inclusion aims to achieve the full integration in society of people who are in a situation (or at risk) of poverty and social exclusion, fighting against gender violence and promoting equal opportunities

Source: Comunidad de Madrid



# CASE STUDY for SME FINANCING



## Industry digitalization projects



- SMEs play a major role in Comunidad de Madrid's economy.
- **Supporting SMEs is a priority for the regional government**, as well as providing these companies with the necessary tools to adapt to current market needs and expand their businesses
- Under the **Digitalization program**, Comunidad de Madrid provided in 2024 assistance and funding of **104 digital projects** for the development and implementation of innovative projects

Digitising industries is one of the key challenges to be tackled for fostering growth. Comunidad de Madrid is committed in supporting SMEs in all stages of their life cycle to develop and achieve growth and engage in innovation

Source: Comunidad de Madrid



# Leadership in Sustainable Bonds

- First Spanish Region to issue Sustainable Bonds, Green and EuGB.
- Largest number of Sustainable Bonds and Green issued in Spain.
- Ability to Issue Green, Social and Sustainable Bonds, EuGB and Loans.
- 9 Sustainable Bonds, 5 Green Bonds and 1 EuGB issued.
- Largest amount outstanding in Sustainable Bonds (8,500 MM€), Green (2,900 MM€) and EuGB (500 MM€).
- Transparent and public reporting on projects financed by under the framework.

	Amount (EUR million)	Sttlement	Tenor
<b>Sustainable Bond (Public) (MATURED)</b>	700	04/18/2017	5
<b>Sustainable Bond (Public)</b>	1,000	02/23/2018	10
<b>Sustainable Bond (Public)</b>	1,250	02/14/2019	10
<b>Sustainable Bond (Public)</b>	1,250	02/27/2020	10
<b>Green Bond</b>	700	05/08/2020	7
<b>Sustainable Bond (Public)</b>	1,000	03/26/2021	10
<b>Green Bond</b>	500	11/26/2021	7
<b>Sustainable Bond (Public)</b>	1,000	04/11/2022	10
<b>Green Bond</b>	500	10/14/2022	7
<b>Sustainable Bond (Public)</b>	1,000	02/24/2023	10
<b>Green Bond</b>	600	06/29/2023	5
<b>Sustainable Bond (Public)</b>	1,000	02/29/2024	10
<b>Green Bond</b>	600	05/31/2024	5
<b>Sustainable Bond (Public)</b>	1,000	02/14/2025	10
<b>EuGB Bond</b>	500	06/12/2025	5

