



# Aurskog Sparebank Green Bond Second Opinion

May 04, 2022

**Aurskog Sparebank (“Aurskog”)** is a regional savings bank established in 1846 which operates in Romerike in Viken county, Norway, and surrounding areas. The bank provides financial products and services to around 22,000 private retail and corporate customers, and counts approximately 60 employees.

**Aurskog Sparebank expects to allocate all the proceeds to the green buildings project category.** Most financing will likely go to the refinancing of buildings built between 2012 and 2020 in Norway. Buildings built from 2012 to 2020 are eligible with an EPC A or if they are in the top 15% of the national building stock. Although some buildings will be somewhat more energy efficient than regulations, the Light Green shading reflects that the framework also includes buildings in line with the 2010 or the current 2017 regulations, without additional energy efficiency improvements required compared to regulation. There is also a risk that new buildings generate significant emissions due to material use and construction emissions.

**Aurskog Sparebank has set relevant environmental goals, and reports emissions for scope 1 and 2, and for some scope 3.** However, it would benefit from extending scope 3 reporting to the loan portfolio’s emissions. Aurskog Sparebank is assessing climate risk when lending to customers, and the TCFD recommendations have been lightly implemented in the bank’s sustainability report dated 2021. It is positive that the bank aims to have a more thorough climate risk reporting in 2022, which would include climate scenario analysis. However, CICERO Green sees a risk in overestimating the impact from the green buildings category if the issuer uses the average energy use for Norwegian residential buildings.

Based on the overall assessment of the projects that will be financed under this framework, and governance and transparency considerations, Aurskog Sparebank’s green bond framework receives a **CICERO Light Green** shading and a governance score of **Good**. In order to achieve a darker green shading, the framework would need stronger eligibility criteria in the green buildings category.

## SHADES OF GREEN

Based on our review, we rate the Aurskog Sparebank’s green bond framework **CICERO Light Green**.

Included in the overall shading is an assessment of the governance structure of the green bond framework. CICERO Shades of Green finds the governance procedures in Aurskog Sparebank’s framework to be **Good**.



## GREEN BOND PRINCIPLES

Based on this review, this Framework is found to be aligned with the principles.





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# 1 Terms and methodology

This note provides CICERO Shades of Green's (CICERO Green) second opinion of the client's framework dated **April 2022**. This second opinion remains relevant to all green bonds and/or loans issued under this framework for the duration of three years from publication of this second opinion, as long as the framework remains unchanged. Any amendments or updates to the framework require a revised second opinion. CICERO Green encourages the client to make this second opinion publicly available. If any part of the second opinion is quoted, the full report must be made available.

The second opinion is based on a review of the framework and documentation of the client's policies and processes, as well as information gathered during meetings, teleconferences, and email correspondence.

## Expressing concerns with 'Shades of Green'

CICERO Green second opinions are graded dark green, medium green or light green, reflecting a broad, qualitative review of the climate and environmental risks and ambitions. The shading methodology aims to provide transparency to investors that seek to understand and act upon potential exposure to climate risks and impacts. Investments in all shades of green projects are necessary in order to successfully implement the ambition of the Paris agreement. The shades are intended to communicate the following:

### CICERO Shades of Green



**Dark green** is allocated to projects and solutions that correspond to the long-term vision of a low carbon and climate resilient future. Fossil-fueled technologies that lock in long-term emissions do not qualify for financing. Ideally, exposure to transitional and physical climate risk is considered or mitigated.



**Medium green** is allocated to projects and solutions that represent steps towards the long-term vision, but are not quite there yet. Fossil-fueled technologies that lock in long-term emissions do not qualify for financing. Physical and transition climate risks might be considered.



**Light green** is allocated to projects and solutions that are climate friendly but do not represent or contribute to the long-term vision. These represent necessary and potentially significant short-term GHG emission reductions, but need to be managed to avoid extension of equipment lifetime that can lock-in fossil fuel elements. Projects may be exposed to the physical and transitional climate risk without appropriate strategies in place to protect them.

### Examples



Wind energy projects with a strong governance structure that integrates environmental concerns



Bridging technologies such as plug-in hybrid buses



Efficiency investments for fossil fuel technologies where clean alternatives are not available

Sound governance and transparency processes facilitate delivery of the client's climate and environmental ambitions laid out in the framework. Hence, key governance aspects that can influence the implementation of the green bond are carefully considered and reflected in the overall shading. CICERO Green considers four factors in its review of the client's governance processes: 1) the policies and goals of relevance to the green bond framework; 2) the selection process used to identify and approve eligible projects under the framework, 3) the management of proceeds and 4) the reporting on the projects to investors. Based on these factors, we assign an overall governance grade: Fair, Good or Excellent. Please note this is not a substitute for a full evaluation of the governance of the issuing institution, and does not cover, e.g., corruption.



## 2 Brief description of Aurskog Sparebank's green bond framework and related policies

Aurskog Sparebank is a regional savings bank established in 1846. The bank is working in Romerike in Viken county, Norway, and surrounding areas (i.e., Aurskog, Årnes, Bjørkelangen, Jessheim, and Sørumsand). The bank provides financial products and services to around 22,000 private retail and corporate customers. The bank has five offices, with the head office in Aurskog, and just over 60 employees.

### Environmental Strategies and Policies

Aurskog Sparebank's has set a goal to achieve net zero emissions from own operations and from the bank's loan portfolio by 2050. The bank informed us that it will define short- and medium-term steps towards this long-term goal, as well as KPIs, based on a materiality analysis that will be conducted by the bank in 2022. The bank also aims to increase the share of green loans (mortgages, business loans and car loans) in its portfolio and to reduce the number of loans which have a negative climate and environmental impact, but has not yet set a specific target with regards to how the share of the bank's green loan portfolio should increase going forward. As a long-term ambition, the bank aims to increase the share of gift and sponsorship awards related to climate and environmental measures, to a minimum of 10% annually of the total amount of awards being distributed.

Aurskog Sparebank reports emissions for scope 1 and 2, and for some scope 3 at the bank level (e.g., air travel, employees travel to/from work and waste), but is currently not reporting the loan portfolio's emissions. The bank informed us that it is awaiting sector guidance on scope 3 emissions accounting for the financial sector, which is under development by the Eika Group and Finans Norge on behalf of other Norwegian banks, in order to further develop systems for reporting scope 3 emissions. No specific timeframe is yet given.

Aurskog Sparebank has a procurement policy. For example, the policy requires selecting suppliers which are environmentally certified, such as with the Eco-Lighthouse certification ("Miljøfyrtårn")<sup>1</sup>, and only procuring goods that are environmentally certified, where possible. Further, the policy requires selecting local suppliers and locally sourced products/goods where possible, even if lacking environmental certifications.

The bank mentions assessing climate risk when lending to customers. The customer advisors must discuss with the corporate customer in the case where they have established an ESG strategy and set targets, and where climate risks are relevant for the customer's business activities. The customer advisors are supported by a list of questions related to ESG risks, which are part of the credit assessment process. The climate risk associated with retail customers is considered low by the issuer. However, the risks associated with corporate customers, which accounts for about 25 % of the bank's aggregated loan portfolio, is higher according to the bank. The bank requires that corporate loan applicants assess climate and environmental impacts, as well as physical risk and transition risk. However, in cases where an asset's exposure is seen as material, the bank does not exclude customers that has not implemented resiliency measures and adaptation plans. Furthermore, the TCFD recommendations have been lightly implemented in the bank's sustainability report dated 2021, and the bank informed us that it aims to have a more thorough climate risk reporting in 2022, including climate scenario analysis.

The credit policy of the bank mentions that it should have no credit commitments with customers who have significant activities within oil, shipping, fishing, pub and restaurant operations or hotel operations. Exceptions can be made for local reasons after special consideration. Exceptions can include loans to existing customers which are expanding into new business areas such as hotels or pubs/restaurants or for activities the bank wishes to

<sup>1</sup> [Stiftelsen Miljøfyrtårn \(miljofyrtarn.no\)](https://www.miljofyrtarn.no)



exclude, if the new loans to these customers are contributing to the climate transition. All customers must conduct their business in accordance with applicable laws and regulations, which include environmental considerations and human rights.

Aurskog Sparebank has signed the UNEP FI Principles for Responsible Banking in 2020. Furthermore, Aurskog Sparebank received the Eco-Lighthouse certification in 2020, through which Aurskog Sparebank submitted an annual climate and environmental report that shows the bank's impact on the internal and external environment, as well as set up an action plan for the coming years' work. The reports are available on the bank's website.

### Use of proceeds

An amount equal to the net proceeds from green bonds issued under the framework will be used to finance or refinance a portfolio of loans that promote the transition towards low-carbon and climate-resilient development (“green loan portfolio”).

Only eligible projects that meet the criteria described in table 1 can be financed by green bonds. Green bond net proceeds will be allocated towards the refinancing of existing loans outstanding which meet the criteria, according to the issuer. The use of proceeds will only be allocated to the green buildings project category.

Green bonds will not be used to finance investments linked to fossil energy generation, nuclear energy generation, products and/or R&D within weapons and defense, potentially environmentally negative resource extraction, gambling, pornography, or tobacco, nor other activities in violation of Aurskog Sparebank’s established industry sector guidance towards corporate customer.

### Selection

The selection process is a key governance factor to consider in CICERO Green’s assessment. CICERO Green typically looks at how climate and environmental considerations are considered when evaluating whether projects can qualify for green finance funding. The broader the project categories, the more importance CICERO Green places on the governance process.

Aurskog Sparebank has established a balance sheet management committee responsible for the allocation of green bond proceeds. The committee is responsible for the evaluation and selection of loans for inclusion in the green loan portfolio. The balance sheet management committee can also exclude any green loans already funded by green bonds. If a green loan already included in the green loan portfolio no longer meets the criteria, as evaluated by the balance sheet management committee, it will be removed from the green loan portfolio. The balance sheet management committee consists of members from the Treasury/Finance and Risk Management teams in Aurskog Sparebank in addition to the CEO and CFO. Aurskog Sparebank confirms that the head of sustainability is involved in all decisions related to the framework. Other internal representatives with specific expertise may be invited when deemed necessary. All decisions will be made by consensus, and they will be documented and filed. The balance sheet management committee will keep a register of the portfolio of identified green loans. All lending activities in Aurskog Sparebank must go through the regular and applicable credit approval processes.

### Management of proceeds

CICERO Green finds the management of proceeds of Aurskog Sparebank to be in accordance with the Green Bond Principles.

An amount equal to the net proceeds from issued green bonds will be allocated toward the financing and refinancing of the green loan portfolio. The Treasury department of Aurskog Sparebank will ensure that the value of the green loan portfolio always exceeds the total nominal amount of green bonds outstanding.



Net proceeds from green bonds awaiting allocation to the green loans portfolio will be managed according to the regular liquidity management policy of the Treasury department, which entails having sufficient available funds to cover short term repayment obligations, where such funds may be held as cash or short-term money market instruments.

## Reporting

Transparency, reporting, and verification of impacts are key to enable investors to follow the implementation of green finance programs. Procedures for reporting and disclosure of green finance investments are also vital to build confidence that green finance is contributing towards a sustainable and climate-friendly future, both among investors and in society.

To enable investors and other stakeholders to follow the issuance of green bonds, a green bond report will be made available on the bank's website. The green bond report will include an "allocation report" and an "impact report" and will be published annually as long as there are green bonds outstanding or green bond proceeds awaiting allocation.

The allocation report will include the following information:

- Size of the identified green loan portfolio.
- Nominal amount of green bonds outstanding.
- Share of the green loan portfolio currently financed by green bonds.
- Amount of net proceeds awaiting allocation (if any).
- Information on possible changes/developments in the EU Taxonomy regulation and delegated acts criteria or Norwegian laws and regulations that may be of relevance for the green loan eligibility criteria.

The impact report aims to disclose the environmental impact of the green loans financed by green bonds. The impact reporting will be aggregated for each green loan category, and depending on data availability, calculations will be made on a best intention basis and available. Aurskog Sparebank may rely on external parties to assist with impact calculation and analysis. Aurskog Sparebank will align, on a best effort basis, its impact reporting with the portfolio approach described in "Handbook – Harmonized Framework for Impact Reporting" (April 2020)<sup>2</sup>. The impact assessment will use the following metrics to calculate avoided CO<sub>2</sub>e emissions: Estimated annual energy consumption (kWh/m<sup>2</sup>) and annual avoided GHG emissions (tCO<sub>2</sub>e), compared to baseline (i.e., average energy demand of the total residential building stock).

The allocation report will be externally reviewed. The issuer is also in the process of having its impact reporting externally reviewed.

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<sup>2</sup> [Handbook-Harmonised-Framework-for-Impact-Reporting-June-2021-100621.pdf \(icmagroup.org\)](#)



## 3 Assessment of Aurskog Sparebank’s green bond framework and policies


The framework and procedures for Aurskog Sparebank’s green bond investments are assessed and their strengths and weaknesses are discussed in this section. The strengths of an investment framework with respect to environmental impact are areas where it clearly supports low-carbon projects; weaknesses are typically areas that are unclear or too general. Pitfalls are also raised in this section to note areas where Aurskog Sparebank should be aware of potential macro-level impacts of investment projects.

### Overall shading

Based on the project category shadings detailed below, and consideration of environmental ambitions and governance structure reflected in Aurskog Sparebank’s green bond framework, we rate the framework **CICERO Light Green**.

### Eligible projects under Aurskog Sparebank’s green bond framework

At the basic level, the selection of eligible project categories is the primary mechanism to ensure that projects deliver environmental benefits. Through selection of project categories with clear environmental benefits, green bonds aim to provide investors with certainty that their investments deliver environmental returns as well as financial returns. The Green Bonds Principles (GBP) state that the “overall environmental profile” of a project should be assessed and that the selection process should be “well defined”.

Category	Eligible project types	Green Shading and some concerns
<b>Green buildings</b>  	Loans financing the acquisition, ownership, construction, and renovation of residential buildings meeting the following criteria:  <b>Buildings built in 2021 or later</b> <ul style="list-style-type: none"> <li>Buildings with an energy consumption that is at least 10% lower than national minimum requirements (TEK17)<sup>3</sup>.</li> </ul> <b>Buildings built before 2021</b> <ul style="list-style-type: none"> <li>Energy Performance Certificate A at the time of construction, or</li> <li>Buildings within the top 15% of the national or regional stock in terms of primary energy demand, defined as;</li> </ul>	<b>Light Green</b> <ul style="list-style-type: none"> <li>✓ Most of the proceeds will be allocated to buildings built between 2012 and 2020.</li> <li>✓ Buildings are only located in Norway, and leisure homes/cabins are excluded.</li> <li>✓ Buildings used for the purpose of exploration, extraction, refining and distribution of fossil fuels are excluded.</li> <li>✓ Although some buildings will be somewhat more energy efficient than regulations, the Light Green shading reflects that the framework also allows for financing of buildings built between 2012-2020 with no additional energy efficiency requirements compared to regulation.</li> <li>✓ Norwegian residential buildings that comply with the Norwegian building code of 2010 (TEK10) and later, or buildings with an EPC A or B, have significantly better energy standards than the building stock and account</li> </ul>

<sup>3</sup> In accordance with the EU Delegated Acts, the criterion is that buildings have at least 10% lower the Primary Energy Demand than the threshold set for the “nearly zero-energy building” (NZEB) requirements in national measures. In Norway, a definition for what constitutes an NZEB has not yet been implemented, hence we currently apply TEK17.



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- Buildings built according to Norwegian building codes of 2010 (TEK10) or 2017 (TEK17); or
  - For buildings built prior to 2012, minimum Energy Performance Certificate B.
- Renovated buildings**
- Costs related to renovations leading to a reduction in primary energy demand of at least 30%.
  - For the building to qualify after renovations it should meet the criteria as above for buildings built either before or after 2021.
- ✓ for less than 15% of the residential building stock, according to a report by Multiconsult<sup>4</sup>.
  - ✓ Aurskog confirmed that it does not screen for other elements beyond the scope of the EPC or energy efficiency, such as biodiversity risk, or access to public transportation.
  - ✓ In the Nordic context, some 50% of lifecycle emissions from buildings are expected to come from the operation of the building (mainly energy use), and the other half from building materials<sup>5, 6</sup>. TEK 10, TEK 17, and EPCs do not seek to minimize emissions from building materials.
  - ✓ Fossil fuel equipment can be included for the construction of buildings, and the bank does not screen for construction emissions.
  - ✓ Renovation of existing buildings is key to succeed in the transition to a low carbon future, as they have a considerably lower carbon footprint than the construction of new buildings. The 30% improvement criteria is commensurable.
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Table 1. Eligible project categories

## Background

In a 2050 low carbon perspective, the energy performance of buildings is expected to be improved, with passive house technology becoming mainstream and the energy performance of existing buildings greatly improved through refurbishments. In the Nordics, approximately half of life cycle emissions from buildings stem from materials/construction. The real estate and building construction sectors combined are currently responsible for 36% of global final energy consumption and nearly 40% of total direct and indirect CO<sub>2</sub> emissions. Appliances (excluding heating, cooking, and cooling appliances) are responsible for around 17% of final electricity use by buildings. The IEA reports that the efficiency of building envelopes needs to improve by 30% by 2025 to keep pace with increased building size and energy demand.<sup>7</sup> Furthermore, in the IEA net zero emissions by 2050 scenario, all new buildings constructed from 2030 must be zero carbon ready<sup>8</sup> – in addition to increased renewable heat sources up to 25% in 2030.<sup>9</sup> Building energy codes are the central policy mechanism to meet this goal. However, only 5% of new buildings constructed globally currently meet this standard<sup>10</sup>.

In the Nordic context, emissions from buildings are approximately half coming from materials/construction and half from energy use<sup>11</sup>. With more and more energy efficient buildings in the Nordics, emissions from materials and construction phase become more important<sup>12</sup>. The Norwegian building sector has developed a roadmap for

<sup>4</sup> [Report\\_KfSEiendomsrett\\_01\\_v02.pdf](#)

<sup>5</sup> [sectorbriefs\\_realestate\\_17\\_12+\(1\).pdf \(squarespace.com\)](#)

<sup>6</sup> [Microsoft Word - Utredning av livsl psbaserte milj krav i TEK 02.01.18 \(dibk.no\)](#)

<sup>7</sup> <https://www.iea.org/reports/building-envelopes>

<sup>8</sup> [Energy Efficiency 2021 \(windows.net\)](#)

<sup>9</sup> <http://www.iea.org/tcep>

<sup>10</sup> [Energy Efficiency 2021 \(windows.net\)](#)

<sup>11</sup> [Microsoft Word - Utredning av livsl psbaserte milj krav i TEK 02.01.18 \(dibk.no\)](#)

<sup>12</sup> [https://cicero.oslo.no/file/2/sectorbriefs\\_realestate\\_17\\_12.pdf/download](https://cicero.oslo.no/file/2/sectorbriefs_realestate_17_12.pdf/download)





sustainable growth towards 2050, which includes several recommendations for the sector. Some of the key recommendations include certifying the organization, removing all fossil fuel heating, requesting fossil free construction sites, and commissioning an energy budget for the estimated actual and energy consumption.<sup>13</sup> Fossil fuel heating is banned since 2020<sup>14</sup>, however some exceptions remain for commercial buildings. The energy efficiency of buildings is dependent on multiple factors including increasing affluence and expectations of larger living areas, growth in population and unpredictability of weather, and greater appliance ownership and use.

In addition to energy efficiency, CICERO Green assess if there is any screening for potential impacts from more extreme weather events, such as flooding. Flood risk for properties, is of particular concern in vulnerable geographic regions, such as close to rivers or lakes. We also factor in if there have been any considerations around transportation solutions and environmental impacts in the construction phase of the building (e.g., waste considerations).

### Governance Assessment

Four aspects are studied when assessing the Aurskog Sparebank 's governance procedures: 1) the policies and goals of relevance to the green bond framework; 2) the selection process used to identify eligible projects under the framework; 3) the management of proceeds; and 4) the reporting on the projects to investors. Based on these aspects, an overall grading is given on governance strength falling into one of three classes: Fair, Good or Excellent. Please note this is not a substitute for a full evaluation of the governance of the issuing institution, and does not cover, e.g., corruption.

The bank has set a goal to achieve zero emissions from own operations and from the bank's credit portfolio by 2050, and will, in 2022, set short- and medium-term steps and KPIs towards this long-term goal. Aurskog Sparebank is reporting emissions for scope 1 and 2, and for some scope 3 emissions, but is currently not reporting the loan portfolio's emissions. In order to reach its 2050 goal, the bank is encouraged to report such emissions. Aurskog Sparebank has a procurement policy for suppliers, and reports in line with the Environmental Lighthouse Certification. Aurskog Sparebank is assessing climate risk when lending to customers, both for physical climate risk and transitional risk. The TCFD recommendations have been lightly implemented in the bank's sustainability report dated 2021, and the bank informed us that it aims to have a more thorough climate risk reporting in 2022, including climate scenario analysis. However, in cases where an asset's exposure is seen as material, the bank does not exclude customers that has not implemented resiliency measures and adaptation plans.

Aurskog Sparebank confirms that the head of sustainability is involved in all decisions related to the framework, and the framework has clearly defined the project selection criteria.

Aurskog Sparebank is publicly reporting for allocation and impacts on its website. At least on metrics per project category for the impact reporting has been defined, and the issuer provide transparency on the methodology and the calculations used. The allocation reporting will be externally reviewed, and the issuer is in the process of having the impact reporting also externally reviewed.



The overall assessment of Aurskog Sparebank's governance structure and processes gives it a rating of Good.

### Strengths

Even though there is no specific energy efficiency improvement threshold, it is positive that renovation is included in the framework, as renovation of existing buildings is key to succeed in the transition to a low carbon future. The

<sup>13</sup> <https://byggalliansen.no/wp-content/uploads/2019/02/roadmap2050.pdf>

<sup>14</sup> [Oljefyringsforbud fra 2020 - Oljefri](#)



most important issue when it comes to the real estate sector from an environmental perspective is what could be done to make the existing building stock more energy efficient. The 30% improvement criteria is commensurable.

It is a strength that the bank plans to work on the reporting for scope 3 emissions, and to define short- and medium-term steps in 2022, in order to achieve net zero emissions from own operations and from the bank's loan portfolio by 2050. CICERO Green is encouraged by the clear and relevant approach that the bank is setting up in order to reach its long-term goal.

### Weaknesses

We find a weakness in the framework's reporting on impacts from the green buildings category. If the issuer reports on estimated annual energy consumption and annual GHG emissions for both new and existing buildings compared to the average energy demand for Norwegian residential buildings (252 kWh/m<sup>2</sup>)<sup>15</sup>, there is a risk that the environmental benefits of the financed buildings are overestimated. The impact reporting would be more transparent if the issuer reported the actual energy use of the financed buildings.

### Pitfalls

The green building criteria represent a pitfall. The lack of energy use requirements that goes beyond regulation for existing buildings is a pitfall of this framework and reflects the Light Green shading. No other screening criteria than EPC level or TEK codes are included, and most of the proceeds are expected to be allocated to all buildings built between 2012 and 2020 without any further energy requirements. In a 2050 perspective, building energy performance needs to improve with passive and plus house technologies becoming mainstream and the energy performance of existing buildings greatly improved through refurbishments. Transport solutions, voluntary environmental certifications, and limiting emissions related to the building materials are also important to consider. There is also a risk that new buildings add significant emissions due to material use and construction emissions.

Developing projects with climate resilience and adaptation in mind is critical for the real estate sector. The issuer would benefit from a more systematic inclusion of climate scenarios into its management systems and reporting. While some assets financed may be screened for physical climate risk exposure, this does not guarantee that sufficient adaptive measures have been implemented. Where an asset's exposure is seen as material, it is not clear how the issuer will check whether its clients have implemented such measures or if this will be a reason for excluding the loan from green bond financing. This is in particular relevant for buildings, which in general are expected to be highly exposed to physical climate risks.

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<sup>15</sup> [Multiconsult-Impact-Assessment-Report-SpareBank1-Ostlandet\\_2022.pdf](#)



# Appendix 1: Referenced Documents List

Document Number	Document Name	Description
1	Aurskog Sparebank Green Bond Framework	Dated April 2022
2	Aurskog Sparebank Sustainability Report 2021	<a href="https://aurskog-sparebank.no/-/media/banker/aurskog-sparebank/dokumenter/Baerekraft/Brekrftsrapport-rsrapport-2021.pdf">https://aurskog-sparebank.no/-/media/banker/aurskog-sparebank/dokumenter/Baerekraft/Brekrftsrapport-rsrapport-2021.pdf</a>
3	Baerekraft og kredittvurderinger	Dated June 2021



## Appendix 2: About CICERO Shades of Green

CICERO Green is a subsidiary of the climate research institute CICERO. CICERO is Norway's foremost institute for interdisciplinary climate research. We deliver new insight that helps solve the climate challenge and strengthen international cooperation. CICERO has garnered attention for its work on the effects of manmade emissions on the climate and has played an active role in the UN's IPCC since 1995. CICERO staff provide quality control and methodological development for CICERO Green.

CICERO Green provides second opinions on institutions' frameworks and guidance for assessing and selecting eligible projects for green bond investments. CICERO Green is internationally recognized as a leading provider of independent reviews of green bonds, since the market's inception in 2008. CICERO Green is independent of the entity issuing the bond, its directors, senior management, and advisers, and is remunerated in a way that prevents any conflicts of interests arising as a result of the fee structure. CICERO Green operates independently from the financial sector and other stakeholders to preserve the unbiased nature and high quality of second opinions.

We work with both international and domestic issuers, drawing on the global expertise of the Expert Network on Second Opinions (ENSO). Led by CICERO Green, ENSO contributes expertise to the second opinions, and is comprised of a network of trusted, independent research institutions and reputable experts on climate change and other environmental issues, including the Basque Center for Climate Change (BC3), the Stockholm Environment Institute, the Institute of Energy, Environment and Economy at Tsinghua University, the International Institute for Sustainable Development (IISD) and the School for Environment and Sustainability (SEAS) at the University of Michigan.

