

 Early Warning System

EBRD-56034

Croatia Bosqar SLB participation



Quick Facts

Countries	Croatia
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	B
Voting Date	2025-04-30
Borrower	BOSQAR d.d.
Sectors	Agriculture and Forestry, Finance, Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	\$ 44.77 million
Loan Amount (USD)	\$ 44.77 million
Project Cost (USD)	\$ 167.84 million



Project Description

As stated by the EBRD, the project consists of a participation in a private placement as part of EUR143.2 million dual-tranche sustainability-linked bond (SLB) issuance by BOSQAR d.d. (ZSE: BSQR), the holding company of the BOSQAR INVEST group, headquartered in Croatia. EBRD proceeds will be used for acquisition financing in Croatia, whilst the proceeds of the public issuance will be used for general corporate purposes including further expansion through acquisitions.

The Project supports further local capital market development as well as sustainability ambition and further growth and competitiveness of the BOSQAR INVEST group.

ADDITIONALITY

The EBRD's participation is additional as it contributes to closing the funding gap by investing in an innovative instrument, supports the client to mitigate carbon transition risks, and supporting the client in digital innovation via investments in artificial intelligence solutions across its business verticals (Digital tag project).

ENVIRONMENTAL AND SOCIAL SUMMARY

The Project is Categorized B in line with the EBRD's Environmental and Social Policy 2024. The Project is subject to capital market rules and due diligence has been performed based on publicly available information and subsequent engagement with the Company. The Client is BOSQAR d.d., a former client which previously operated under the name Meritus ulaganja d.d., and is a publicly listed holding company which consolidates businesses across diversified sector verticals, including business process and technology outsourcing, HR, food and agriculture, and other industries.

The Project is dual-tranche Sustainability-linked bond with EBRD private placement proceeds to be used for acquisitions in EBRD Countries of Operations and public issuance to be used for general corporate purposes. The financing features a KPI covering the Scope 1 food, land use, and agriculture emissions of a recently acquired Slovenian agricultural company, Panvita Group, which is involved in poultry, pork, and crop production. A Second Party Opinion provider, Sustainalytics, was engaged to assess the Sustainability-Linked Bond Framework and deemed the KPI as ambitious.

The Project will be required to comply with the EBRD's E&S Requirements (ESRs) and E&S Due Diligence completed by the EBRD has concluded that the existing management capacity of the Company is sufficiently aligned with Good International Practice. Panvita Group is committed to applying the EU Code of Conduct on Responsible Food Business and Marketing Practices and is in accordance with local and EU laws with regards to animal welfare and is also committed to adopting sustainable agricultural practices.

BOSQAR INVEST has a good level of human resources, equality and inclusion, information security, stakeholder/customer engagement policies and practices. Given the nature of the transaction and the Client's previous engagements with the Bank, there is no ESAP. The Client holds relevant sectoral ISO certificates. The previous ESAP included requirements for the Client to improve their ESMS, HR policy, grievance management, stakeholder engagement, and employee benefits. The Client has a comprehensive Human Rights Policy at the BOSQAR level, aligned with international frameworks such as the UN Global Compact. Training programmes, while not formalised in a single document, are tailored to departmental needs, and include professional development, compliance training, and leadership programs. The Group complies with local laws regarding freedom of association and collective bargaining but lacks a specific policy on these rights. Grievances are managed through both formal systems and direct reporting to supervisors, and there is a whistleblowing software system to facilitate reporting of grievances from external stakeholders. While the Group does not have bargaining agreements or worker councils,



Investment Description

- European Bank for Reconstruction and Development (EBRD)



Private Actors Description

As stated by the EBRD, the Company is a publicly listed holding company (Zagreb Stock Exchange), which consolidates companies operating in 21 countries. The Group operates in four highly diversified sector verticals, each of which consolidates companies from the following segments: i) business process and technology outsourcing (BPTO), ii) HR/ tech employment, iii) food and agriculture; and iv) other industries.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	BOSQAR Invest d.d.	Client	Industry and Trade



Contact Information

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ACCESS TO INFORMATION

You can request information by emailing: accessinfo@ebrd.com or by using this electronic form:

<https://www.ebrd.com/eform/information-request>

ACCOUNTABILITY MECHANISM OF EBRD

The Project Complaint Mechanism (PCM) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an European Bank for Reconstruction and Development (EBRD)-financed project. If you submit a complaint to the PCM, it may assess compliance with EBRD's own policies and procedures to prevent harm to the environment or communities or it may assist you in resolving the problem that led to the complaint through a dialogue with those implementing the project. Additionally, the PCM has the authority to recommend a project be suspended in the event that harm is imminent.

You can contact the PCM at: pcm@ebrd.com or you can submit a complaint online using an online form at:

http://www.ebrd.com/eform/pcm/complaint_form?language=en

You can learn more about the PCM and how to file a complaint at: <http://www.ebrd.com/work-with-us/project-finance/project-complaint-mechanism.html>