

NRC.

NRC. Consolidates Western Institutional Investors to Implement the “Decentralized Energy Generation and Supply Diversification Strategy” and Plans to Raise USD 500 Million During 2023-24

CITY OF LONDON, January 5, 2023 – Stephanie Cohen, Head of Public Sector Group and Chairman of The NRC Global Markets Research Institute Governing Board, presents an alternative approach to financing Ukraine's energy infrastructure recovery, adjusted for upcoming challenges.

International development finance institutions (DFIs) and multilateral development banks (MDBs) remain vital contributors to the design and implementation of all types of recovery and development programs. Also, financial and technical assistance from foreign governments plays an important role.

The damages from Russian aggression, however, have a destructive effect. Small towns and territorial communities have fewer opportunities to pay for the consequences of RF terrorist acts and they are less able to bear the incremental financial cost of energy infrastructure restoration in local.

Despite these pledges, current resource transfers from rich country governments – either directly, via trust funds to which rich countries have contributed, or through the multilateral development banks they fund – are insufficient to finance the restoration.

Currently, the NRC. is attempting to combine the financial strength and project expertise of the DFIs and MDBs with the potential of Investment Funds that make strategic investments in the energy sector in developing countries.

This makes sense, given that the value of investible resources controlled by institutional investors alone is estimated at \$154 trillion, far more than what is readily available to public sector lenders.

Today, February 24, we are pleased to announce the launch of a nationwide infrastructure “Program for Decentralization of Electro-generation and Supplies Diversification”, which will primarily apply to

entities from the corporate, industrial and public sectors and is tasked with ensuring uninterrupted power supply. 24/7.

In this Program line, NRC. plans to raise USD 500 million to the energy sector of Ukraine during 2023-24 to ensure its sustainable operation and planned development.

About Program

This Program is implemented in collaborate with the International Finance Corporation (IFC) and EBRD. Throughout the implementation of this Program, the NRC applies the methodologies of the IFC and other MDBs to assess the anticipated development impact on economic processes, trends and patterns within the country.

We do so for several reasons:

- *First*, it helps our debt-issuing clients identify the specific development outputs and outcomes it seeks when investing in the construction of a sustainable national energy system.
- *Second*, by adopting “best-in-class” methods in use by public sector development institutions, we believe that we improve our ability to work with these entities by creating a “blended finance” platform for projects in the energy sector that do require a quantity of concessional capital.

Standardizing a development impact methodology is the next step to catalyzing institutional capital for projects in the Ukraine energy sector development, including both generation and electricity transportation.

From the start, we have published our Program on NRC’s net to enhance its credibility and in the hope that public discussion will help us improve.

[For Program details, please follow the link: <https://www.nrc.org.ua/energyprogram>]

We are now aiming to socialize this Program across the entire energy infrastructure sector so that issuers and investors alike have greater transparency as to the definitions, reporting, and evaluation

standards that are essential for the effective and methodical work to restore. The result of such work should be the opening of access to preferential and affordable strategic capital.

If we, peer institutions, and our clients are successful in creating an investing asset class for in the restoration of the national energy system, the challenge of financing a energy market energy market restore and development path will seem less difficult, since only the institutional segment has the financial resources needed to bring national energy stability and safety.

About NRC.

National Reserve & Securities Corporation (NRC.) is one of the regional's largest banking and financial services organizations. Our global businesses serve more than 1000 customers worldwide through a network that covers 30 countries and territories.

Our customers range from small businesses and investors to some of the world's biggest companies, governments and international organizations. We aim to connect them to opportunities and help them to achieve their ambitions.

The products and services we offer vary widely according to customers' needs. We offer businesses loans to invest in growth, and products such as foreign exchange and trade financing that enable them to expand internationally. And for large companies and organizations operating across borders, we offer tailored advice on decisions such as financing major projects, issuing debt or making acquisitions.

For more information, please refer to nrc.org.ua.

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