

Green Bond Fact Sheet

Landsvirkjun		Date: 09-Mar-2018	
Issue date: 09-Mar-2018 Maturity date: 09-Mar-2028 Tenor: 10			
Issuer Name	Landsvirkjun	Amount Issued	USD200m
Country of risk	Iceland	CBI Database	Included
Issuer Type ¹	Government-Backed	Bond Type	Private Placement
Green Bond Framework	Link to GB Framework	Second party opinion	Sustainalytics
Certification Standard	Not certified	Assurance report	N/A
Certification Verifier	N/A	Green bond rating	N/A
Use of Proceeds			
<input checked="" type="checkbox"/> Energy	<input checked="" type="checkbox"/> Solar <input checked="" type="checkbox"/> Onshore wind <input checked="" type="checkbox"/> Offshore wind <input checked="" type="checkbox"/> Geothermal <input checked="" type="checkbox"/> Hydro <input type="checkbox"/> Tidal	<input type="checkbox"/> Biofuels <input type="checkbox"/> Bioenergy <input type="checkbox"/> Waste to energy <input type="checkbox"/> District heating <input type="checkbox"/> Electricity grid	<input type="checkbox"/> Energy storage <input type="checkbox"/> Energy performance <input type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input type="checkbox"/> Buildings	<input type="checkbox"/> Certified Buildings <input type="checkbox"/> HVAC systems <input type="checkbox"/> Energy performance	<input type="checkbox"/> Water performance <input type="checkbox"/> Energy storage/meters <input type="checkbox"/> Other energy related	<input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input type="checkbox"/> Transport	<input type="checkbox"/> Electric vehicles <input type="checkbox"/> Low emission vehicles <input type="checkbox"/> Bus rapid transit <input type="checkbox"/> Passenger trains <input type="checkbox"/> Urban rail	<input type="checkbox"/> Freight rolling stock <input type="checkbox"/> Coach / public bus <input type="checkbox"/> Bicycle infrastructure <input type="checkbox"/> Energy performance	<input type="checkbox"/> Transport logistics <input type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input type="checkbox"/> Water & wastewater	<input type="checkbox"/> Water distribution <input type="checkbox"/> Water treatment <input type="checkbox"/> Wastewater treatment <input type="checkbox"/> Water storage	<input type="checkbox"/> Storm water mgmt <input type="checkbox"/> Desalination plants <input type="checkbox"/> Erosion control <input type="checkbox"/> Energy performance	<input type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input type="checkbox"/> Waste management	<input type="checkbox"/> Recycling <input type="checkbox"/> Waste prevention <input type="checkbox"/> Pollution control	<input type="checkbox"/> Landfill, energy capture <input type="checkbox"/> Energy performance <input type="checkbox"/> Infrastructure	<input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience

<input type="checkbox"/> Land use & agriculture	<input type="checkbox"/> Afforestation/parks <input type="checkbox"/> FSC Forestry <input type="checkbox"/> FSC Cellulose & paper	<input type="checkbox"/> Land remediation <input type="checkbox"/> Energy/water efficiency	<input type="checkbox"/> Sustainable agriculture <input type="checkbox"/> Adaptation & resilience
<input type="checkbox"/> Other	<input type="checkbox"/> Adaptation & resilience	<input type="checkbox"/> ICT	<input type="checkbox"/> Industry: process
Issue details			
Reporting	Annual reporting on proceed allocation will be available on the company's website .		
Company information	Landsvirkjun is the largest electricity generator in Iceland, processing 75% of the country's electricity. Three fourths of the company's generation come from hydro and geothermal power plants.		
Firsts, records and certifications	Landsvirkjun's private placement is the first green bond from an Icelandic issuer!		
Proceeds description	<p>The proceeds will fund the development of the 900MW Theistareykir geothermal station and the 100MW expansion of the Burfell hydropower plant.</p> <p>More broadly, the green bond framework lists geothermal, hydropower and wind as eligible assets. Geothermal energy projects must comply with a direct emissions upper limit of 100g CO²/kWh. Hydropower projects must have a capacity of up to 100MW and annual emissions of less than 4g CO²/kWh to be eligible. The deal benefits from a Sustainalytics Second Party Opinion.</p>		
Climate Bonds view	We identified Landsvirkjun as a candidate for green bond issuance in our Nordic and Baltic Public Sector Green Bonds report earlier this year and are very pleased to see it come to market. Both geothermal and hydro eligibility criteria reflect best practice in the market, setting a high benchmark for future issuers.		
Underwriters	Barclays, Citi		
Deal comments			
Credit Rating			
Pricing summary	The orderbook totalled just above USD700m, a 7x oversubscription from the launch size of USD100m.		
Investors summary			

¹ Issuer categories: ABS, development bank, financial corporate, government-backed entity, loan, local government, non-financial corporate, sovereign