

Green Bond Fact Sheet

KBC		Date: 22-Jun-2018	
Issue date: 27-Jun-2018 Maturity date: 27/06/2023 Tenor: 5			
Issuer Name	KBC	Amount Issued	EUR500m/USD582m
Country of risk	Belgium	CBI Database	Included
Issuer Type ¹	Financial Corporate	Bond Type	Green Bond
Green Bond Framework	Link to Framework	Second party opinion	Sustainalytics
Certification Standard	Solar, Wind, Marine Renewable Energy, Low Carbon Buildings (Residential)	Assurance report	N/A
Certification Verifier	Sustainalytics	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 type="checkbox"/> Geothermal <input type="checkbox"/> Hydro <input type="checkbox"/> Tidal	<input type="checkbox"/> Biofuels <input checked="" type="checkbox"/> Bioenergy <input checked="" 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 checked="" type="checkbox"/> Buildings	<input checked="" type="checkbox"/> Certified Buildings <input type="checkbox"/> HVAC systems <input checked="" 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	The issuer is committed to disclosing proceed and impact indicators of financed projects annually. (Link to website)		
Company information	KBC Group (“KBC”, or “the company”) is a European financial group with a focus on providing bank-insurance products and services to retail, SME and mid-cap clients.		
Firsts, records and certifications	First Belgian green bond from a financial corporate.		
Proceeds description	<p>The inaugural deal obtained certification under the Solar, Wind, Marine Renewable Energy, Low Carbon Buildings (Residential) Criteria of the Climate Bonds Standard. Proceeds will finance solar, onshore and offshore wind, as well as loans for new residential properties in the Flemish region. To be eligible, properties must comply with the requirements of the Flemish Region’s building code from 2014 or later (specifically, E-level ≤ 60) and the first loan drawdown must have occurred after 1 January 2016.</p> <p>In Belgium, new or renovated buildings have to fulfil Energy Performance requirements and the most important requirement is the E-Level. This is defined as the annual primary energy consumption of the property divided by a reference consumption. The lower the E-Level, the more efficient the property. The minimum required by law in Belgium is E-Level<100, so an E-Level of <60 is quite efficient.</p> <p>Eligible categories under the Green Bond Framework include geothermal energy, sustainable biomass and waste to energy, low carbon transport, waste management and recycling, water management and sustainable land use. On the property side, it allows for green energy loans for retail clients, where at least 50% of home improvements enhance energy performance, and for loans on commercial real estate, where the property is in the top 15% in terms of energy performance for the country, or buildings have obtained at least LEED Gold, REEAM Very Good or HQE Excellent certification.</p>		
Climate Bonds view			
Underwriters	ABN Amro, Barclays, Commerzbank, Credit Agricole CIB, KBC		
Deal comments			



Credit Rating	Baa1 (Moody's), BBB+ (S&P)
Pricing summary	The deal was priced at 72bps over mid-swaps and received orders for over EUR1.6bn. (source)
Investors summary	The issue was restricted to institutional and professional investors. The deal was placed with 113 different investors. (source)

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

