

## Green Bond Fact Sheet

Clemens Kraft AS		Date: 16-Apr-2019	
Issue date: 13-02-2018 Maturity date: 13-02-2025 Tenor: 7			
Issuer Name	Clemens Kraft AS	Amount Issued	NOK300m/USD38m
Country of risk	Norway	CBI Database	Included
Issuer Type <sup>1</sup>	Non-financial corporate	Bond Type	Senior secured
Green Bond Framework	N/A	Second party opinion	<a href="#">CICERO</a>
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 type="checkbox"/> Solar <input type="checkbox"/> Onshore wind <input type="checkbox"/> Offshore wind <input type="checkbox"/> Geothermal <input checked="" type="checkbox"/> Hydro	<input type="checkbox"/> Tidal <input type="checkbox"/> Biofuels <input type="checkbox"/> Bioenergy <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"/> Flood protection <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"/> Waste to energy <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience

<input type="checkbox"/> Land use & agriculture	<input type="checkbox"/> Afforestation/parks <input type="checkbox"/> Land remediation <input type="checkbox"/> Sustainable agriculture <input type="checkbox"/> FSC Forestry <input type="checkbox"/> Energy/water efficiency <input type="checkbox"/> Adaptation & resilience <input type="checkbox"/> FSC Cellulose & paper
<input type="checkbox"/> Other	<input type="checkbox"/> Adaptation & resilience <input type="checkbox"/> ICT <input type="checkbox"/> Industry: process
<b>Issue details</b>	
<b>Reporting</b>	<p>The issuer intends to create a separate section on their website for green bond reporting, which will take place at least annually until full allocation of proceeds. Reporting will include the following:</p> <ul style="list-style-type: none"> <li>• Total amount of unallocated proceeds</li> <li>• Share of proceeds used for refinancing and new projects (including project details)</li> <li>• A general insight into CK's development projects, strategy and financial standings</li> <li>• Production of renewable energy (MWh) and installed capacity (MW) (impact reporting)</li> <li>• Any negative deviations including regulations, guidelines or agreements breached</li> </ul>
<b>Company information</b>	<p>Clemens Kraft is an integrated small-scale hydro company that is majority owned by <i>Opplysningsvesenets Fond</i> (OVF, the Norwegian Church Endowment). The company is one of the largest developers of small power plants in Norway. It currently has 34 power plants in operation, 10 under construction and several ready to begin building. Sustainability - both financially as well as in the environmental and social sense - is core to the company's operations.</p>
<b>Firsts, records and certifications</b>	
<b>Proceeds description</b>	<p>Proceeds will fund only small-scale hydro power plants (SSHPP's) in Norway. Only run of river hydro plants without dam reservoirs are eligible.</p>
<b>Climate Bonds view</b>	<p>It is good to see more hydro issuance from Norway, as the country has significant potential to leverage this form of renewable energy generation. In accordance with CICERO's remarks in their SPO, we also find the issuer's reporting commitment commendable in that it states that any instances where projects are non-compliant with regulations or guidelines will be highlighted. The issuer has also included Environmental Impact Assessments (EIAs) as a mandatory step in each project aimed at mitigating the possible negative social and environmental consequences that can arise even from small-scale hydro projects. This is laudable.</p>
<b>Underwriters</b>	
<b>Deal comments</b>	
<b>Credit Rating</b>	
<b>Pricing summary</b>	
<b>Investors summary</b>	

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