

Green Bond Fact Sheet

Instituto de Crédito Oficial		Date: 23-Apr-2019	
Issue date: 09-04-2019 Maturity date: 31-01-2024 Tenor: 5			
Issuer Name	Instituto de Crédito Oficial	Amount Issued	EUR500m (USD560m)
Country of risk	Spain	CBI Database	Included
Issuer Type ¹	Government-backed entity	Bond Type	Senior unsecured
Green Bond Framework	Link to 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 type="checkbox"/> Solar <input type="checkbox"/> Onshore wind <input type="checkbox"/> Offshore wind <input type="checkbox"/> Geothermal <input 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 checked="" type="checkbox"/> Buildings	<input 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 checked="" type="checkbox"/> Other energy related	<input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input checked="" 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 checked="" 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 checked="" type="checkbox"/> Waste management	<input type="checkbox"/> Recycling <input checked="" type="checkbox"/> Waste prevention <input checked="" 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 checked="" 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 has committed to annual reporting of both allocation and impact until full allocation of the bond. Allocation reporting will be provided at the category level, while impact reporting will include relevant quantitative metrics.		
Company information	The Instituto de Crédito Oficial is a state-owned bank under the jurisdiction of Spain’s State Secretariat for Economy and Enterprise Support (Ministry of Economy and Business). ICO lends to Spanish enterprises, both directly and through third parties, to promote growth and development with a focus on activities of social, cultural, or environmental value.		
Firsts, records and certifications	Second government-backed Spanish issuer ever (following ADIF Alta Velocidad, which has issued three bonds until now), and the first financial government-backed entity		
Proceeds description	<p>ICO will use the proceeds to finance or refinance, in whole or in part, existing and future projects that provide environmental benefits and promote sustainable development. The Framework defines eligibility criteria in six areas:</p> <ol style="list-style-type: none"> 1. Renewable energy 2. Energy Efficiency 3. Clean transportation 4. Pollution prevention and control 5. Environmentally sustainable management of living natural resources and land use 6. Sustainable water and wastewater management 		
Climate Bonds view	<p>ICO’s bond marks the sixth green bond from a Spanish issuer in 2019, indicating that the country’s green bond market is picking up (11 bonds issued in 2018) – ICO had already issued social bonds. The deal is aligned to the intention of the Spanish Government to increase financing for projects with an environmental focus, as it seeks to make an “ecological transition” and become carbon neutral by 2050. The Spanish State Treasury has been studying the possibility of issuing green bonds, but this has not happened yet; it remains unclear if the government aims to finance environmental projects mainly via government-backed entities such as ICO, or via sovereign green bonds, or both. We will keep an eye out for further Spanish public sector issuance.</p>		
Underwriters	BNP, CaCIB, ING, Santander		
Deal comments			
Credit Rating			
Pricing summary			
Investors summary			

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