

## Green Bond Fact Sheet

Hemfosa Fastigheter AB		Date: 21/05/2019	
Issue date: 16-05-2019 Maturity date: 16-05-2022 Tenor: 3			
Issuer Name	Hemfosa Fastigheter AB	Amount Issued	SEK1.3bn/USD135m
Country of risk	Sweden	CBI Database	Included
Issuer Type <sup>1</sup>	Non-financial corporate	Bond Type	Senior unsecured
Green Bond Framework	<a href="#">Link to Framework</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 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 checked="" type="checkbox"/> Certified Buildings <input checked="" 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"/> 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"/> 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
<b>Issue details</b>	
<b>Reporting</b>	<p>The issuer commits to reporting at least on an annual basis until no bond funds are outstanding. The reports will be made public on Hemfosa’s website and will include:</p> <p>Use of proceeds:</p> <ul style="list-style-type: none"> <li>• Total amount of green bonds issued</li> <li>• Share of proceeds used for financing/re-financing and split per category (see below) Share of unallocated proceeds (if any)</li> </ul> <p>Impact reporting:</p> <ul style="list-style-type: none"> <li>• Type and degree of green building certification, energy performance per m<sup>2</sup> and/or estimated annual greenhouse gas emissions reduced or avoided for buildings (tCO<sub>2</sub>e)</li> <li>• For energy efficiency projects: amount of energy saved per m<sup>2</sup></li> <li>• Estimated annual GHG emissions reduced or avoided (tCO<sub>2</sub>e)</li> </ul> <p>According to the second Party Opinion produced by CICERO, Hemfosa has confirmed that country specific emission factors will be used when calculating emissions from electricity use.</p>
<b>Company information</b>	<p>Hemfosa is one of the largest private owners of community service properties in Sweden and the only listed property company with this specialisation. Its markets include Sweden, Norway and Finland. Their portfolio spans premises including workplaces for police officers, teachers and doctors, among others. Hemfosa aims to actively adapt their properties to the needs of these professionals, enabling them to contribute to a sustainable society.</p>
<b>Firsts, records and certifications</b>	<p>The first Swedish listed community service property owner to issue a green bond</p>
<b>Proceeds description</b>	<p>The proceeds of the bond will be allocated to green buildings exclusively. The three eligibility sub-categories listed are:</p> <ul style="list-style-type: none"> <li>• New construction and major renovation</li> <li>• Existing buildings (including acquired buildings)</li> <li>• Energy efficiency, e.g. replacing heat pumps, upgrading to LED lighting, improving ventilation systems and extending district heating/cooling systems</li> </ul> <p>All buildings must meet rigorous certification standards (min. BREEAM Very Good, Miljöbyggnad Silver, PassivHus or GreenBuilding for new buildings). The properties must also be either a minimum 25% more energy efficient than the national building regulations (new buildings), resulting in an Energy Performance Certificate (EPC) of A or B. If the asset undergoes renovation, a minimum 25% improvement in energy efficiency is required.</p>
<b>Climate Bonds view</b>	<p>Swedish property sector green issuance continues to boom. Hemfosa’s inaugural bond brings the cumulative volume to a whopping SEK54bn/USD6.4bn. CBI are pleased to see</p>

	that albeit a debut issuer, Hemfosa has opted to follow market best practice and has incorporated a commitment for post-issuance reporting, including impact reporting. Sweden continues to be home to myriad issuers driving best practice in the overall green bond market.
<b>Underwriters</b>	Nordea, Swedbank
<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