

Green Bond Fact Sheet

Center-invest Bank (KB Tsentr-Invest PAO)			Date: 19/11/2019
Issue date: 15-11-2019 Maturity date: 13-11-2020 Tenor: 1			
Issuer Name	Center-invest Bank (KB Tsentr-Invest PAO)	Amount Issued	RUB250m/USD4m
Country of risk	Russia	CBI Database	Included
Issuer Type ¹	Financial corporate	Bond Type	
Green Bond Framework	N/A	Second party opinion	RAEX-Europe
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 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 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 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
Issue details			
Reporting	<p>The green bond register (which will include all information necessary for identification of all eligible projects) will be used as a basis for reporting within the green bond issuance. The Bank confirmed, that the information on the projects, financed by the green bond's proceeds will be included in the Annual environmental report of the Bank as a separate annex. The Bank has a track record of environmental reports publication since 2008. However, it remains unclear what the reporting will include exactly (i.e. allocation, impacts, or both?) as well as the level of granularity of the information and impact metrics used.</p> <p>At issuance, the bank expects that the green bonds will lead to the reduction of CO2 emissions by at least by 4,000 tons (calculation based on the track record of CO2 emission decline calculations performed by the bank's employees for the period from 2005 to 2019), although the usefulness and reliability of this disclosure is very limited given that: a) there is no external review of this calculation and b) crucially, it seems to apply to the bank's own operations rather than the projects it will lend to using the green bond's proceeds.</p>		
Company information	<p>Center-invest Bank (KB Tsentr-Invest PAO) is one of the leading private banks in southern Russia, accounting for over 30% of the total capital, assets, loans and deposits of the region's local banks. It provides retail customers and businesses in southern Russia with a wide range of banking services and products.</p>		
Firsts, records and certifications	<p>First green bond by a Russian financial corporate. First RUB-denominated green bond issued by a Russian entity (previous ones had been by: Credit Agricole, 1x; EBRD, 3x; and World Bank, 7x). First Russian green bond financing multiple categories (previous had only financed rail transport)</p>		
Proceeds description	<p>The proceeds will finance loans for a range of renewable energy, energy efficiency and clean transportation projects in Russia, which are listed in the SPO. The energy efficiency projects include some in energy, buildings and transport.</p>		
Climate Bonds view	<p>Bank issuance is lacking in many countries, despite being one of the most powerful ways to increase green financing to projects at scale. This is therefore a positive development in a country with a currently very small green bond market, albeit with just a one-year term. We would hope that Center-invest Bank adds detail to its reporting to align with market best practice but acknowledge that reporting is expected to be minimal given the extremely short term.</p>		
Underwriters			
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