

Green Bond Fact Sheet

Red Eléctrica		Date: 11/02/2020	
Issue date: 24-01-2020 Maturity date: 24-07-2028 Tenor: 8.5			
Issuer Name	Red Eléctrica	Amount Issued	EUR700m/USD775m
Country of risk	Spain	CBI Database	Included
Issuer Type ¹	Government-Backed Entity	Bond Type	Sr 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 checked="" 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 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"/> 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
Issue details	
Reporting	<p>Information on allocation and impact of the green financing will be provided on an annual basis on the company's website until full allocation of the net proceeds. These reports will include information such as the total amount invested in the eligible projects, the ratio of new and existing projects, the year of investment, the balance of unallocated proceeds, and the geographical distribution of assets. Key measures disclosed in the impact report will be the increase of renewable energy capacity and estimated annual CO₂ emissions avoided. The impact report may also include case studies.</p>
Company information	<p>Red Eléctrica maintains and operates Spain's transmission grid. It was founded in 1985 and manages over 253TWh of energy. The company extends high voltage grid and coordinates the production and transmission systems. It also operates in Peru and Chile.</p>
Firsts, records and certifications	
Proceeds description	<p>Eligible project categories include renewable energy and clean transportation. This ranges from investments in integrating and enhancing the transmission capacity for renewable energy in the grid and the direct integration of renewable energy generation to the grid to decarbonisation projects enabling renewable energy integration, as well as investments in high speed rail lines and electrical connections.</p>
Climate Bonds view	<p>Spain ended 2019 with renewables accounting for almost half of the total installed energy generation capacity. Red Eléctrica's green bond underpins this trend and the country's ambition to decrease its carbon footprint and to switch to 100% renewable electricity by 2050. It is great to see such transparency in post-issuance reporting, which will also include the geographical distribution of assets financed. Not only is this level of detail rare to see in green bond reports, but it is also particularly important for industries comprised of interconnected networks of operational assets, which grid operators clearly fall under.</p>
Underwriters	
Deal comments	
Credit Rating	<p>A- (S&P) A- (Fitch)</p>
Pricing summary	<ul style="list-style-type: none"> • Interest spread: ms + 43bps • Coupon: 0.375% • Price: 98.963 %
Investors summary	

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