

Green Bond Fact Sheet

Sonae SGPS		Date: 01/05/2020	
Issue date: 08-04-2020 Maturity date: tbc Tenor: tbc			
Issuer Name	Sonae SGPS	Amount Issued	EUR55m/USD60m
Country of risk	Portugal	CBI Database	Included
Issuer Type ¹	Non-Financial Corporate	Bond Type	Loan
Green Bond Framework	N/A	Second party opinion	N/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 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 checked="" type="checkbox"/> HVAC systems <input type="checkbox"/> Energy performance	<input checked="" 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 checked="" 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 checked="" 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 checked="" 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	Not disclosed
Company information	Sonae SGPS is a large commercial group operating in various sectors. The green loan is for its subsidiary Sonae MC, which is one of the largest food retail businesses in Portugal, namely through the Continente brand (hundreds of medium and large supermarkets throughout the country) and to a lesser extent Meu Super (small / medium stores).
Firsts, records and certifications	First green loan in Portugal, and first green finance deal for a Portuguese food retailer
Proceeds description	The proceeds may be used for various types of projects aimed at making Sonae MC's food retailing more environmentally friendly. This primarily includes improving energy and water management in stores (e.g. via enhanced management systems), some renewable energy generation, improving waste management processes, and adding EV charging stations in parking lots.
Climate Bonds view	<p>This is a milestone for green finance in Portugal in a very important sector. Even globally, there is still a lack of investment in greening food services. The deal also complements a loan to Sonae MC from the EIB earlier this year, which was aimed at achieving similar improvements in its operations.</p> <p>However, the green loan could be given higher visibility in Portugal, both among the general public as well as other potential issuers, especially given Sonae MC's ownership of influential and well-known brands and that due to the current pandemic food retail has been in the spotlight even more.</p> <p>We also note that the deal does not carry an external review, and that, as a loan, reporting is often more nebulous. We encourage Sonae MC to report adequately on the use of proceeds and impacts achieved, for example in line with the recently published LMA guidance on Green Loans.</p>
Underwriters	Raiffeisen Bank International (lender)
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