

Green Bond Fact Sheet

Berkshire Hathaway		Date: 28/07/2020	
Issue date: 16-06-2020 Maturity date: 16-06-2026 Tenor: 6			
Issuer name	Northern Power Grid (NorthEast)	Amount issued	GBP300m/USD393m
Country of risk	UK	CBI Database	Included
Issuer type ¹	Non-Financial Corporate	Bond type	Sr Unsecured
Green bond framework	Link to Framework	Second party opinion	DNV GL
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 checked="" type="checkbox"/> Buildings	<input checked="" 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 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 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 checked="" 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 checked="" type="checkbox"/> Recycling <input 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 checked="" type="checkbox"/> Land remediation <input type="checkbox"/> Energy/water efficiency <input type="checkbox"/> Sustainable agriculture <input type="checkbox"/> Adaptation & resilience
<input checked="" type="checkbox"/> Other	<input checked="" type="checkbox"/> Adaptation & resilience <input type="checkbox"/> ICT <input type="checkbox"/> Industry: process
Issue details	
Reporting	<p>Allocation and impact reporting will be made available on the company's website. This will include allocated amounts to each category, financing vs refinancing, year of investment and unallocated proceeds. The impact report will include metrics such as capacity of renewable energy production connected in the grid (MW) estimated annual CO₂ emission reduction (in tCO₂eq).</p> <p>There may also be case studies and information on the methodologies used.</p>
Company information	<p>Northern Powergrid is responsible for the electricity network across the North East, Yorkshire and northern Lincolnshire. The network has more than 64,000 substations, over 96,000km of overhead lines and underground cables. Currently, the company employs 2,700 people.</p>
Firsts, records and certifications	
Proceeds description	<p>The funds will finance and re-finance (completed or charged in the last three years) projects in the following operations:</p> <ul style="list-style-type: none"> - Connection and/ or integration of renewable energy to the grid - Improving reliability and energy efficiency of the grid, smart equipment and battery replacement - Emission and waste mitigation projects - Electric vehicles - Care for environment and wildlife - Flood mitigation - Earthing system improvements, innovation, management of natural habitats - Reducing waste - Energy-efficient buildings
Climate Bonds view	<p>This is the second power grid provider from the UK joining the green bond market this year. Such organisations play a pivotal role in the fight against climate change especially when it comes to connecting and/or integrating low-carbon electricity generation sources to the grid. This also includes the replacement and/or improvements of assets to reduce energy losses and improving the resilience of the grid as well as energy efficiency. There is an increasing number of grid providers joining the green bond market. This year alone we saw maiden issuances from National Grid (UK), Red Eléctrica (Spain) and Statnett SF (Norway). This shows the increased recognised potential in the fight against climate change by grid providers. We hope this will encourage more such companies to issue green bonds.</p>

Underwriters	
Deal comments	
Credit rating	<p>A (S&P)</p> <p>A (Fitch)</p>
Pricing summary	<ul style="list-style-type: none"> • Coupon: 1.875% • Price: 98.793%
Investors summary	

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