

Green Bond Fact Sheet

Saudi Electricity			Date: 06/10/2020
Issue date: 17-09-2020 Maturity date: 17-09-2025 Tenor: 5			
Issuer name	Saudi Electricity	Amount issued	USD1.3bn (2 deals)
Country of risk	Saudi Arabia	CBI Database	Included
Issuer type ¹	Government-Backed Entity	Bond type	Sukuk
Green bond framework	N/A	Second party opinion	Vigeo Eiris
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 checked="" 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 checked="" 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"/> 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	Saudi Electricity will report annually and until full allocation of the proceeds. After that, it will report in case of any material changes to the framework. Starting one year after the first issuance reporting will take place through a dedicated impact report which will be made publicly accessible the website. After the full allocation of the proceeds, the impact report will be then integrated into the Issuer's annual ESG Report.
Company information	Saudi Electricity Company is the national Saudi electric energy company and was established in 2000 through a merger of existing regional electricity companies. The company is involved in the generation, transmission and distribution of electric power in Saudi Arabia through 40 power generation plants. The Saudi government owns more than 80% of the company.
Firsts, records and certifications	
Proceeds description	The proceeds of the bonds issued under this framework will go towards the procurement and installation of approximately 10 million smart meters, from which 3.5 million will be sourced from Saudi Arabian local manufacturers for different uses (including home, commercial, agriculture etc.). These smart meters are part of the company's smart metering project, which aims at offering an automated billing process and improving power usage patterns. Further, the bonds will fund projects related to the transmission and/or distribution infrastructure for connecting renewable energy (wind and solar) sources to the grid.
Climate Bonds view	We welcome another issuer from Saudi Arabia coming to the market – a country that has seen its first green bonds only in 2019 - and making a splash straight away by raising a large amount of capital through two consecutive deals. Wind and solar energy have enormous potential in many Middle Eastern countries, including Saudi Arabia, and the company is addressing two crucial enabling aspects in the renewable energy space: smart meters and grid infrastructure. Saudi Electricity has identified a preliminary list of nine projects to be completed by 2021 and the framework outlines clear objectives and benefits anticipated from the funded projects. This level of transparency at-issuance is to be applauded.
Underwriters	First Abu Dhabi Bank, JPM, HSBC, MUFG, Stanchart
Deal comments	
Credit rating	A- (Fitch) A2 (Moody's)
Pricing summary	<ul style="list-style-type: none"> Interest spread: ms + 140/170bps Coupon: 1.74%/2.413% Price: 100.00%/ N/A
Investors summary	

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