

Press release

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Vattenfall issues SEK 3.5 billion in green hybrid bonds and announces results from tender offer

Today, Wednesday, Vattenfall has successfully priced and settled SEK 3.5 billion of green fixed and floating hybrid bonds. The proceeds will finance investments that contributes to Vattenfall's goal of enabling fossil-free living within one generation. Vattenfall has also repurchased SEK 2.8 billion of the outstanding SEK 6 billion hybrid bonds.

This is Vattenfall's first hybrid capital under the Green Bond Framework, published in 2019, where proceeds from the bonds are earmarked for investments in the following four eligible categories: 1) renewable energy and related infrastructure, 2) energy efficiency, 3) electrification of transport and heat as well as 4) industrial projects.

Vattenfall's CFO Kerstin Ahlfont comments on the new hybrid bonds: "I am pleased that our first SEK-denominated green transaction engaged so many Nordic investors that will now join Vattenfall in driving the energy transition forward."

Green hybrid capital supports Vattenfall's solid investment grade rating, reinforces the company's sustainability commitment and provides cost efficient equity-like capital. In addition, the repurchase of SEK 2.8 billion in the tender offer further strengthens the balance sheet by replacing shorter dated hybrid bonds with longer dated notes.

Citi acted as structuring advisor and Citi, SEB and Swedbank as joint bookrunners on the bond issue.

Fact box – hybrid bonds (floating/fixed tranche)

- Size: SEK 3,000 million / SEK 500 million
- Issue rating: BB+ by S&P and Baa2 by Moody's
- Coupon: 3M Stibor + 180bps / 2.40%
- Equity treatment: 50 percent equity and 50 percent debt
- Listing: Nasdaq Stockholm
- Documentation: Stand-alone
- Governing law: Swedish law

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Vattenfall is a leading European energy company, which for more than 100 years has electrified industries, supplied energy to people's homes and modernized our way of living through innovation and cooperation. We now want to make fossil-free living possible within one generation. That's why we are driving the transition to a sustainable energy system through initiatives in renewable production and climate smart energy solutions for our customers. We employ approximately 20,000 people and have operations mainly in Sweden, Germany, the Netherlands, Denmark and the UK. Vattenfall is owned by the Swedish state. For more information: group.vattenfall.com