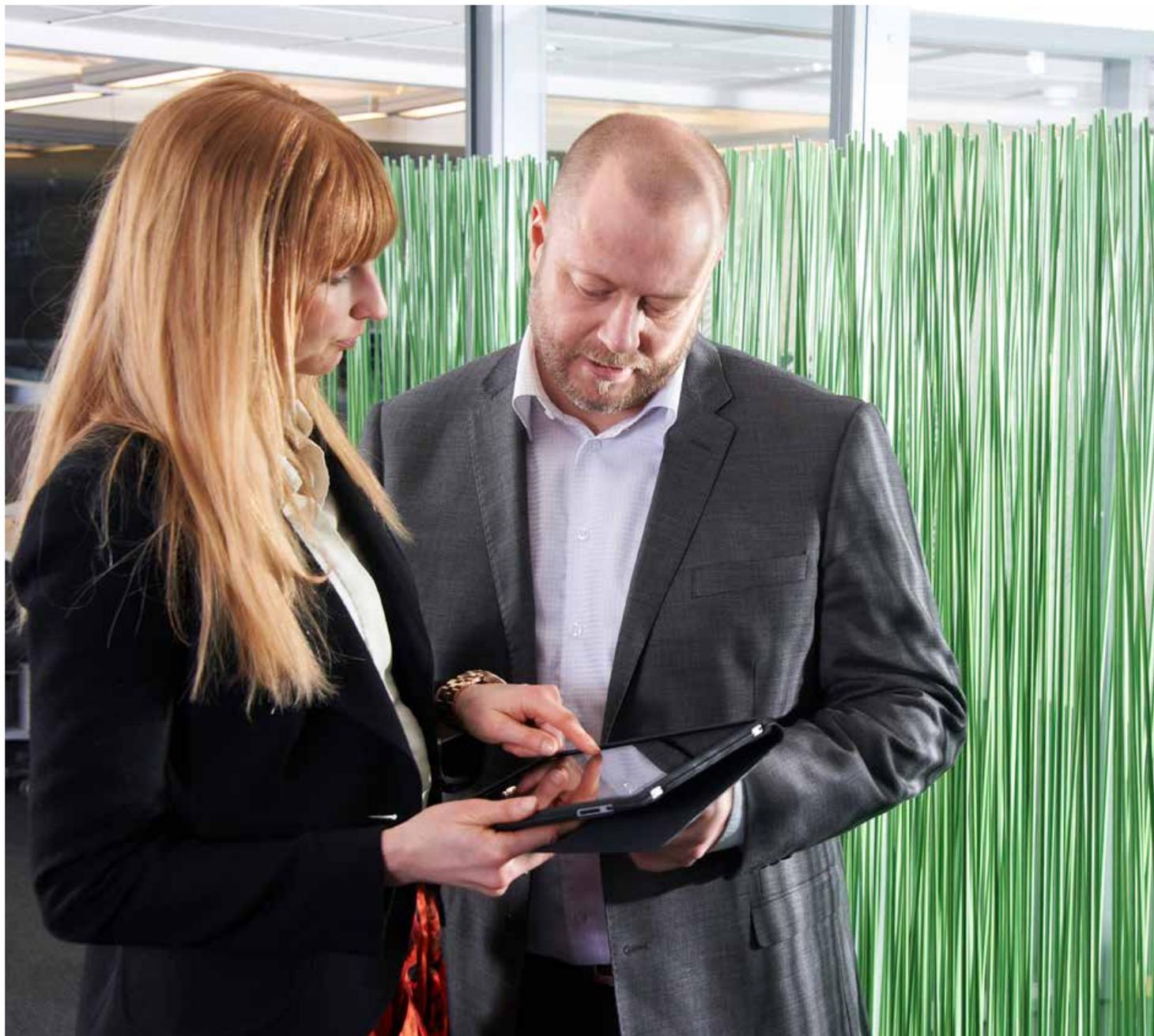


# Conditions of EIB-Funding

## - Public and Private sector entities

As a result of the continuous good relationship between SG Finans AS and the European Investment Bank, we have the pleasure of offering our customer's beneficial financing tailored to climate relevant sub-projects with a focus on low-carbon transport modes in Norway.



In order to obtain these beneficial terms offered to our customers there are several outlined conditions that needs to be assured and fulfilled. The conditions vary from final beneficiary so the customer need to identify witch segment it belongs to. The qualifications of each financial beneficiary and qualified sub-projects are listed below. The responsibility to meet these criteria lies with the customer.

### **WHAT ARE THE QUALIFICATIONS TO BE PUBLIC SECTOR ENTITIES?**

Public Sector Entities defined as the State, regional or other local authorities, bodies governed by public law, associations formed by one or several of such authorities or one or several of such bodies governed by public law.

### **WHAT ARE THE QUALIFICATIONS TO BE PRIVATE SECTOR ENTITIES?**

Private Sector Entities defined as privately owned companies with minimum 3000 employees on a consolidated basis.

### **WHAT IS A SUB-PROJECT?**

The aggregated sub-project cost(s) for the new investments by any customer to be financed through EIB, shall have investment costs of at least EUR 40 000 and not exceed the equivalent of EUR 25 million. However, the sub-project may be a part of a larger investment if each part is economically and technically viable in itself, and not dependent on the realization of another phase. In this case EIB may finance one of these parts separately if their respective investment cost is below 25 million.

The sub-project shall include new investment either in: a) tangible and/or intangible fixed assets, or b) and such investments can be identified in terms of location, design and benefits, carried out over a period of up to 3 years for Private sector and 5 years for Public sector. For the avoidance of doubt, EIB financing cannot be allocated to Sub-Financings that refinance previous financings for the same Sub-Project (unless such new Sub-Financing is for an increased amount in which case EIB financing is possible for this increased amount only).

### **THE SIMPLIFIED CRITERIA FOR SUB-PROJECT FINANCING ARE OUTLINED AS;**

#### **Public and Private sector entities:**

- i. EIB financing shall be allocated to Sub-Financings, for Sub-Projects which have investment costs of at least EUR 40 000 and do not exceed EUR 25 million. However, the Sub-Project may be a part of a larger investment if each part is economically and technically viable in itself, and not dependent on the realization of another phase. In this case EIB may finance one of these parts separately if their respective investment cost is below EUR 25 million.
- ii. The amount of an EIB financing shall be up to 75% of the respective Sub-Project cost, but shall not exceed the eligible Sub-Project costs nor the amount of the Sub-Financing.
- iii. In case a Sub-Project is financed with EU financial support, the sum of the amount of the EIB financing and the EU financial support shall not exceed 75% of the cost of the Sub-Project at any time.
- iv. The economic and technical life span of the Sub-Project shall be of medium to long-term nature, with a lifetime normally not below three years for private sector and five years for public sector, and duration of the EIB financing shall not exceed that of the economical and/or technical lifespan.
- v. The EIB finance shall not at any given time exceed the actual cost of the Sub-Project(s) to be financed.
- vi. Only financial leases are eligible, as long as the asset financed has a medium to long-term economic life;
- vii. Financial holding companies whose sole economic activity is to hold and to manage portfolio of equity participations and/or investments in other companies, and leasing companies associated with a specific manufacturer are not eligible.
- viii. As a main rule, the Sub-Projects to be financed shall be located in Norway. However, SG Finans clients and their investments located in other EU member states are not excluded.

- ix. EIB financing must be allocated to sub-projects in the form of climate action related investments. The economic, environmental, technical and financial aspect of the sub-project will be assessed by SG Finans AS and confirmed to the customer.

## EXCLUDED SECTORS AND ACTIVITIES

Customers that are eligible for EIB financing shall not be operating within one or more of the following sectors;

- i. Production or trade of weapons and ammunition, explosives equipment or infrastructures specifically designed for military use, and equipment or infrastructure which result in limiting people's individual rights and freedom (i.e. prisons, detention centres of any form) or in violation of human rights.
- ii. Live animals for experimental and scientific purposes insofar as compliance with the "Council of Europe's Convention for the Protection of Vertebrate Animals used for Experimental and other Scientific Purposes" cannot be guaranteed.
- iii. Activities which give rise to environmental impacts that are not largely mitigated and/or compensated.
- iv. Activities considered ethically or morally controversial or which are forbidden by national law, e.g. research on human cloning.
- v. Financial activity involving the purchase of goodwill, licenses or rights for mineral resource exploitation and production rights in the agricultural sector.
- vi. Real Estate development activity.
- vii. Pure financial transactions (such as the purchase of shares, or any other financial product).
- viii. Any other sectors identified by EIB as non-eligible sectors do not apply for EIB financing.
- ix. Customers active in more than one sector are eligible for EIB financing, even if a secondary activity of the customer is within an excluded sector, provided that the main activity of the customer is within a non-excluded sector. The main activity corresponds to the activity, which contributes most to the total gross value added – as measured by income before interest, taxes and depreciation – of the customer.

Irrespective of the eligibility of the customer's main activity, each customer for which more than 10% of its annual revenues is generated by the following activities is not eligible for financing by the EIB:

- i. activities targeting the production or facilitating the use of gambling and related equipment.
- ii. activities targeting tobacco production, manufacturing, processing, or specialist tobacco distribution, and activities facilitating the use of tobacco (e.g. "smoking halls").

Entities which are subject of an EIB's exclusion decision do not qualify for EIB financing. Entities that are currently excluded are listed on [EIBs website](#).

## LEGAL COMPLIANCE

All sub-projects eligible for financing must at any given time comply with the relevant applicable EU and national legislation.

Sub-projects financed by the EIB must comply with EU Directives and national laws on procurement, where applicable. For further information on compliance requirements, please visit [EIBs website](#).

## **SG FINANS AS**

SG Finans AS is Norway's leading finance company within equipment leasing and factoring. The company's products are marketed under the trademarks SG Equipment Finance and SG Factoring. The company is a part of the French Societe Generale Group, one of Europe's largest financial corporations.

SG Finans has a strong local presence with 50 years history and 21 offices in Norway, Sweden and Denmark. The head office for the Scandinavian businesses is located at Lysaker (Oslo/Norway). The company has total managed assets of NOK 37 billion and 360 skilled employees, all working to provide our customers and partners with solutions for their business.

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