

HAFNIA SIGNS USD 374 MILLION SUSTAINABILITY-LINKED TERM LOAN AND REVOLVING CREDIT FACILITY

Singapore, 24 March 2021

Hafnia Limited (“Hafnia,” the “Company,” OSE ticker code: “HAFNI”), is pleased to announce that it has signed a seven-year USD 374 million Sustainability-Linked Senior Secured Term Loan and Revolving Credit Facility (“SLL”) with a syndicate of 10 banks. The SLL is to refinance existing USD 676 million and USD 128 million facilities maturing in March 2022 and December 2023, respectively.

The syndicate includes ABN AMRO, BNP Paribas, DBS Bank, ING Bank, IYO Bank, Oversea-Chinese Banking Corporation (“OCBC Bank”), Skandinaviska Enskilda Banken AB, Société Générale, Standard Chartered Bank, and United Overseas Bank, all of which acted as mandated lead arrangers. Standard Chartered Bank also acted as facility coordinator and agent.

The facility has an annual Sustainability Margin Adjustment Mechanism that depends on Hafnia’s continuous improvement in emissions-related key performance indicators (KPIs). These KPIs include the International Maritime Organisation’s decarbonisation target¹ and are aligned with the Poseidon Principles². Hafnia has engaged Sustainalytics, a global leader in ESG data and research, to confirm that the SLL’s structure will support Hafnia’s sustainability strategy. ING Bank and OCBC Bank acted as joint sustainability coordinators for the SLL.

This is Hafnia’s first syndicated sustainability-linked facility and one of the largest of its kind in the shipping sector.

“We are very proud to play an integral role in this sustainability-linked ship financing for Hafnia, which reinforces our commitment to our client’s sustainability journey,” says Abhishek Pandey, Global Head of Shipping Finance at Standard Chartered.

Ms Elaine Lam, Head, Global Corporate Banking, OCBC Bank, says, “We are delighted to support Hafnia on its maiden sustainability-linked loan as joint sustainability coordinator. Shipping is vital to global economic growth, so it is heartening to see Hafnia commit to decarbonising their fleet by harnessing new technologies and improving efficiency. We believe this milestone transaction will inspire more peers to create a sustainable and low-carbon shipping industry. Sustainable finance, such as this SLL, is critical to accelerate the industry’s transition.”

“ING shares Hafnia’s vision for a low-carbon future as a Poseidon Principles signatory. As a leading bank in both sustainable finance and shipping finance, we are grateful for the opportunity to help Hafnia on its journey towards a greener future with its first sustainability-linked loan, together with a broad syndicate of lenders.” says Remko Witteveen, CEO ING Wholesale Banking, Asia Pacific.

“We greatly appreciate the strong support from our banks and are proud to collaborate with them on shipping’s decarbonisation. This facility demonstrates Hafnia’s access to highly competitive funding and enduring commitment to decarbonising shipping.” says Hafnia’s CFO Perry van Echtelt.

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¹ The International Maritime Organisation aims to reduce the greenhouse gas emissions of the shipping sector by 50% by 2050, compared to the baseline in 2008.

² For more information on the Poseidon Principles, please visit <https://www.poseidonprinciples.org/>.

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About Hafnia:

Hafnia is one of the world's leading oil product tanker owners and operators. The Company provides transportation of oil and oil products to leading national and international oil companies, major chemical companies, as well as trading and utility companies. Hafnia operates a fleet of 184 vessels in pools, including newbuilds. Among them, 101 are owned or chartered-in, including six owned LR2s, 35 owned and chartered-in LR1s, 47 owned and chartered-in MRs and 13 owned Handy vessels. The Company is fully financed with a strong balance sheet providing financial flexibility.

Hafnia has a solid history in chartering, operations, and technical management, and strives to offer customers the best solution for their transportation needs. This solution-focused approach has resulted in a strong reputation and the Company remains firmly committed to being a responsible member of the industry and operating according to the highest ethical standards.

Hafnia is a global company with offices in Singapore, Copenhagen, and Houston and a presence in Mumbai. The Company is part of BW Group, an international shipping group that has worked in oil and gas transportation, floating gas infrastructure, environmental technologies, and deep-water production for over 80 years.