

## Nordic Investment Bank

### EUR 750 million 2.375% 5-year Environmental Benchmark

#### Final Terms

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Issuer:	<b>Nordic Investment Bank (NIB)</b>
Ratings:	Aaa (Stable) by Moody's; AAA (Stable) by S&P
Format:	Reg S, Bearer, New Global Note Senior Unsecured
Size:	EUR 750 million
Pricing Date:	4 September 2024
Settlement Date:	11 September 2024
Maturity Date:	11 September 2029
Coupon:	2.375%, Annual, ACT/ACT
Re-offer Spread:	Euro mid-swaps +8bps / 38.1 bps vs OBL 2.5% Oct-29
Re-offer Price / Yield:	99.438% / 2.496% ann.
Joint lead managers:	Barclays / BNP Paribas / Danske Bank / Morgan Stanley

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#### Issue Highlights

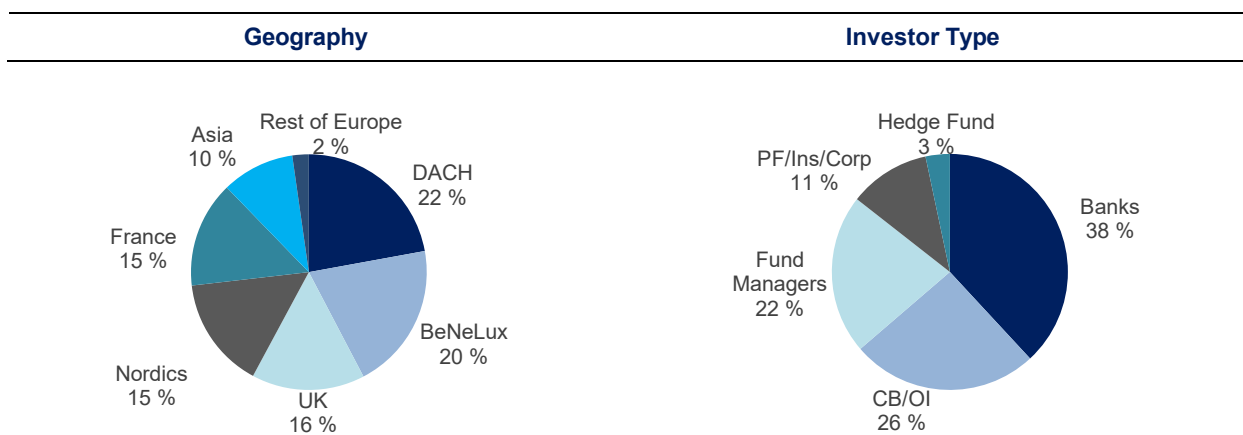
- The transaction represents the Nordic Investment Bank (NIB)'s third EUR fixed benchmark transaction and fifth NIB Environmental Bond (NEB) in 2024.
- The new NEB represents the largest Green bond ever issued by NIB, evidencing the strong support from their global investor community following the release of the updated NIB Environmental Bond Framework. Notably, the updated NEB Framework retains the "dark green" rating from S&P.
- The new issue establishes a current-coupon reference point and injects liquidity in the 5-year sector of NIB's EUR curve, more than 15 years after the last 5-year EUR benchmark syndication in April 2009. This was the first 5-year NEB ever issued by NIB.
- In terms of size, the new issue is the largest EUR trade printed by NIB in over 4 years (since April 2020), with EUR 750m issued.
- The final orderbook was EUR 1.2 billion with over 35 investors participating.
- NIB have now completed EUR 7.5 billion of their expected EUR 8.5-9.5 billion 2024 funding programme.

#### Issue Details

- On Wednesday 4<sup>th</sup> September 2024, Nordic Investment Bank (NIB) rated Aaa/AAA (stable) by Moody's and S&P, priced a new EUR 750 million NIB Environmental Bond (NEB) at Euro mid-swaps +8bps, equivalent to 38.1bps over the OBL 2.5% Oct-29.
- NIB took advantage of a clear window ahead to launch their third EUR benchmark and fifth NEB of the year. On Tuesday 3<sup>rd</sup> September 2024 at 9:00 London / 11:00 Helsinki time, NIB announced a GIC and a series of 1-to-1 investor calls to present its recently updated NEB Framework. NIB simultaneously communicated to the market that a new EUR 5-year Benchmark NEB may follow subject to market conditions.
- After receiving positive investor feedback from high-quality ESG-focused accounts on Day 1, NIB officially opened books the following morning on a new EUR 5-year Benchmark NEB at 8:03 London / 10:03 Helsinki time with initial guidance released at Euro mid-swaps +9bps area.
- By 10:00 London / 12:00 Helsinki time, the orderbook had accelerated to a peak in excess of EUR 1.3 billion which allowed the NIB to revise the spread guidance to Euro mid-swaps +8bps area. The final spread was later set at Euro mid-swaps +8bps at 11:55 London / 13:55 Helsinki time, with the orderbook in excess of EUR 1.15 billion.
- The high-quality orderbook closed in excess of EUR 1.2 billion at 13:15 London / 15:15 Helsinki. This allowed the NIB to launch a EUR 750 million transaction, which represents their largest NEB on record.

- At 14:46 London / 16:46 Helsinki, the transaction was officially priced at a final spread of Euro mid-swaps+8bps, equivalent to an annual reoffer yield of 2.496%.
- Over 35 investors participated with several accounts attracted by the specific Environmental use of Proceeds. The Proceeds will be used to finance projects and activities providing environmental benefits and other environmental purposes ("Environmental Projects"), as described in NIB's Environmental Bond Framework.
- The transaction saw a broad distribution across both geographies and investor types. Banks took 38% of the allocation followed by Central banks & Official Institutions (26%) and Fund Managers taking 22%. Pension Funds/Insurance took 11% of the allocation while Hedge Funds took 3%. In terms of geography, 22% of the allocation went to DACH investors followed by BeNeLux (20%), UK (16%), Nordics (15%), France (15%) and Asia (10%). The rest of Europe was allocated 2% of the transaction.

## Distribution



*"We were thrilled to announce the update of our NIB Environmental Bond (NEB) Framework last week. The updated NEB framework proudly received a Dark Green Second Opinion from S&P Global Ratings, underscoring our deep commitment to a low-carbon climate resilient future. And fantastic that our NIB Funding & Investor Relations team were able to put the updated framework to work already this week."* comments **Kim Skov Jensen, CFO and Head of Treasury.**

*"With challenging markets, we were happy to print a solid EUR 750 million bond, the largest NEB in our history. This shows the strong confidence our investors have in NIB financing projects with significant positive environmental impacts"* says **Jens Hellerup, Head of Funding and Investor Relations.**

*"Congratulations to the NIB team on the successful issuance of their new EUR 750m 5-year Environmental bond. Testament to their credit quality and strong following amongst the global investor community, NIB issued their largest Green bond in history whilst navigating a busy primary market. This milestone reaffirms NIB's well-established ESG credentials, with the deal representing the first new issue under the updated NEB framework."* says **Francesco Polon, Director, SSA Origination, Barclays**

*"Congratulations to the NIB team for the update of the NIB Environmental Bond (NEB) Framework and the issuance of its 3rd EUR benchmark in 2024. The solid outcome of this EUR 750 million 5-year benchmark in a less straight-forward backdrop illustrates NIB's strong Green Bond investor following. With this new deal NIB has successfully re-established itself as a recognized rare high quality green bond issuer in the EUR market. BNP Paribas is very proud to have participated in this milestone transaction."* says **Salma Guerich, DCM SSA, BNP Paribas**

*"Danske Bank was delighted to be part of the new 5y NEB from NIB. It was an impressive result under NIB's new Green Bond Framework with a Dark Green Shading. It is clear that NIB has a strong following from highly environmental focused investors from across the globe, which was witnessed in a highly diversified orderbook. Many congratulations to NIB on today's transaction."* says **Bo Søndergaard, Head of SSA, Danske**

*“Another successful outing for NIB in Euros, in which they managed to successfully navigate a challenging primary market. This was the first deal under their new NEB framework which brought forward investor focus and culminated in a real success story for the deal. Today's transaction was particularly well received by Bank Treasuries, who took 38% of allocations, whilst CB/OIs also showed excellent sponsorship taking 26%. This is further testament to NIB's credit quality, and name recognition, as they were able to attain strong investor demand in a crowded market. Congratulations to the NIB team, Morgan Stanley is delighted to have been involved in the transaction!” says **Ben Adubi, Managing Director, Head of SSA, Morgan Stanley***

#### **About NIB**

*NIB finances projects that improve productivity and the environment of the Nordic and Baltic countries. The Bank offers long-term loans and guarantees on competitive market terms to its clients in the private and public sectors. NIB is an international financial institution owned by Denmark, Estonia, Finland, Iceland, Latvia, Lithuania, Norway and Sweden. The Bank has lending operations both in and outside its member countries. NIB acquires the funds for its lending by borrowing on the international capital markets. NIB's bonds enjoy the highest possible credit ratings*