

Nordic Investment Bank issues SEK 3bn 5-year and inaugural NOK 1bn 6-year Anniversary Environmental Bond Benchmarks Press Release – 14 October 2021

Final Terms

Issuer	Nordic Investment Bank (NIB)	
Rating	Aaa/AAA (M/S&P, all stable)	
Format	RegS Bearer	
Pricing Date	13 October 2021	
Settlement Date	20 October 2021	
	<u>SEK</u>	<u>NOK</u>
Maturity Date	20 October 2026	20 October 2027
Issue Amount	SEK 3bn	NOK 1bn
Coupon	0.375%	1.625%
Re-offer vs. mid-swaps	MS -8bps	MS -11bps (3mNibor -6bps)
Re-offer Price / Yield	99.497% / 0.477%	99.474% / 1.718%
Joint Bookrunners	Danske Bank, DNB, Swedbank	

- **As one of the early adopters, the Nordic Investment Bank (NIB) is a pioneer in Global Green Bond markets leading the development of functioning sustainable bond markets through issuance of NIB Environmental Bonds (NEBs) since its inaugural transaction issued in 2011**
- **These two transactions are issued in order to commemorate the 10-year anniversary of the first ever NIB Environmental Bond and is targeting leading Nordic and European Green Bond investors**
- **The NOK tranche constitutes NIB's first ever NOK denominated NEB while the SEK tranche constitutes NIB's 12th SEK denominated NEB**
- **The issue will finance environmental projects mainly located in the Nordic region, which fulfil the criteria of NIB's Environmental Bond framework**
- **The 10 year anniversary of the NIB Environmental Bond programme underscores NIB's commitment to sustainable finance and lending in the Nordic region**

Deal highlights

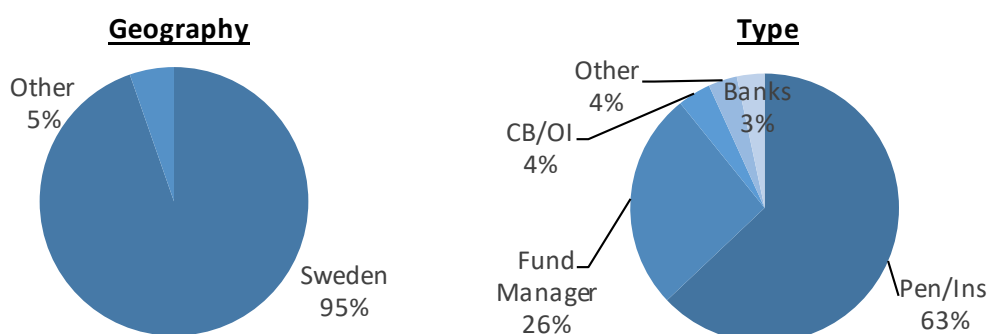
- On Wednesday 13 October 2021, The Nordic Investment Bank (NIB) successfully launched a new dual tranche SEK 3bn 5-year and NOK 1bn 6-year Environmental Bond in order to commemorate the 10-year anniversary of the NIB Environmental Bond programme
- The Mandate for the 10-year anniversary Environmental Bond Transaction was announced on Tuesday 12 October at 13.48 CET and quickly gained attention from leading Green Bond investors in the SEK and NOK markets
- After a stable opening in the NOK and SEK markets, the order books were formally opened for the SEK and NOK tranches at 09.36 CET with guidance for the SEK tranche set at MS -6bps area and for the NOK tranche set at MS -10bps area (3mNibor -5bps ASW)

- The transaction was met with strong demand for both tranches leading to order books growing to above SEK 5.8bn (excl JLM interest) and NOK 2.8bn (excl JLM interest) within less than two and a half hours of book building. As a result, the guidance for the SEK tranche was tightened to MS -7/-8bps (will price in range) while the spread for the NOK tranche was set at MS -11bps
- The order books for the two tranches were closed at 12.30 CET with orders for the SEK tranche totalling SEK 5.8bn (excl JLM interest) and orders for the NOK tranche totalling over NOK 2bn (excl JLM interest). With the demand for the SEK tranche intact from the previous update, the spread for the SEK tranche was set at MS -8bps and the final sizes of the two tranches were set to SEK 3bn and NOK 1bn
- The transaction priced at 16:22 at MS -8bps for the SEK tranche and MS -11bps for the NOK tranche and offering NIB highly competitive funding levels relative to peer issuers and markets

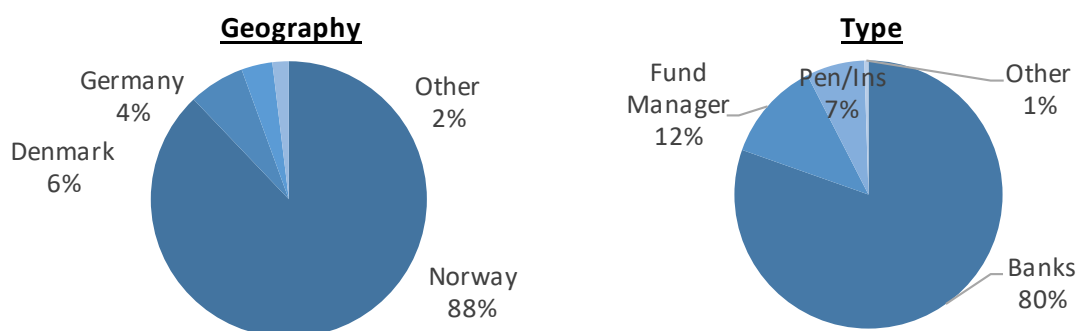
Distribution

The transaction was driven by a majority of ESG focused investors including AMF Pension, Cliens, Danske Bank Treasury, Folksamgruppen, Kåpan, LF Bank Treasury, LF Liv, Nordea Investment Management, Robur, Sparebanken1 Nord-Norge and Telia.

In terms of the geographical breakdown for the allocated SEK tranche, Swedish investors took 95% while investors from other geographies took 5%. In terms of investor types, 63% was placed with Pension and Insurance companies, 26% was placed with Fund Managers, 4% with Central Banks and Official Institutions, 4% with other types of investors and 3% with Bank treasuries.



In terms of the geographical breakdown for the allocated NOK tranche, Norwegian investors took 88% while Danish investors took 6%, German investors took 4% and investors from other geographies took 2%. In terms of investor types, 80% was placed with Banks, 12% was placed with Fund Managers, 7% with Pension and Insurance investors and 1% with other types of investors.



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.

NIB's Green Bond framework is fully aligned with the core components of the Green Bond Principles. The net proceeds of green bonds will be applied to a portfolio of loans consisting of the following categories

- Energy efficiency
- Renewable energy generation
- Transmission, distribution and storage system
- Clean transport solutions
- Water management and protection
- Resources and waste management systems
- Green buildings

Cicero provided the Second Opinion on NIB's green bond framework in 2018, rating it as **Dark Green**. The Framework, Second Opinion, Investor Report and Green Bond Investor Presentation are all available on: https://www.nib.int/investors/environmental_bonds

Comments from NIB, Investors and Leads

"This NIB Environmental Bond dual tranche is a great result to celebrate our 10 year anniversary of issuing bonds under our NIB Environmental Bond Framework. We are delighted to see how sustainable investors in Norway support our inaugural NOK NEB bond. And equally happy to come back to our well known SEK investors with our 12th NEB in SEK. To have more than 30 investors participating in the two bonds is again a recognition of the high level of transparency, careful selection of eligible green projects and best in class impact reporting for NIB Environmental Bonds."

Jens Hellerup, Senior Director, Head of Funding and Investor Relations at NIB

"We are happy to participate in the NIB 10 year Anniversary Green Bond. The growing supply and demand for green investment opportunities reflect both the appetite for green financial returns and an increased interest from our beneficiaries. Alecta's green bond portfolio has shown steady growth for the past seven years, amounting to SEK 55.5bn before the transaction today." **Peter Löw, Head of Responsible Investments at Alecta**

"AP3 is proud to participate in NIB's 10-year anniversary green bond transaction. Being a high quality issuer, NIB has been one of AP3's core holdings in the green portfolio over the past ten years, and AP3 is very pleased to having contributed to a more sustainable future through NIB's investments in green projects." **Mats Wirdefeldt, Senior Portfolio Manager at AP3**

“SpareBank 1 Boligkreditt is proud to invest in the inaugural NIB Environmental Bond issued in NOK, in celebration the NEB 10y anniversary. As a green bond issuer, it is important for Sparebank 1 Boligkreditt to participate in growing the Norwegian green bond market. NIB’s work on climate- and environment friendly investment is of high value to us.” **Jahn Fredrik Hoff, Director, Liquidity investments at SpareBank 1 Boligkreditt**

“Over the past 10 years, the Nordic Investment Bank (NIB) have been a Global market leader and innovator in the Green Bond market through its highly successful NIB Environmental Bond (NEB) programme. With the success of this dual tranche benchmark, NIB marks the 10-year anniversary of this journey and re-affirms its market leadership in the Green Bond market by supplying its core Nordic home markets with a new liquid NEB benchmark in SEK and an inaugural NEB benchmark in NOK. Danske Bank is extremely honoured and proud to have supported NIB throughout this journey.” **Gustav Landström, Global Head of SSA Origination at Danske Bank**

“DNB Markets is honoured to be part the very successful 10Y anniversary Green Bond launch in SEK and NOK for NIB. Additionally, we are proud to have placed the very first NIB Environmental Bond in NOK. We are happy to see the transaction so well received by Scandinavian investors.” **Margrethe Ouren, Director FICC at DNB**

“A SEK/NOK dual tranche, Environmental bond transaction, was a great way to celebrate the 10yr anniversary of the Nordic Investment Bank’s Environmental bonds. A strong outcome for NIB, which is a highly appreciated and well established issuer in the Scandinavian markets. Congratulations to the NIB team!” **Linda Lindblad, Head of SSA Origination at Swedbank**

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