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Nordic Investment Bank issues inaugural DKK 2bn 8-year Environmental Bond Press Release – 20 January 2022

Final Terms

Issuer	Nordic Investment Bank (NIB)
Rating	Aaa/AAA (M/S&P, all stable)
Format	RegS Bearer
Pricing Date	20 January 2022
Settlement Date	28 January 2022
Maturity Date	28 January 2030
Issue Amount	DKK 2 billion
Coupon	0.125%
Re-offer vs. mid-swaps	-33.5bps
Re-offer Price / Yield	99.651/0.169%
Re-offer vs 0.5% DGB Nov- 29	+18.2bps
Joint Bookrunners	Danske Bank & SEB

- The Danish market for Green Bonds has been growing steadily over the past years with several leading Danish institutions putting ESG mandates in place
- The NIB transaction follows on the issuance of the inaugural DKK denominated Green Government Bond from the Kingdom of Denmark on Wednesday 19 January 2022, facilitating demand for DKK denominated green bonds from other issuers by creating a liquid green reference point on the DGB curve.
- This transaction constitutes NIB's first ever DKK denominated NEB and the 8th currency to be issued under NIB's Environmental Bond Framework. With this transaction, NIB has issued NEB Bonds in all Scandinavian currencies, within the last 3 Months
- The timing of the transaction, following on the issuance of the Green Government Bond from the Kingdom of Denmark, increased the attention and demand from the domestic Danish investor base and enabled NIB to price the transaction at historically tight spread to Danish Government bonds
- The issue will finance environmental projects mainly located in the Nordic region, which fulfil the criteria of NIB's Environmental Bond framework
- Last year, NIB celebrated its 10 year anniversary of the NIB Environmental Bond programme, underscoring NIB's commitment to sustainable finance and lending in the Nordic region

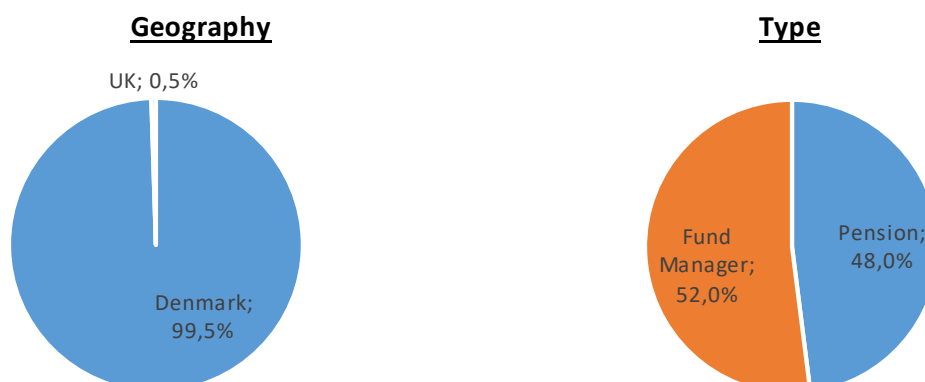
Deal highlights

- On Thursday 20 January 2022, The Nordic Investment Bank (NIB) successfully launched a new inaugural DKK 2bn 8-year Environmental Bond.
- The Mandate for the 8-year anniversary Environmental Bond was announced on 20 January 2022 at 12.42 CET and books opened simultaneously with guidance at MS -33.5bps.
- The transaction was met with strong demand directly from the start, enabling a rapid bookbuild. As a result, the first book update came out at 14.03 CET announcing books at DKK 2.2bn and spread set at MS-33.5bn.
- The order books closed at 14.30 CET with orders in excess of DKK 2.2bn (excl JLM interest) from predominantly domestic Danish institutional investors.
- The transaction later priced at 15.35 CET at MS -33.5bps and a historically tight spread versus the 0.5 DGB November 2029 of +18.2bps

Distribution

The transaction was driven by a majority of domestic ESG focused investors including AP Pension, Danske Bank Asset Management and Nykredit Asset Management.

In terms of the geographical breakdown, Denmark took 99.5% and UK 0.5% of the transaction. In terms of investor types, 48% was placed with Pension and Insurance companies and 52% was placed with Fund Managers.



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

"With this trade NIB has issued Environmental Bonds in the three major Nordic currencies in a short time and we see this as a contribution to the further development of sustainable financial markets in our region" **Says Kim Skov Jensen, Vice President and CFO at NIB**

"NIB is pleased to have issued our inaugural NIB Environmental Bond denominated in DKK, shortly after the very successful inaugural green bond from the Kingdom of Denmark. NIB's transaction enjoyed strong support from domestic investors - a proof of the continuously growing interest in sustainable investments in Denmark." **Says Jens Hellerup, Senior Director, Head of Funding and Investor Relations at NIB**

"For AP Pension, it makes sense to invest in Nordic Investment Bank environmental bonds in order to combine a good risk adjusted return with the need to finance environmental projects, not only at home, but also in the rest of the Nordics and Baltics" **Says Morten Hemmingsen, Head of Fixed Income, AP Pension**

"Investing into sustainability labelled bonds support our ambition to create attractive returns, create value for customers and contribute to the sustainability transition." **Says Erik Eliasson, Head of Responsible Investments, Danske Bank Asset Management**

“Following the success of the inaugural Green Government Bond issue from the Kingdom of Denmark, we saw a surge in demand for DKK denominated Green assets from the domestic investor base. The Nordic Investment bank was the perfect name to answer to that call considering its top credit quality, locally anchored green bond framework and strong name recognition among Danish institutional investors. Congratulations to the entire team at NIB to this very successful entry into the DKK Green Bond market. As a Danish bank, Danske Bank is very proud to have supported NIB in this important transaction” **Says Gustav Landström, Global Head of SSA Origination at Danske Bank**

“This 2bn inaugural Danish kroner Green Bond from NIB is a great statement allowing NIB to raise sustainable funding in one of its core member countries. The deal emphasises NIB’s ability to act swiftly and to provide high quality Green Bonds to the growing Danish Green Bond investor community” **Says Lars Eibeholm, Head of Sustainable Banking, Denmark, at SEB**

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