

## Green Bond Fact Sheet

OP Corporate Bank		Date: 11-Mar-2019	
Issue date: 26-02-2019 Maturity date: 26-02-2024 Tenor: 5			
Issuer Name	OP Corporate Bank	Amount Issued	EUR500m (USD570m)
Country of risk	Finland	CBI Database	Included
Issuer Type <sup>1</sup>	Financial corporate	Bond Type	Senior unsecured
Green Bond Framework	<a href="#">Link to framework</a>	Second party opinion	<a href="#">Sustainalytics</a>
Certification Standard	Not certified	Assurance report	N/A
Certification Verifier	N/A	Green bond rating	N/A
Use of Proceeds			
<input checked="" type="checkbox"/> Energy	<input checked="" type="checkbox"/> Solar <input checked="" type="checkbox"/> Onshore wind <input checked="" type="checkbox"/> Offshore wind <input type="checkbox"/> Geothermal <input checked="" type="checkbox"/> Hydro	<input type="checkbox"/> Tidal <input type="checkbox"/> Biofuels <input type="checkbox"/> Bioenergy <input type="checkbox"/> District heating <input checked="" type="checkbox"/> Electricity grid	<input checked="" type="checkbox"/> Energy storage <input checked="" type="checkbox"/> Energy performance <input checked="" type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input checked="" type="checkbox"/> Buildings	<input checked="" type="checkbox"/> Certified Buildings <input type="checkbox"/> HVAC systems <input checked="" type="checkbox"/> Energy performance	<input type="checkbox"/> Water performance <input checked="" type="checkbox"/> Energy storage/meters <input type="checkbox"/> Other energy related	<input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input checked="" type="checkbox"/> Transport	<input checked="" type="checkbox"/> Electric vehicles <input checked="" type="checkbox"/> Low emission vehicles <input type="checkbox"/> Bus rapid transit <input type="checkbox"/> Passenger trains <input type="checkbox"/> Urban rail	<input type="checkbox"/> Freight rolling stock <input type="checkbox"/> Coach / public bus <input checked="" type="checkbox"/> Bicycle infrastructure <input type="checkbox"/> Energy performance	<input type="checkbox"/> Transport logistics <input checked="" type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input checked="" type="checkbox"/> Water & wastewater	<input checked="" type="checkbox"/> Water distribution <input checked="" type="checkbox"/> Water treatment <input checked="" type="checkbox"/> Wastewater treatment <input type="checkbox"/> Water storage	<input type="checkbox"/> Storm water mgmt <input type="checkbox"/> Desalination plants <input type="checkbox"/> Erosion control <input type="checkbox"/> Energy performance	<input checked="" type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input checked="" type="checkbox"/> Waste management	<input checked="" type="checkbox"/> Recycling <input checked="" type="checkbox"/> Waste prevention <input checked="" type="checkbox"/> Pollution control	<input checked="" type="checkbox"/> Landfill, energy capture <input type="checkbox"/> Energy performance <input type="checkbox"/> Infrastructure	<input checked="" type="checkbox"/> Waste to energy <input checked="" type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience

<input checked="" type="checkbox"/> Land use & agriculture	<input type="checkbox"/> Afforestation/parks <input checked="" type="checkbox"/> Land remediation <input checked="" type="checkbox"/> Sustainable agriculture <input checked="" type="checkbox"/> FSC Forestry <input type="checkbox"/> Energy/water efficiency <input type="checkbox"/> Adaptation & resilience <input type="checkbox"/> FSC Cellulose & paper
<input type="checkbox"/> Other	<input type="checkbox"/> Adaptation & resilience <input type="checkbox"/> ICT <input type="checkbox"/> Industry: process
<b>Issue details</b>	
<b>Reporting</b>	<p>The issuer states that it will publish an annual Green Bond Report until full allocation of proceeds. The report will include, at a minimum, the (aggregated) amount of net proceeds allocated to each eligible sector as well as a description of the types of business and projects financed. It will also disclose the origination timeframe and maturity profile of the loans by sector and outline the balance of any unallocated proceeds. Indicative performance indicators include the following:</p> <ul style="list-style-type: none"> <li>• kWh of power generated and tCO<sub>2</sub>e avoided (renewable energy)</li> <li>• Energy saved annually (kWh/year) (energy efficiency)</li> <li>• Number of buildings that received a green building certification, reduction in energy use (kWh/year) (green buildings)</li> <li>• Amount of waste reduced/avoided/recycled annually, and annual amount of water purified (pollution prevention)</li> <li>• Land area of sustainably certified forests, organic agricultural land financed in m<sup>2</sup> and land area transformed into eco-friendly land use (sustainable land use)</li> <li>• Number of public trams/ trains/ metros financed and location, capacity created through financing and number of cars avoided (clean transportation)</li> </ul>
<b>Company information</b>	<p>OP Corporate Bank plc provides non-life insurance and corporate and investment banking services in Finland. OP Corporate Bank also offers asset management services for institutions. The company is one of the largest corporate lenders in the country.</p>
<b>Firsts, records and certifications</b>	<p>First issuance by a financial corporate in Finland</p>
<b>Proceeds description</b>	<p>The proceeds can be used to finance several sectors. Eligible energy categories include offshore and onshore wind, solar and small-scale Nordic hydro (&lt;20MW). Refurbishment and/or refinancing of large hydropower plants (&gt;20MW) is permitted they do not decrease water reservoirs and comply with local regulations. Waste-to-energy from forestry by-products or other sustainable biofuels is eligible. Energy efficiency covers for example improvements in transmission and distribution infrastructure, smart grids or energy storage. Fossil-fuel technologies are excluded. All efficiency improvements must be at least 10 % or approved by the OP Green Bond Committee. Green buildings (commercial or residential) must have obtained LEED Gold or higher; BREEAM Very Good or better; the Nordic Swan Ecolabel (Svanen) certification; or another recognised certification pending approval from the Committee. New commercial/public buildings with energy label B or higher (Finnish classification) are eligible. Energy performance improvements may qualify if they achieve a minimum 15% improvement in line with the relevant national building code.</p> <p>Pollution prevention includes reduction of air and greenhouse gas emissions, soil remediation, waste prevention, reduction and recycling. Sustainable water and wastewater management is also included in this category, encompassing also sustainable urban drainage systems (SUDs). Interestingly, OP also includes “eco-efficient and/or circular economy adapted products, production technologies and processes” as a specific sub-category.</p>

	Sustainable forestry projects must be certified by FSC or PEFC. Eco-friendly land conversion projects and sustainable agriculture (complying with EU and national regulations) are eligible. Clean transportation covers electric and hybrid vehicles/infrastructure, mobility as a service (MaaS), as well as expansion and improvements of train, tram and metro networks and bicycle schemes. Fossil fuel-based infrastructure is excluded.
<b>Climate Bonds view</b>	To date we have seen limited green bond issuance from Finland despite a healthy demand for Nordic green debt. The participation of more than 100 investors in OP's issue attests to the fact that the bond is a good addition to Nordic issuance. It is commendable that this is also the first green bond by a financial corporate, and we look forward to seeing other Finnish financial institutions follow suit. OP's green bond framework is robust and covers a broad set of sectors. The issuer's commitment to detailed reporting (including several environmental impact indicators for each eligible sector) is a positive sign. We expect similar disclosures from other Nordic issuers going forward.
<b>Underwriters</b>	Crédit Agricole Corporate and Investment Bank, HSBC Bank plc and OP Corporate Bank plc
<b>Deal comments</b>	
<b>Credit Rating</b>	Moody's Aa3, S&P AA-, Bloomberg Composite AA-
<b>Pricing summary</b>	Book closed at EUR2.1bn, 4x oversubscribed
<b>Investors summary</b>	The issue involved over 100 investors

<sup>1</sup> Issuer categories: ABS, development bank, financial corporate, government-backed entity, loan, local government, non-financial corporate, sovereign