

Kommunalbanken Norway (KBN)

CAD300 million 5-Year Green Bond



Final Terms

Borrower:	Kommunalbanken Norway (KBN)
Ratings:	Aaa / AAA (Moody's / S&P - both stable)
Format:	RegS / 144a
Coupon:	3.700%, Fixed, S/A, Act/Act
Size:	CAD300 million
Pricing Date:	4th January 2024
Payment Date:	16th January 2024 (T+7)
Maturity Date:	16th January 2029
Re-Offer Spread:	CORRA MS+50bps CAN 3.250% Sep-28 + 43.3bps
Joint Lead Managers:	Bank of Montreal, CIBC Capital Markets, RBC Capital Markets, TD Securities

Issue Highlights

- **Following several years of commitment to the Canadian Dollar market, KBN opted to open their 2024 funding programme with a new CAD 5-Year Green Benchmark.**
- **This transaction marked the first CAD trade from an Agency issuer in 2024.**
- **KBN's fourth CAD Green Bond since their inaugural CAD Green Benchmark in October 2021.**

Issue Details

- On Thursday 4th January, Kommunalbanken Norway (KBN), rated Aaa / AAA (both stable) by Moody's / S&P, priced a new CAD300 million 5-Year Green RegS / 144a Benchmark at CORRA MS+50bps.
- KBN reacted swiftly to the clear issuance window and constructive market tone to announce their first transaction of 2024; a new CAD 5-Year Green Bond at 16.00 CET on Wednesday afternoon. Initial Price Thoughts (IPTs) were announced at CORRA MS+50bps area.
- The transaction enjoyed a solid reception from the outset, with Indications of Interest (Iols) reaching in excess of CAD340 million (excl. JLM) by the time the orderbook officially opened at 09.05 CET on Thursday morning. Guidance remained at CORRA MS+50bps area at this juncture.
- In order to provide clarity to investors, the deal size was set at CAD300 million and the spread was fixed at CORRA MS+50bps at the Toronto open just before 14.00 CET. It was also communicated that books were to close at 15.00 CET.
- In terms of distribution by investor type, Banks were the largest investor component taking 65.5% of final allocations, supported by strong participation from Central Banks & Official Institutions (23.3%) and Asset Manager / Insurance / Pension Fund accounts (11.2%). In terms of geography, the transaction was well-placed amongst Americas investors (73.3%), EMEA (26.3%) and APAC accounts (0.4%).

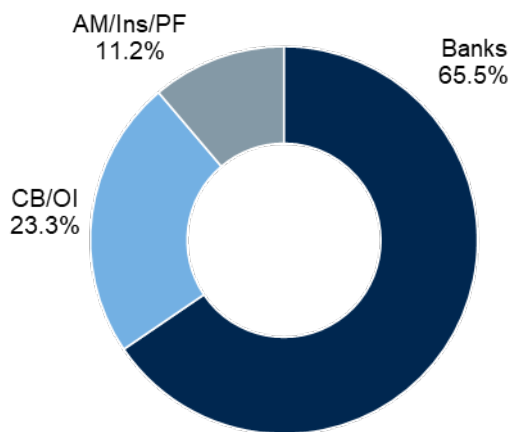
Issuer Overview

- Established by an act of Parliament in 1926 as a state administrative body, KBN gained its status and structure through a conversion act in 1999. KBN is a direct continuation of its predecessor Norges Kommunalbank and has for more than 90 years been the main provider of credit to the local government sector in Norway.

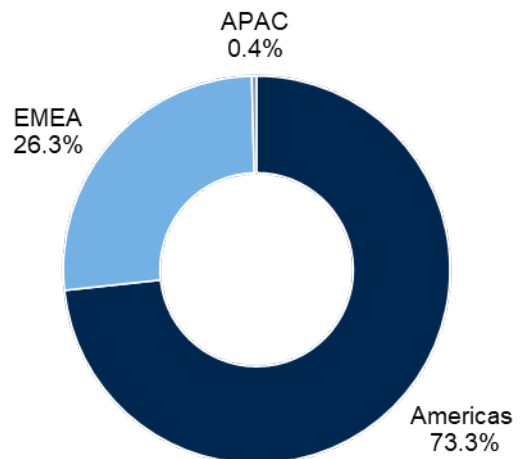
- KBN is defined as a state instrumentality with a public policy mandate from the central government to provide low cost finance to the Norwegian local government sector. The Norwegian Central Government is 100 per cent owner of KBN.
- KBN Green Bonds finance the transition to a low-carbon, climate resilient future in Norwegian local societies. KBN issued its first sustainability-themed transaction in 2010 and has been a regular issuer of public green bonds since 2013. This transaction is KBN's fifth public CAD Green Bond.
- The net proceeds of the Green Bonds issued by KBN will be used to finance or re-finance Eligible Projects that have been evaluated and selected by KBN in accordance to this Green Bond Framework.
- KBN's Green Bond Framework: <https://www.kbn.com/globalassets/dokumenter/funding/green-bond-documents/kbn-green-bond-framework-21.pdf>

Sales Distribution

By Investor Type



By Geography



Source: Joint Bookrunners



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