

Press release

25 January, 2019

Swedbank arranges green covered bond issued by a Swedish bank

On January 23th 2019 the Swedish Covered Bond Corporation (“SCBC”), wholly owned by SBAB Bank AB (publ), issued SEK 6bn Green Covered Bond, due 2024. Swedbank acted as lead manager for this inaugural green covered transaction. This is the first green covered bond from a Swedish bank with green mortgages included as eligible assets.

SBAB Bank AB (“SBAB”) is a mortgage bank, and is wholly owned by the Swedish state. SBAB primarily provides mortgages, but also offers loan and savings products to consumers, tenant-owners’ associations and property companies in Sweden. SBAB published its first Green Bond Framework (GBF) in 2016, and since then SBAB Group’s vision has been to bring business and sustainability goals together. In January 2019 SBAB published an updated broader GBF. The main change is an inclusion of green mortgages for residential properties with energy performance certificates A, B and C. The new framework is an important next step in SBAB’s work towards a sustainable funding and liquidity management - to borrow green and to lend green.

Thomas Bäck, Fund Manager, Robur Fonder comments: “Residential properties are responsible for a significant part of the energy consumption in Sweden, and the production of new buildings accounts for a large amount of greenhouse gas emissions. It is critical to reduce the emissions created by this sector, and green mortgages are a step in the right direction that we are pleased to finance. Swedbank Robur is delighted to see that the development of bonds backed up by green mortgages in Sweden is starting to show results”.

Erika Wranegård, Fixed Income Portfolio Manager at Öhman Fonder: “SBAB commitment to sustainability in their strategy and financing is a great example on how green bonds can work as an accelerating factor in disseminating sustainability in daily operations and employees’ mindset. I would like to welcome more new issuers to follow SBAB’s example and enter the Green Bond Market”.

Per-Erik Grahn, Portfolio Manager at Nordea Asset Management: “Nordea Asset Management focuses a lot on green and sustainable investments in order to support the transition to low carbon economy and at the same time create opportunity for stable returns for our customers. SBAB’s issue is the first green covered SEK transaction backed by green residential mortgages providing us with a unique chance to invest in our own society”.

For additional information about the green covered bond, see [Swedbank Sustainable Financing](#) or contact greenbonds@swedbank.com.

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