

MuniFin

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EUR 500 million New 1.5% Green Bond Due 17th May 2029

10th May 2022

Final Terms

| | |
|--------------------|---|
| Issuer: | Municipality Finance Plc (“MuniFin”) |
| Ratings: | Aa1 / AA+ (both Stable) by Moody’s / S&P |
| Size: | EUR 500,000,000 |
| Coupon: | 1.5% annual, Actual/Actual (ICMA), following unadjusted |
| Pricing Date: | 10 th May 2022 |
| Payment Date: | 17 th May 2022 |
| Maturity Date: | 17 th May 2029 |
| Mid Swap Spread: | -11bps |
| Joint Bookrunners: | BNPP, Danske Bank, NatWest, SEB |

Transaction Highlight

- This trade marks the first Green issuance for Municipality Finance (“MuniFin”) this year following their GBP 250m 3 year Green bond in October 2021. Overall, this therefore marks the 7th Green bond for MuniFin.

Transaction Details

- On 10th May 2022, MuniFin priced their €500m fixed-rate benchmark due 17th May 2029. The transaction pays a coupon of 1.5% (annual) and a spread of mid-swaps – 11bps.
- Identifying a supportive transaction window amidst a volatile rates backdrop, the new issue was announced to the market on Tuesday, 10th May at 08:15hrs London time, and books were opened with Price Guidance at mid-swaps – 8bs area with 500mn “Will Not Grow” language.
- With a pre-defined size limit and strong green asset demand, momentum was strong from the outset. Two hours after opening books, syndicates were able to tighten the spread 3bps to mid-swaps – 11bps on the back of orders in excess of €1.4bn. Books closed shortly afterwards at 10:45hrs London.
- Final books were in excess of €1.4bn with the deal pricing at 14:30hrs London time.
- Participation was of the highest quality led by CB/OI at 38% followed by Asset Managers at 24% and Banks at 22%. In terms of geography distribution was concentrated in Europe with 25% to DACH followed by BeNeLux at 23%. ESG investors played a key role in this transaction, with highly rated ESG investors making up almost a third of the book, and nearly 80% of the final transaction going to investors with some degree of ESG shading (derived from JLM syndicate ESG 0 – 3 shading calculations approved by MuniFin).

Issuer Overview

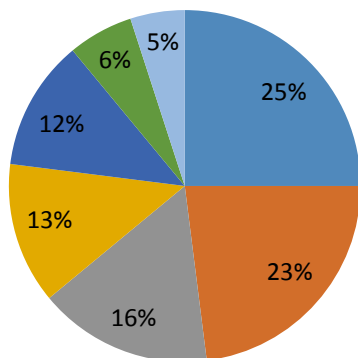
Municipality Finance Plc, or MuniFin, is one of Finland’s largest credit institutions and the only one specialised in the financing and financial risk management of the Finnish public sector.

The financing is offered exclusively to Finnish municipalities, their majority-owned companies, and non-profit housing companies.

MuniFin is 100-percent owned by the Finnish public sector; the municipalities, the government of Finland and Keva, a public sector pension fund.

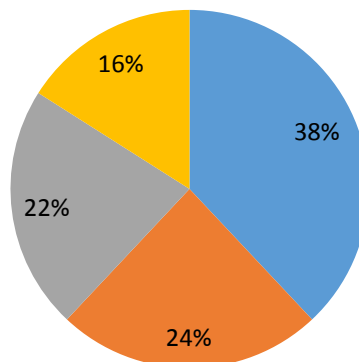
By Investor Region

■ DACH ■ BeNeLux ■ Nordics ■ Non-Europe ■ France ■ UK ■ Other Europe



By Investor Type

■ CB/OI ■ AM ■ Bank ■ Pen/Ins



Source: Joint Bookrunners

Comments from the Bookrunners:

"Congratulations to the MuniFin team for successfully launching their second EUR benchmark and first green bond of 2022. To execute such a solid transaction given the volatile market backdrop is a strong testimony of MuniFin's ability to build a strong and diversified investor following." - Salma Guerich, DCM SSA, BNPP

"Congratulations to MuniFin on their highly impressive return to the EUR Green Bond market. With final pricing through fair value and a large and high quality orderbook in challenging market conditions, this truly demonstrates the strength of the credit and the support that MuniFin enjoys from the ESG focused investor community. Danske Bank is proud to have been part in this successful transaction." - Axel Zetterblom, SSA Origination, Danske Bank

"A fantastic return to the Green Bond market for MuniFin. The quality of the investor base came through from the outset with investors showing strong support for the first MuniFin Green issuance of 2022. Amidst a more volatile backdrop, the extremely positive reception exemplifies the quality and demand for the MuniFin name, and support for their Green framework. We are very proud to have been involved at NatWest" – Kerr Finlayson, Head of FBG Syndicate, NatWest

"SEB is delighted to have taken part in MuniFin's latest triumph in the EUR Green bond market. Despite significant market volatility creating a challenging backdrop, the transaction garnered a high-quality, multiple times subscribed order book, and a final reoffer level through the fair value curve. This is a clear demonstration of MuniFin's long-standing reputation amongst the ESG investor community." – Rebekah Bray, Deputy Head of SSA Origination, SEB

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BNP PARIBAS

Danske Bank



NatWest

SEB