



Landshypotek Bank

# Landshypotek Bank Green Covered Bond in short

## Executive Summary

Green Covered Bond Pool – exclusively Sustainable Forestry (covering 2% of Swedish woodland)

Dark Green Shading by Cicero

Approx. **240 ton CO<sub>2</sub>** are absorbed and avoided per **invested SEK 1m**

Covered bond rating by S&P is AAA

Meeting SDG 13 and 15



## Sustainable forestry

Two positive climate effects:

1. **direct carbon sequestration** by photosynthesis
2. **substitution effect** when wood based products replace fossil materials or materials that consume large amounts of energy in their extraction

Forestry with an active and well-planned management increases growth and climate benefit

Risk due to storms and a changing environment is reduced with a diversified tree composition in respect to site quality and biological prerequisites



CICERO  
Dark Green

*"Based on the assessment of the project types, policies, goals and reporting standards, Landshypotek Bank's Green Bond Framework receives a Dark Green shading."*

- Cicero

## Landshypotek Bank

Founded in 1836 with a purpose to offer solid and sustainable funding for Swedish agriculture and forestry

Market leading with approx. 24% of total lending to the agriculture and forestry sectors

99.6% of the loan portfolio is first-lien mortgages with an average of LTV 43%

99% of our customers conduct business as sole proprietorship, which is a private individual with personal liability

A long term governance structure being owned by 38,000 loan customers, members of Landshypotek Ekonomisk Förening (owner association)

Profit is reinvested or returned to the agriculture and forestry sectors

## Key facts cover pool

Rating S&P	AAA
Over Collateralisation	34.3%
Amortising	99%
Non amortising	1%
Average LTV (volume weighted)	42.8%
Seasoning Property level	25 years

## Relevant documentation

[Framework](#)   [Second Opinion](#)   [Impact Report 2020](#)