

Nasdaq Nordic ESG & Sustainability Efforts

Greener Finance for Sustainable Future, Helsinki 31st of October, 2019 / Lauri Rosendahl

 Nasdaq | REWRITE TOMORROW

Nasdaq Nordic – ESG

Through our **fundamental role** in the financial market, Nasdaq Nordic has the **ability** to encourage the flows of capital **towards more sustainable** use.

... Four key initiatives among several

One of the leading
Sustainable Debt markets
in the world

ESG Reporting Guide
for public and private
companies

ESG Data Products for
Investors and Issuers

OMXS30 ESG compatible
indices and futures

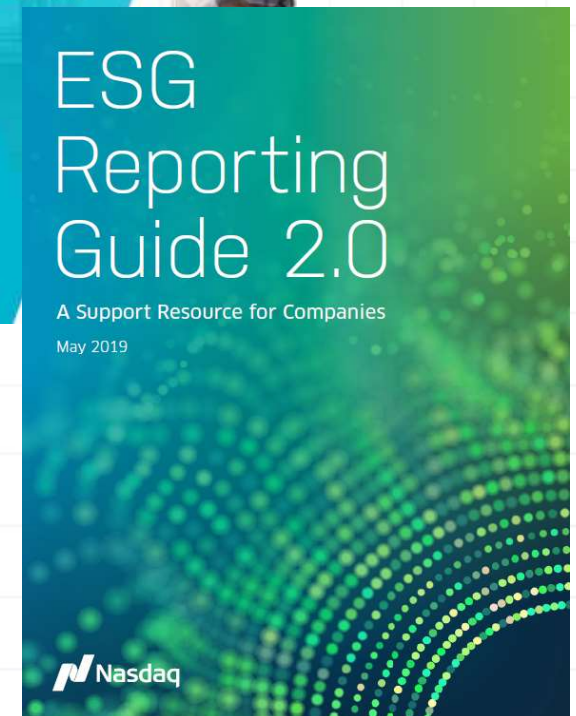
ESG Reporting Guide 2.0

Voluntary, flexible and encouraging approach




- Initially launched in March 2017 as a support tool for Nordic and Baltic listed companies to assist them with ESG reporting
- Especially for SMEs planning to initiate a journey towards ESG reporting
- Not another new framework - The guide does not add, set aside, replace or substitute any reporting obligations or standards
- The Nordic/Baltic guide was supported by a one year long pilot program, gathering 36 issuers across all Nordic and Baltic markets.

Updated 2.0 version to serve companies globally

- An updated version of the Guide was launched on May 15, 2019.
- The new guide includes the latest third-party reporting methodologies, updated metrics and aims to help both private and public companies across the world to navigate the evolving standards on ESG data disclosure.

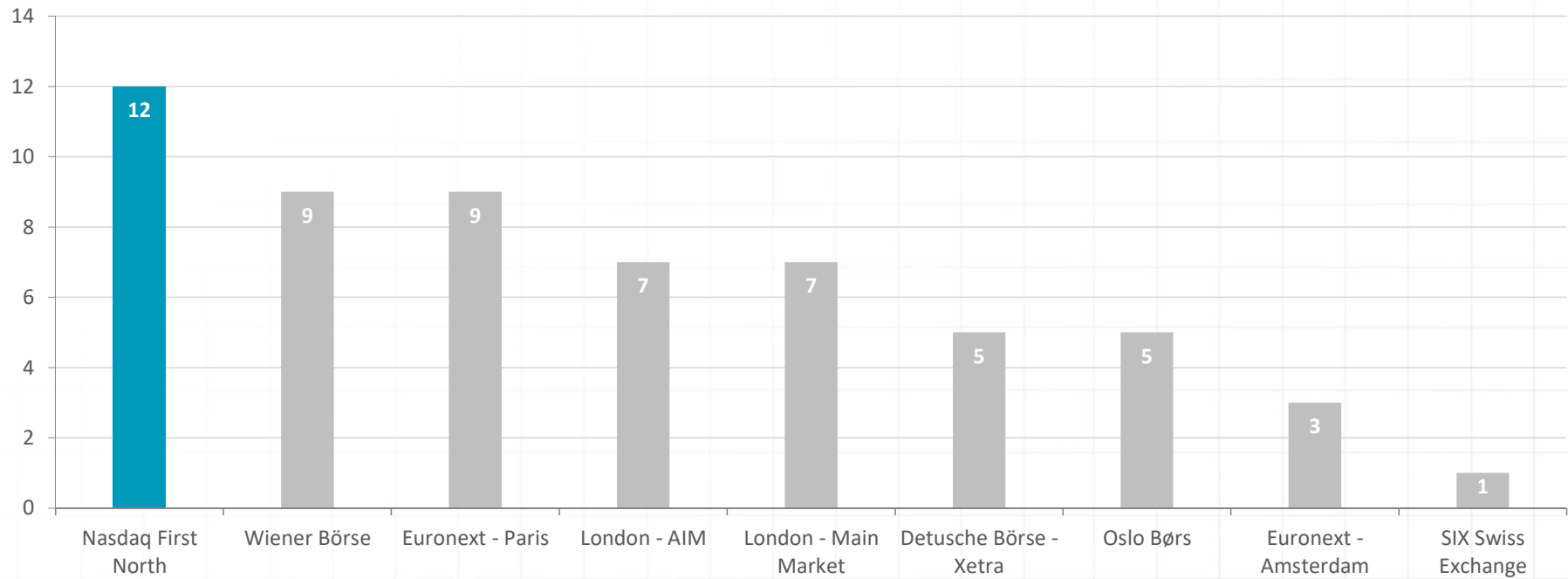


ESG Reporting Guide 2.0

 Environmental (E)	 Social (S)	 Corporate Governance (G)
<ul style="list-style-type: none"> E1. GHG Emissions E2. Emissions Intensity E3. Energy Usage E4. Energy Intensity E5. Energy Mix E6. Water Usage E7. Environmental Operations E8. Climate Oversight / Board E9. Climate Oversight / Management E10. Climate Risk Mitigation 	<ul style="list-style-type: none"> S1. CEO Pay Ratio S2. Gender Pay Ratio S3. Employee Turnover S4. Gender Diversity S5. Temporary Worker Ratio S6. Non-Discrimination S7. Injury Rate S8. Global Health & Safety S9. Child & Forced Labor S10. Human Rights 	<ul style="list-style-type: none"> G1. Board Diversity G2. Board Independence G3. Incentivized Pay G4. Collective Bargaining G5. Supplier Code of Conduct G6. Ethics & Anti-Corruption G7. Data Privacy G8. ESG Reporting G9. Disclosure Practices G10. External Assurance

Cleantech listings on European exchanges

Number of Cleantech Listings, January 2017- July 2019



Sustainable Debt Market

Launched in 2015

- One of the world's first markets for sustainable corporate bonds

The main development so far has been driven by the segment **Green Bonds**

- However there is a growing progression towards sustainable bonds with a wider focus on environmental and/or social positive impact
- The market provides a platform **for issuers** to list their Sustainable Bonds, and **for investors** to easily discover and invest in sustainable bonds

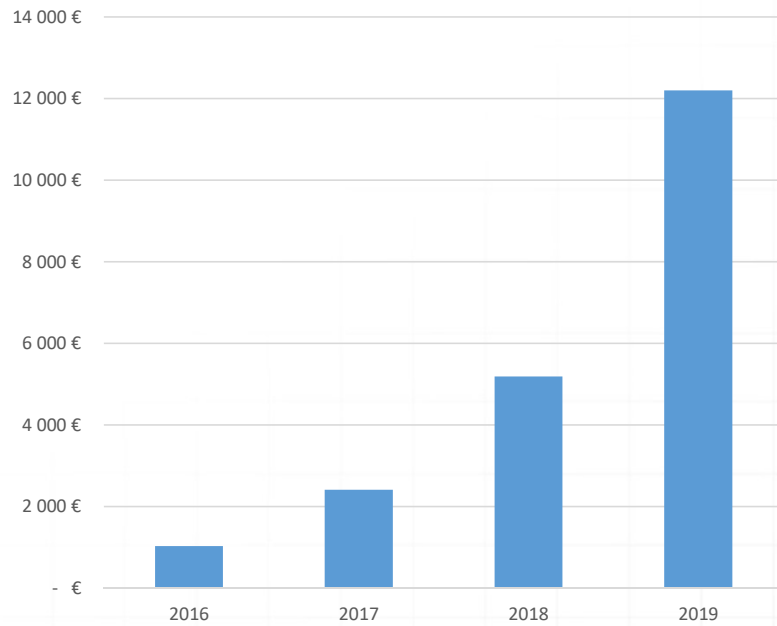
Nasdaq's role in promoting the markets

- Set listing criteria based on international standards
- Monitor issuer's compliance with international standards
- Educate, spread awareness and facilitate market dialogue

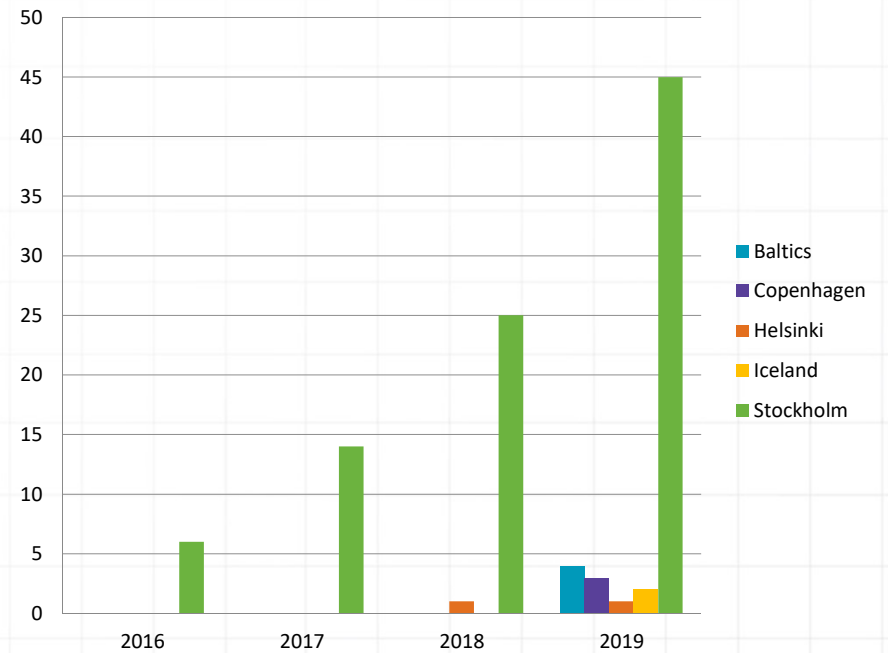


Sustainable Debt Market

Volume: Nordics and Baltics (Oct 2019)



Number of Issuers, Nordics & Baltics (Oct 2019)



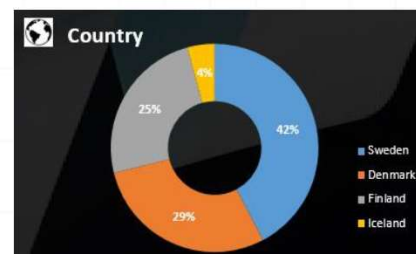
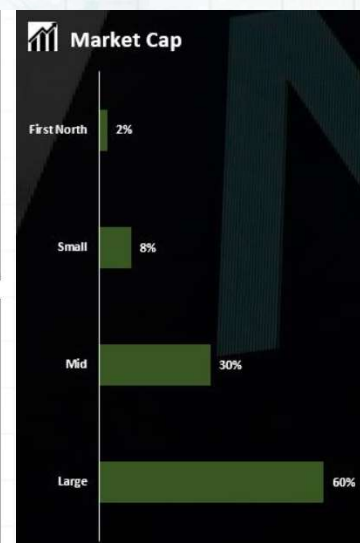
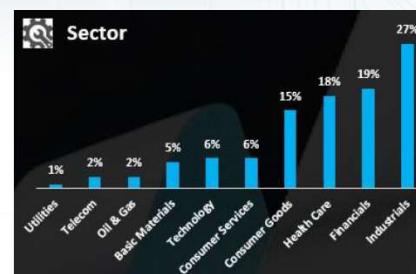
ESG Data Products

ESG Data Portal

- A centralized distribution point that offers investors access to standardized ESG data from companies listed at Nasdaq Nordic
- Currently, more than 200 issuers have uploaded data in the portal

ESG Footprint – for retail investors

- Nasdaq has partnered with fintech firm **Matter** to create an easy-to-implement interface measuring the global sustainability effect of individual securities
- Through an intuitive dashboard, investors and managers have access to the real-life effects of each investment, along with alternatives based upon their sustainability goals



ESG Index & Index Future

The OMX Stockholm 30 ESG Responsible Index is constructed with the objective of creating **an ESG compliant version of the OMX Stockholm 30 index**

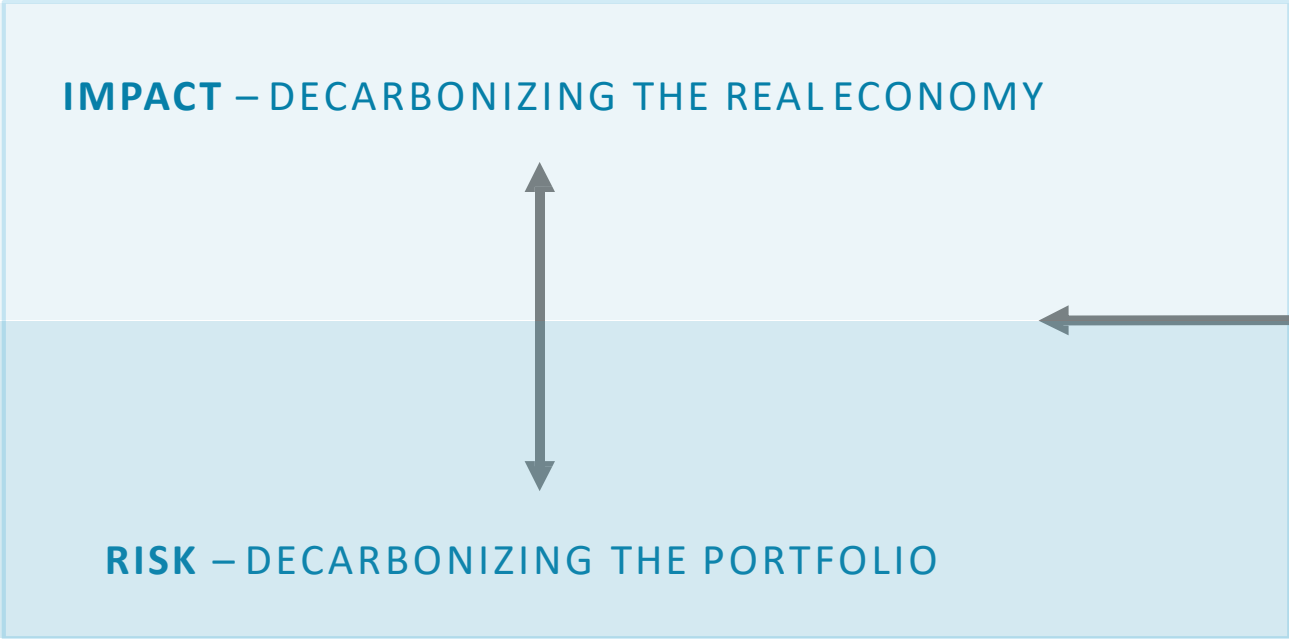
Those looking to invest in a **more sustainable way** need more investment products based on established and liquid indexes. Our existing OMXS30 index future contract is among the most traded in Europe, and the **ESG version** of it reached **1 million traded contracts** in October 2019 – just one year after it was introduced to the market.

And more is to come ...

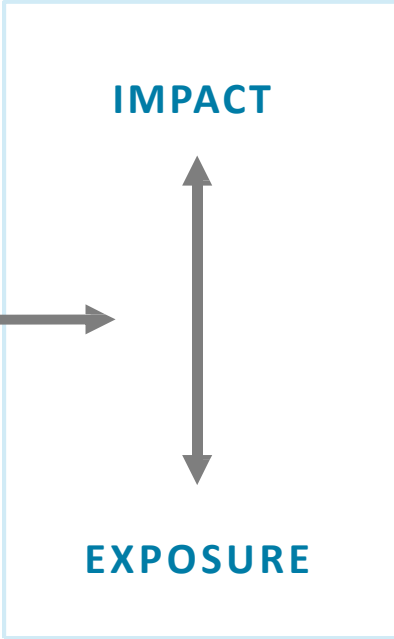
Thank you !

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FINANCIAL INDUSTRY



ECONOMY



FINANCIAL INDUSTRY

ECONOMY

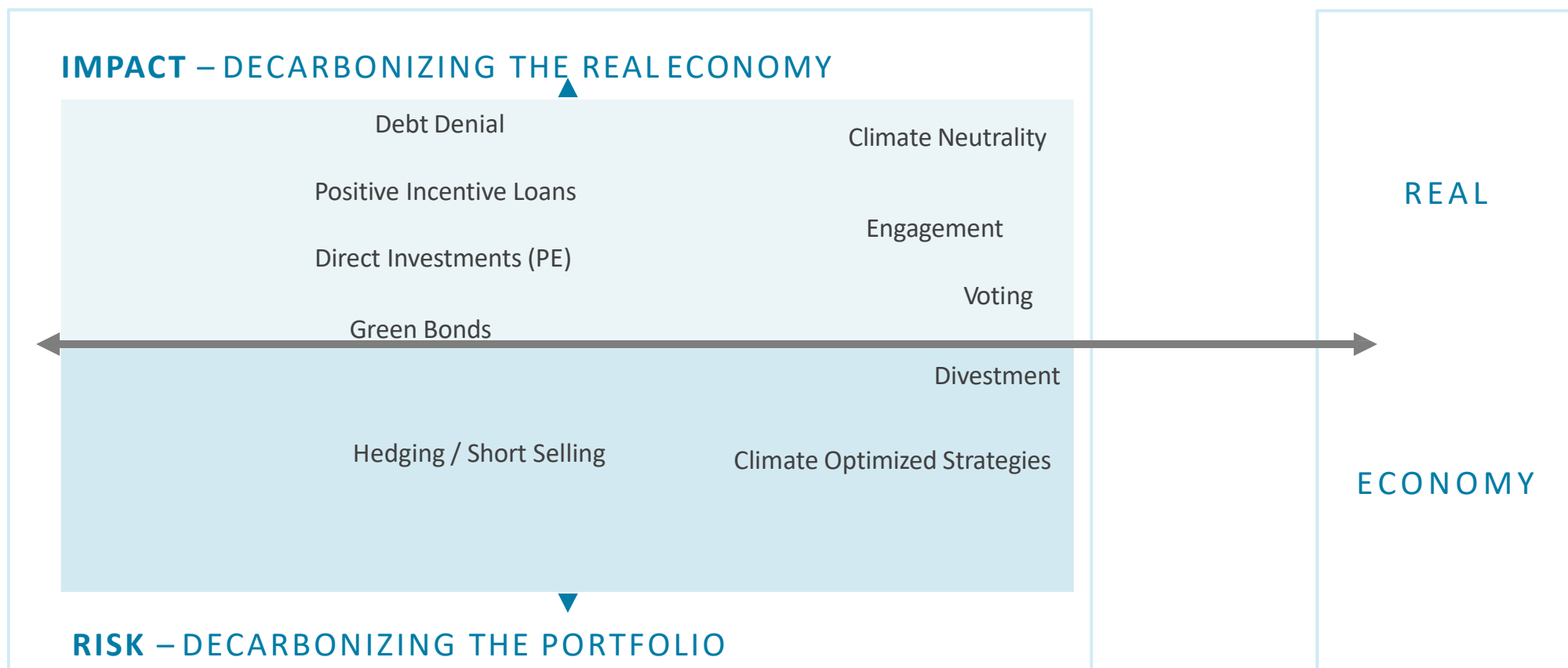
IMPACT – DECARBONIZING THE REAL ECONOMY



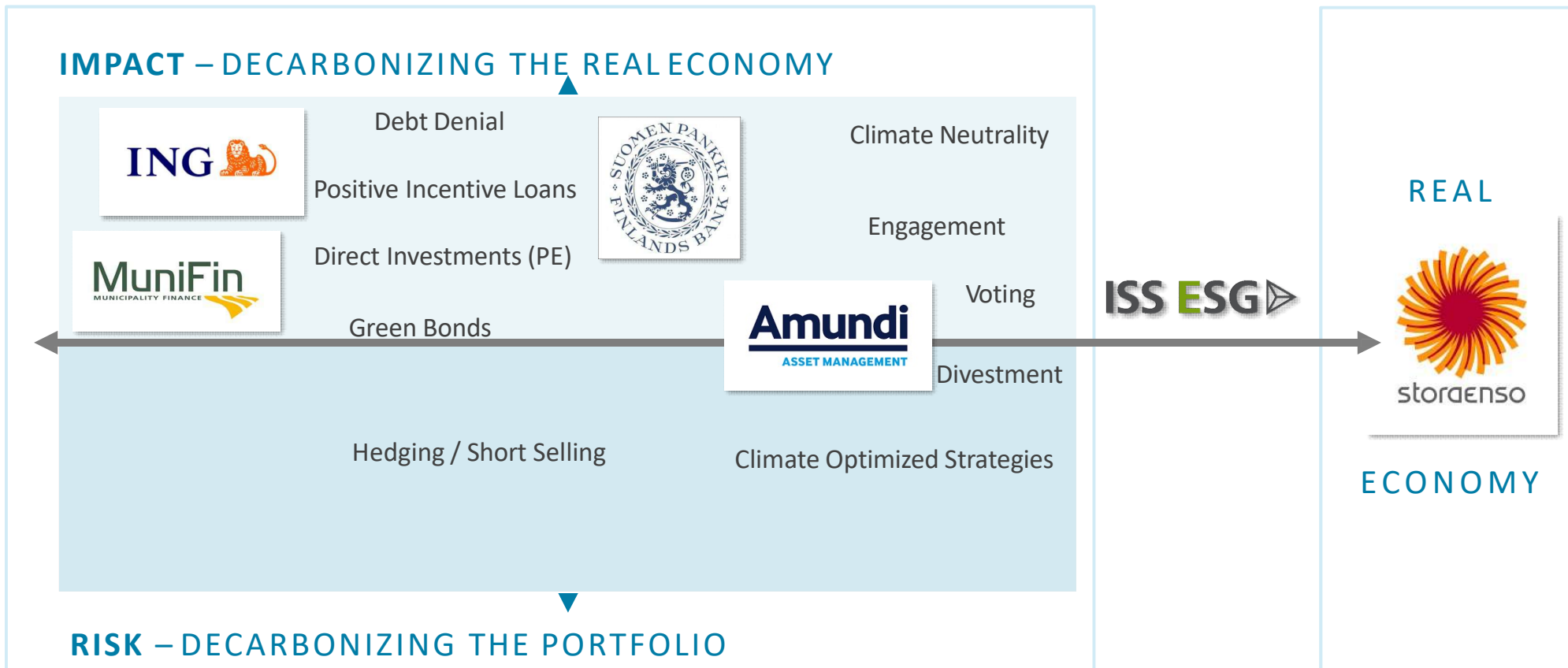
RISK – DECARBONIZING THE PORTFOLIO



The Financial Industry and its Toolbox



The Financial Industry and its Toolbox



Panel on ESG Information & Disclosure



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Stanislas Pottier

*Chief Responsible Investment Officer,
Amundi*



Pasi Kyckling

*SVP Group Treasurer
Stora Enso Oyj*



Leonie Schreve

*Global Head Sustainable Finance
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Antti Kontio

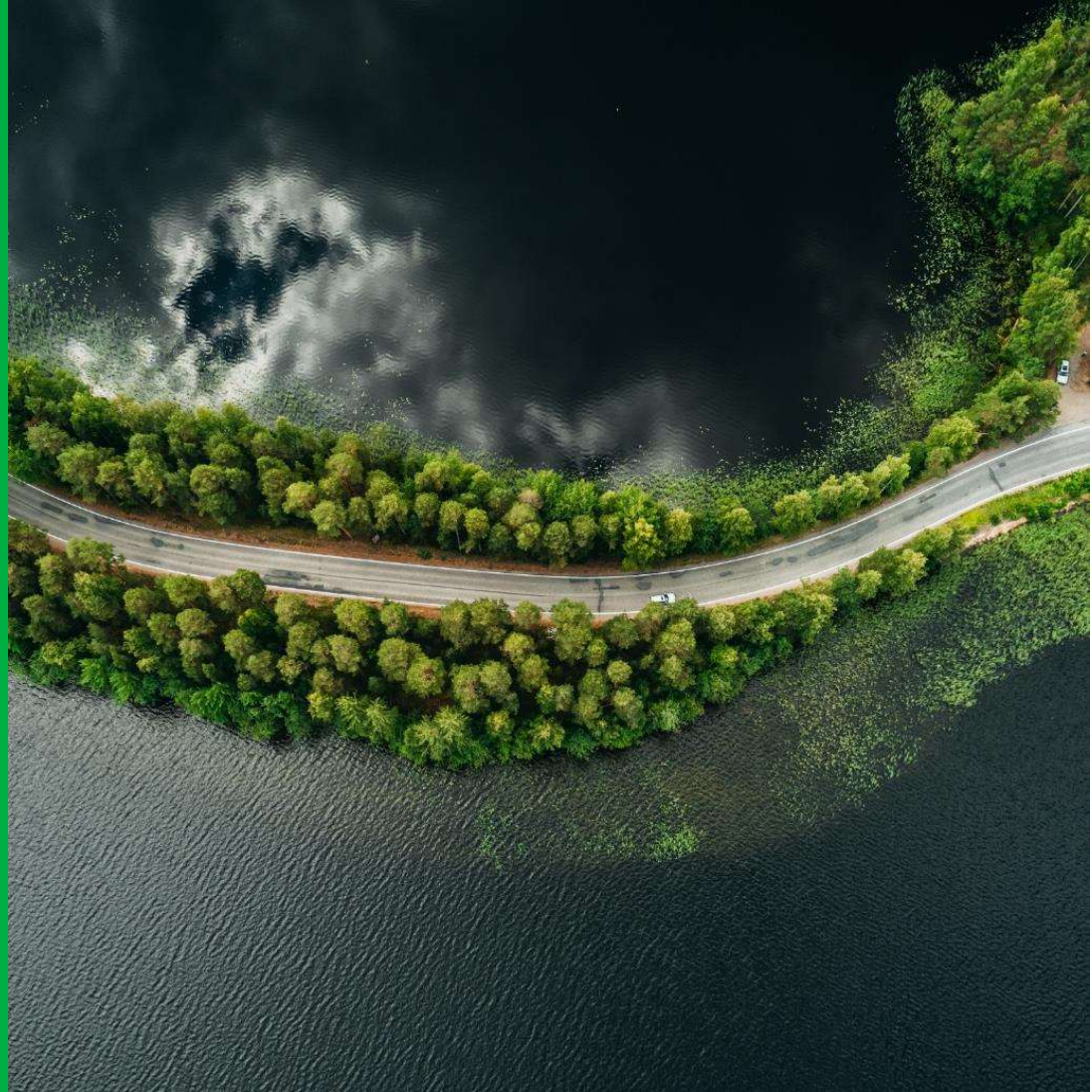
*Head of Funding and Corporate Responsibility
Municipality Finance
@askontio*

Greener
Finance for
Sustainable
Future

Green Bonds

“MuniFin became the first Finnish Green Bond issuer in 2016”

MuniFin



Forerunner in sustainability

Goal 2022

Green finance
accounts for 10% of
the financing portfolio



Annual Goal

ESG score of
investment portfolio
above benchmark



Annual Goal

New Green Bond
issued at least once
per year

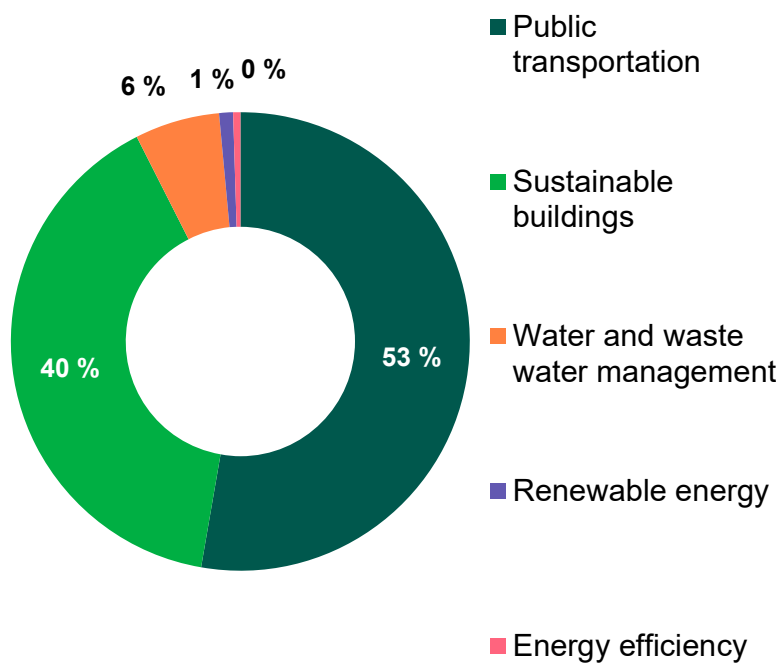


CSR Strategy and Responsibility Policy

- Loan and leasing granting process
- Responsible products and services
 - Green finance & Green bonds
 - *Social finance & Social bonds (new 2020)*
- Responsible investments
 - SRI investments and ESG score
- CSR reporting
 - Annual Responsibility reports
 - Annual Green bonds impact reports

What is green?

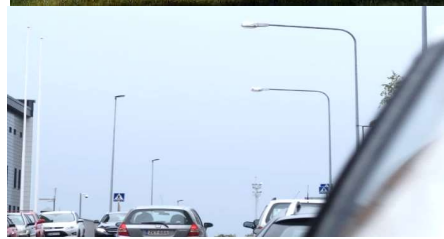
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Sustainable public transportation: West Metro



Sustainable buildings: Three social housing buildings in Helsinki



Energy efficiency: Street lights in city of Kotka

11/5/2019

Green Bonds

“MuniFin became the first
Finnish Green Bond issuer in
2016”

MuniFin



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