

Towards Low Carbon Economy – Green Bond and Asset



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University Properties of Finland Ltd, Finland

Agenda

Definitions

RQ and Method

Case study

Results

Thank You

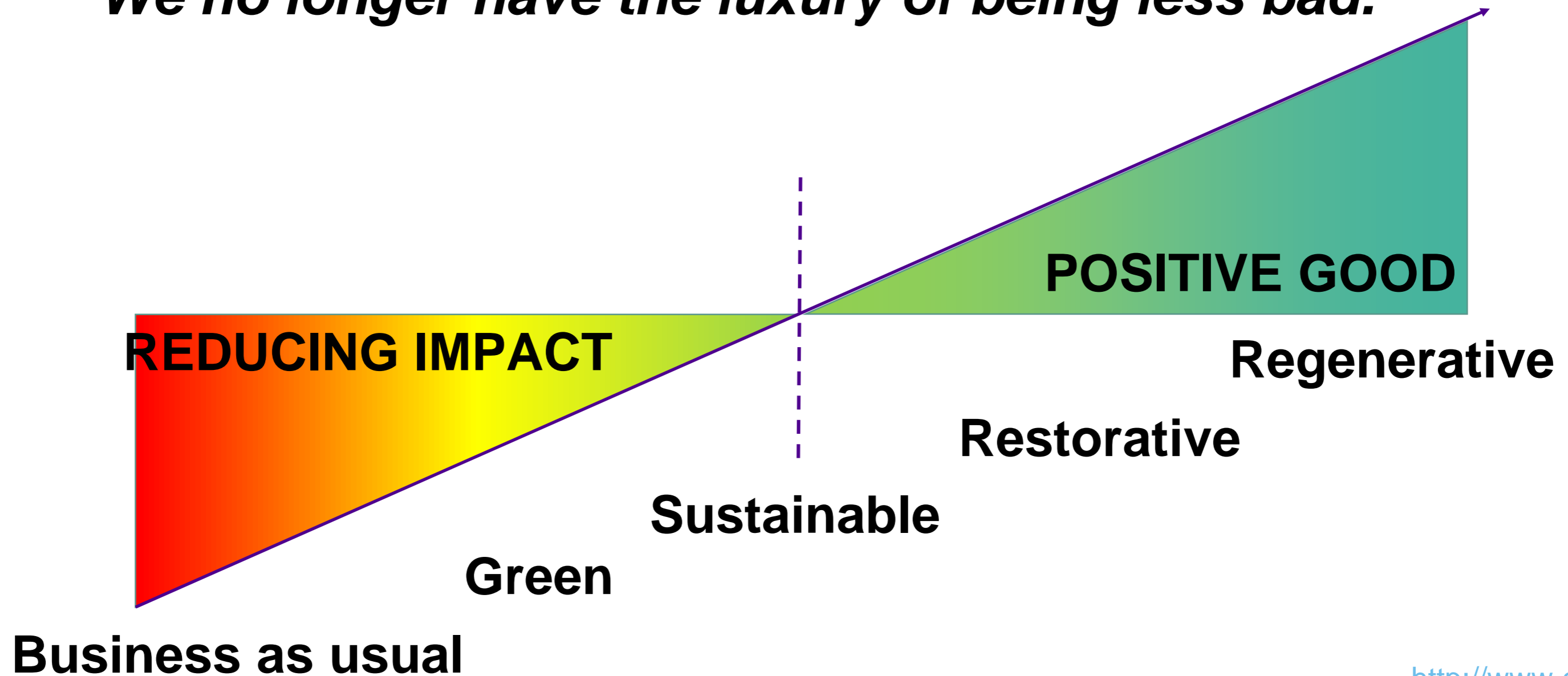


Definitions

- **Green Bond:** an instrument for driving the environmentally friendly and low-carbon economy.
- **Green building certification system:** address multiple environmental impacts and measure outcomes across all asset lifecycle phases.
- **Using green bonds:** an effort to improve transparency and increase opportunities both for issuers and investors taking a more active role in combating climate change.

From Business as Usual to Regenerative Sustainability

We no longer have the luxury of being less bad.



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Research Question and Method

RQ

How property developer of university campus can use Green Bond as one instrument in sustainable life cycle management and continuous development of properties towards regeneration?

Method

The single case study method - process towards Green Bond initiative.

The data was gathered and analysed by qualitative document analysis (QDA).

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Case study: University Properties of Finland Ltd

Founded **2009**

Revenue 2018 **159.5 mn €**

237 buildings, **16** campuses in **12** cities

Properties have an area of **1.1 mn m²**

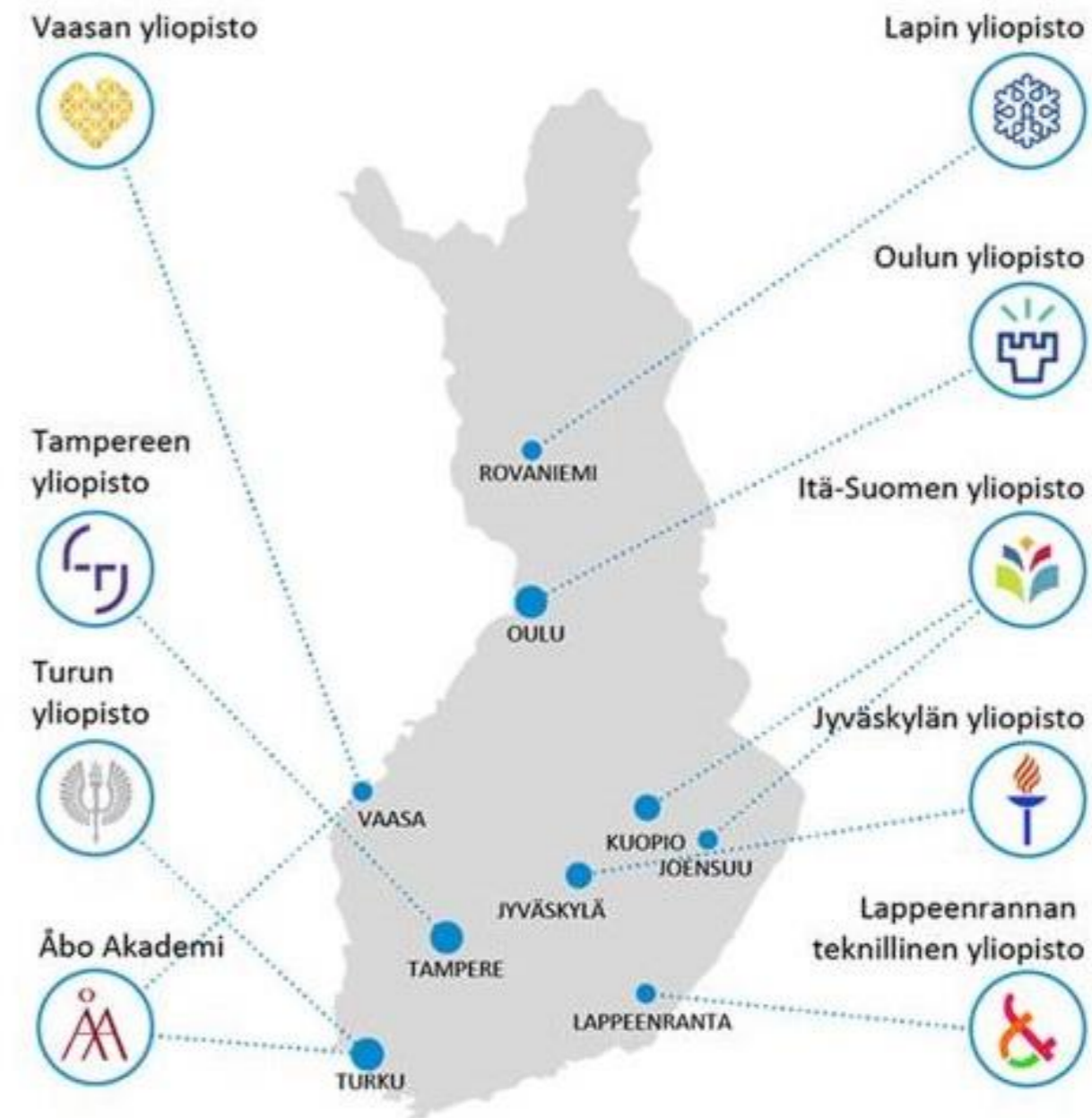
Market value of properties **1.4 bn €** 2018

Value of leases **1.7 bn €** 2018

Investments 2018 **98 mn €**

28 employees + service providers

>90% of revenues from universities



Case study: University Properties of Finland Ltd

- Supports development towards a more attractive future on campus environments and creating regional opportunities for growth by combining science, research and business to vivid urban city surroundings
- Activities are guided by responsible and sustainable development principles
- Owned by the Finnish State ($1/3$) and Universities ($2/3$)

CORE BUSINESS



PORTFOLIO
MANAGEMENT



CUSTOMER
RELATIONSHIP
MANAGEMENT



FINANCE

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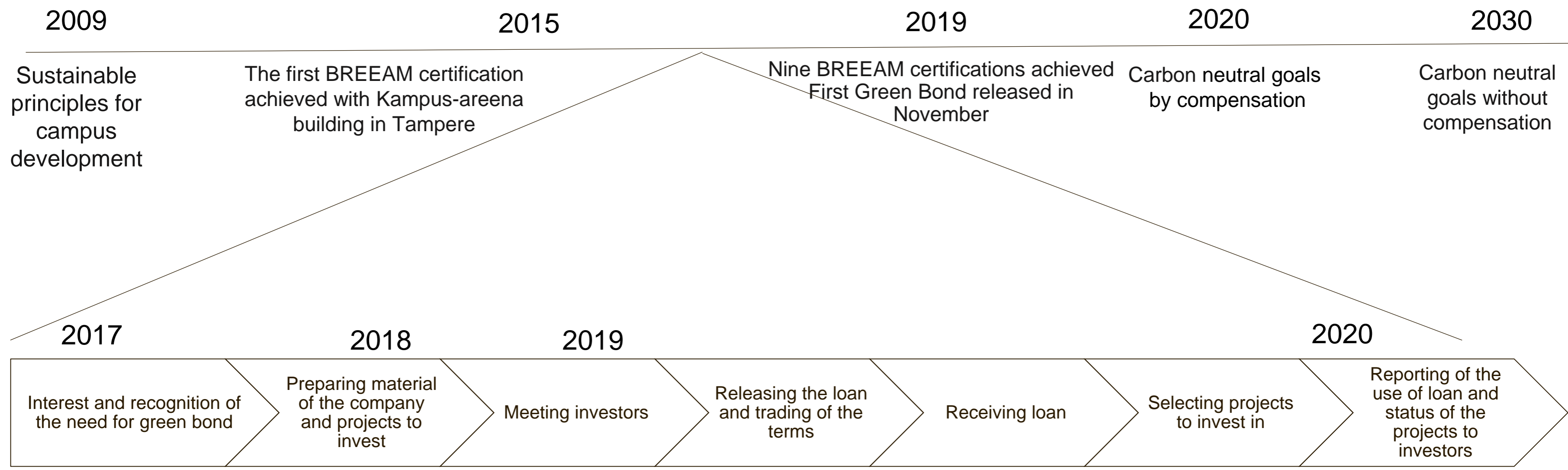


Result 1: Motivation

- Need of loans for the large investments
- Broader base of funding
- Interest of investors in responsibility
- Advancement of the global sustainable development
- Long term competitiveness
- Brand value
- National forerunner status
- Organisational commitment to responsibility in strategic, tactical and operational levels

Result 2: Long term process

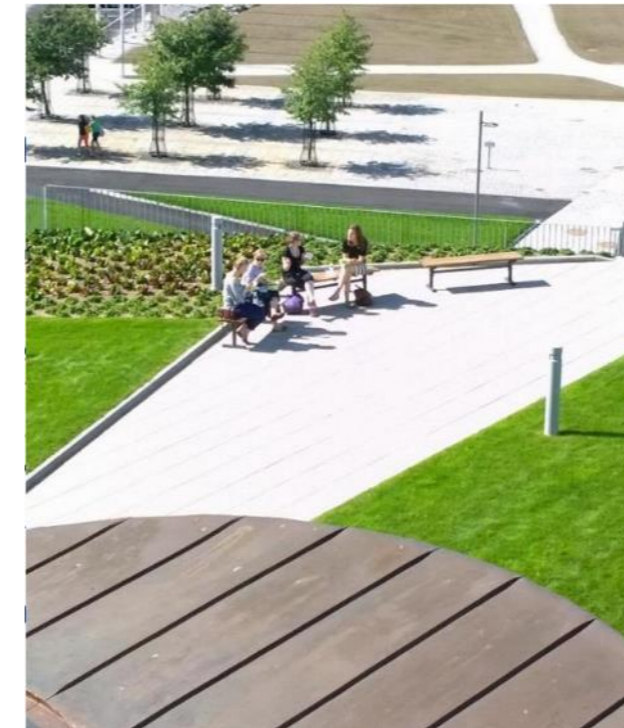
SUSTAINABILITY PROCESS



GREEN BOND PROCESS

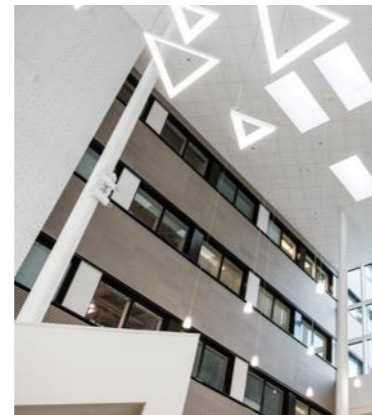
Result 3 Integration to Daily Business

- Commitment to using money in projects with environmental benefits.
- In construction project it means concrete solutions e.g.
 - **New properties or major renovation** with a BREEAM “Very Good” and an energy use that is at least 15% lower than that required by the Finnish national building code
 - **Existing buildings** with BREEAM In-use certification “Very Good”
 - **Energy efficiency** projects leading to a reduction of energy use of at least 25%
 - Technical solutions utilizing **renewable energy** for properties
 - **Clean transportation** infrastructure for electric vehicles.
- Reporting the progress annually: “Investor Letter”
- Green Bond funding has a significant role in achieving the sustainability goals



Result 3 Integration to Daily Business

Medisiina D



Verso Project



Aurum Building



Property

Status

In Use

In Use

Under Construction /2021

Square meters

25 466

20 400

23 000

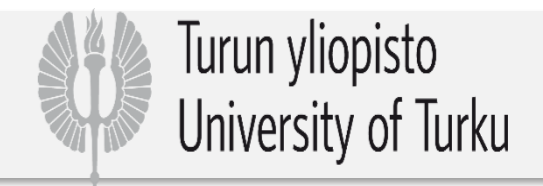
Certification

BREEAM certification
"Very Good"

BREEAM certification
"Very Good"

Target to Breeam **Excellent**
(at least Very Good)

Main tenants



Total estimated
project costs, €m

72

40

80

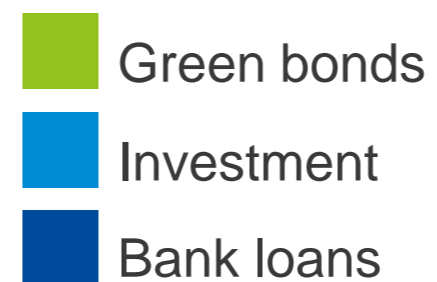
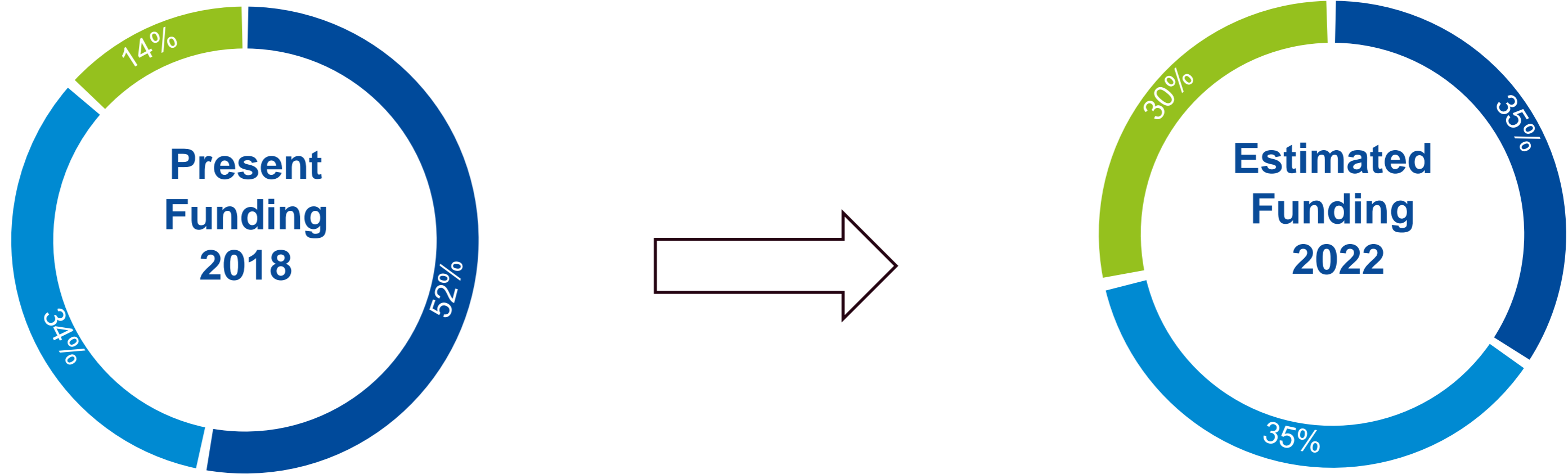
Allocated proceed
31.12.2018, €m

36

40

7

Result 4 Continuous development



Thank You!

