

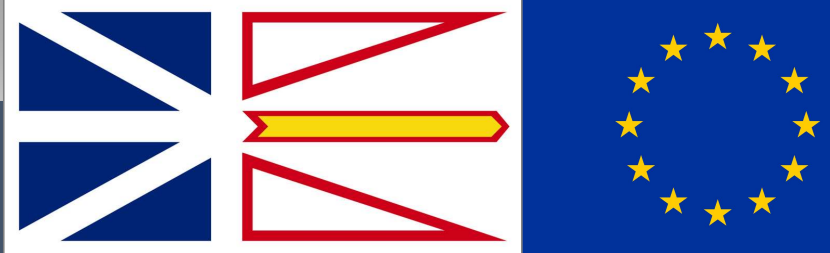
Newfoundland and Labrador European Borrowing Program

March 6, 2023


Newfoundland
Labrador

Rose Blanche Lighthouse

Key Facts



- European borrowing program to launch in 2023 with a listing on the London Stock Exchange
- Designed to access new sources of financial capital by targeting the European investor community
- Not to exceed €1 billion in notes outstanding (or equivalent in other currencies)
- To operate in parallel with existing domestic borrowing program
- Borrowing rates will vary with market conditions, but province will not borrow when European rates exceed equivalent Canadian rates

Rationale for Accessing European Capital

- Expanded investor base
- Enhanced access to borrowing opportunities
- Ability to take advantage of bond pricing differentials between Canadian and European markets
- Increased competition amongst investors to help reduce provincial borrowing costs
- Lower vulnerability to any adverse conditions that might develop in domestic capital markets



Purpose of Borrowing Funds

- Like other Canadian provinces, Newfoundland and Labrador borrows where required to ensure funding for government programs and services, as well as to service the existing debt
- Monies to fulfill these purposes are raised by issuing bonds in capital markets, which are publicly traded and primarily held by a broad base of institutional investors
- Upcoming borrowing requirements for the fiscal year 2023-24 will be determined as part of the upcoming budget process



Summary of Current Borrowings

CDN \$ Billions – as of February 28, 2023

