



Media Release

For Release: 27 May 2015

ANZ prices A\$600 million green bond - largest climate related bond by an Australian issuer -

ANZ has launched and priced its first green bond, raising A\$600 million for financing a portfolio of loans that directly contribute to developing low carbon industries, technologies and practices. Proceeds will also be allocated for investment in future green projects.

The five year fixed rate bond was priced at 99.384 and an 80bps spread over the swap rate, with a coupon of 3.25%. It is the largest climate related bond yet by an Australian issuer and was primarily distributed with Australian institutional investors, as well as funds in Asia. ANZ was Sole Lead Arranger for the transaction.

Assets in the bond comprise loans to wind power and solar projects and Green Star rated commercial property buildings in Australia, New Zealand and parts of Asia. Projects in the geothermal power and fuel efficient transportation sectors may also be considered in due course.

The bond has been certified by the Climate Bonds Initiative (CBI) – a Not-For-Profit organisation that aims to promote large-scale investments that will help to deliver a low-carbon economy. Ernst & Young has independently verified the bond against standards issued by the CBI and will review compliance on an annual basis until the bond's maturity.

ANZ's Global Head of Debt Syndicate Paul White said: "Strong demand from a diverse spectrum of investors for this transaction highlights the growing number of sustainable and ethical mandates within the institutional investment community. We expect the green bond market will continue to grow, as issuers look to tap the significant liquidity available."

Katharine Tapley, Director Sustainable Finance Solutions in ANZ's Global Loans business, said: "The fact that this transaction was possible without direct investment from the Clean Energy Finance Corporation (CEFC) is a positive development for the green bond market in Australia. However, we acknowledge the contribution that the CEFC has made to the development of the market in recent years."

Green bonds were created to fund projects that have positive environmental or climate benefits. Since the CBI was launched, annual global issuance of green bonds has risen from US\$414 million in 2008 to US\$36.6 billion in 2014.

For media enquiries contact:

Alex Evans
Media Relations Manager
Tel: +61 3 8655 8221 or +61 466327835
Email: alexander.evans@anz.com
Twitter: @alex_k_evans