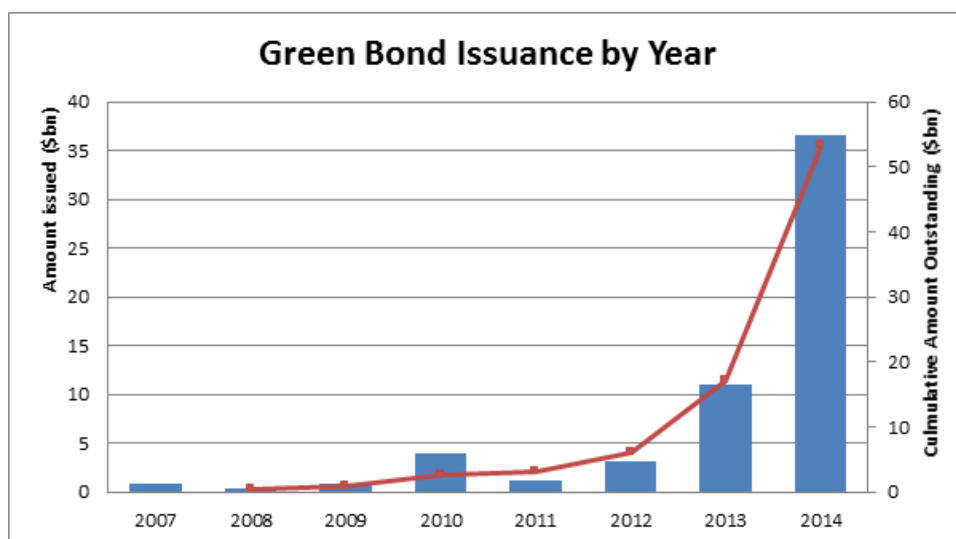


Biggest year ever for green bonds \$36.6 billion of green bonds issued - more than triple 2013 issuance.

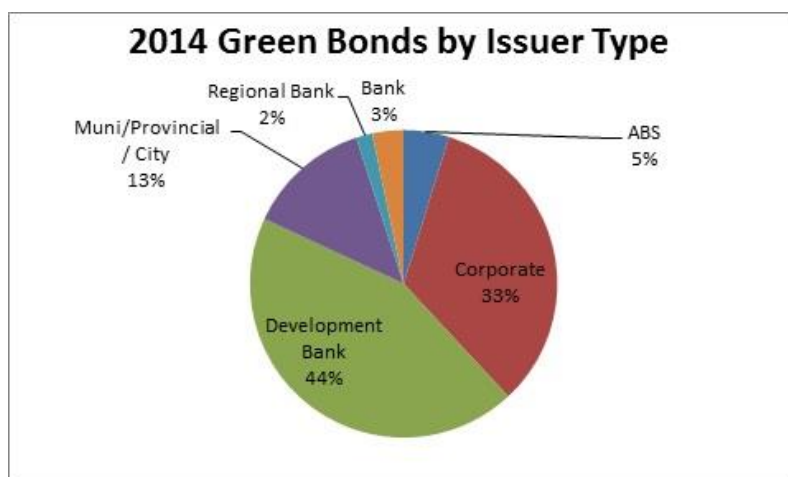
Growth driven by corporate and municipal bonds.

London, 14th January 2015 - Following a landmark green bond growth year in 2013, the labelled green bond market has once again experienced a year of incredible growth in 2014 according to data from Climate Bonds Initiative released today. By year-end there had been \$36.6bn of green bonds issued by 73 different issuers – more than triple the 2013 issuance. The final figure was boosted by a late [flurry of green municipal](#) bonds.



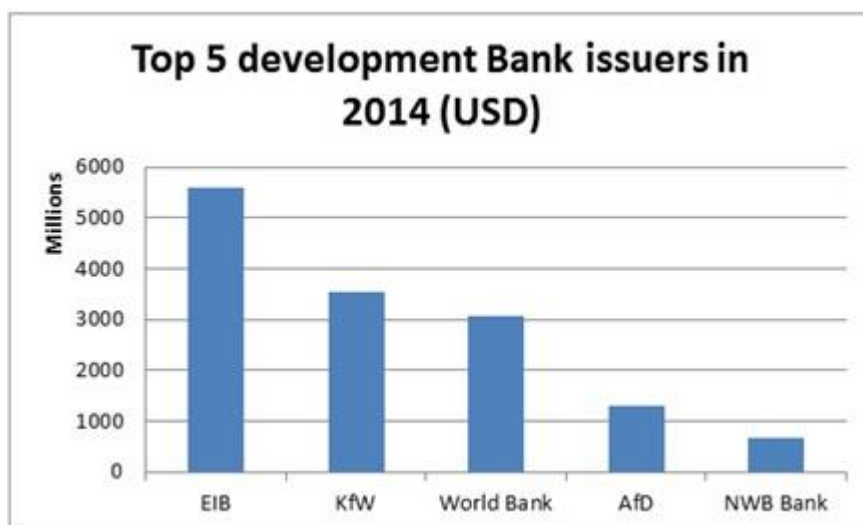
This exponential growth takes the total amount of green bonds outstanding to \$53.2bn by the end of 2014.

What happened to cause this tripling of issuance? In 2014 corporate and municipal bond issuers joined the 'green party' while development banks continued to be the backbone of green bond issuance.



Development banks continue to dominate green bond issuance, led by the EIB

The big development banks still account for the majority of issuance with 44% (\$16bn) of total green bond issuance in 2014. This is split amongst new green bond issuers and the veterans (EIB, EBRD, World Bank and IFC).



New entrants to the market were mainly national development banks that had been waiting in the wings for the right moment to issue a green bond. These include banks such as Germany's KfW, France's AfD and Netherland's NWB Bank.

In addition to new issuers, we saw a diversification in product types with the World Bank issuing a series of retail investor focused green bonds, as well as green bonds across 6 different currencies. EIB continued to be a prolific issuer of green bonds (although they call them [Climate Awareness bonds](#)) and ended the year on top of the issuer table, across all issuer types, with \$5.6bn green bonds issued in 2014.

Overall top 10 green bond issuers of the year (by amount issued in USD):

Issuer	2014
European Investment Bank (EIB)	\$5.6bn
KfW	\$3.5bn
GDF Suez	\$3.4bn
World Bank	\$3.1bn
Toyota	\$1.75bn
AfD	\$1.3bn
Iberdrola	\$1bn
Unibail-Rodamco	\$1bn
Ile de France	\$829m
Hera SPA	\$680m

First green asset-backed securities brought to market by Toyota

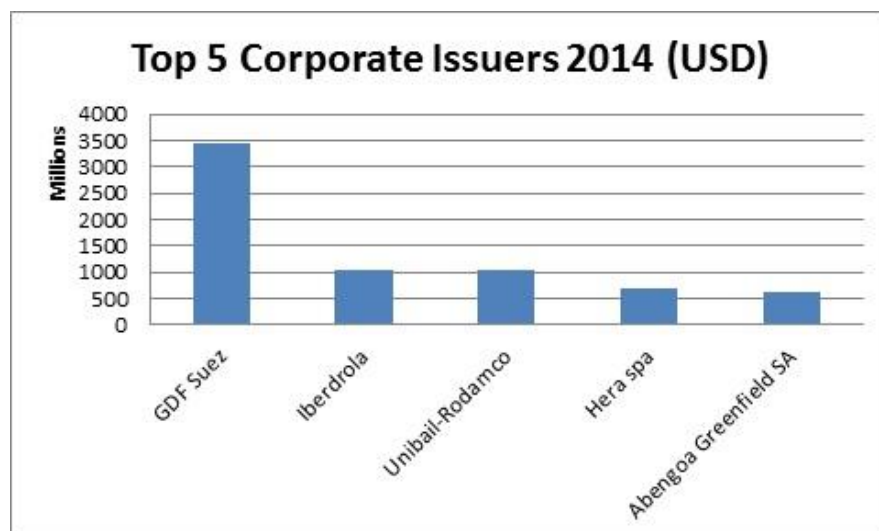
A new type of green bonds also came to the market; Toyota kicked the year off with a \$1.75bn green asset-backed bond in Q1. This bond showcased how proceeds from a bond backed by car leases and loans can be earmarked for future green vehicles.

Green corporate bond issuance was the biggest catalyst for the market explosion

[Green corporate "earmarked" bonds](#) helped create depth in the green market. Not only did the corporates bring scale, accounting for \$12bn issuance, but they also offered a range of currencies - both great for liquidity in the market.

The largest corporate deal of the year was [GDF Suez's \\$3.4bn green bond](#) (split into a EUR 1.2bn and EUR 1.3bn tranches) with proceeds going towards renewable energy and energy efficiency projects.

As the corporate green bond market matured, we also saw a move down the ratings with NRG Yield (rated Bb1 by Moodys) and Abengoa Greenfield SA (rated B by S&P) bringing high yield green bonds to the market in Q3.



Banks leveraged their green loan portfolios to ramp up green bond issuance to US\$1.2bn

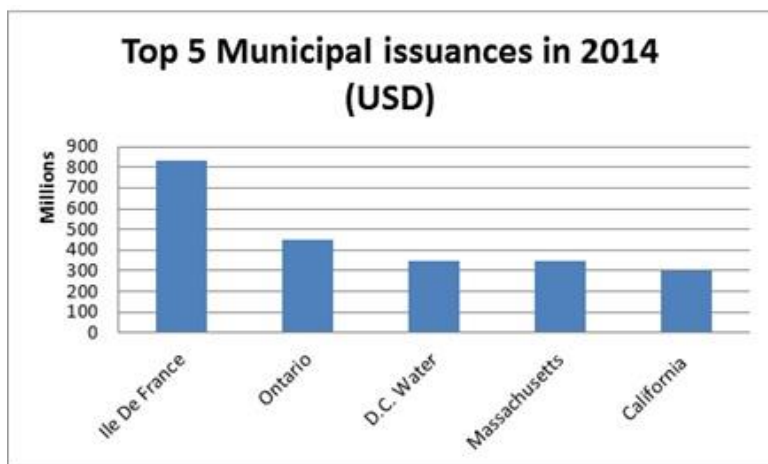
For example, Credit Agricole CIB used their green loan book to back \$478m green retail bonds for Japanese investors over the year. An important step as banks play a crucial role in the capital pipeline by providing loans and project financing to green issuers and projects.

After a successful inaugural bond, NRW, the German regional bank, chose to get a second opinion on its next offering, which proved its green credentials. NAB (National Australia Bank) took it a step further with its inaugural green bond having certification against [the Climate Bond Standard](#).

US municipal green bonds drove the muni market share of green bond issuance to 12%

Green city bonds became popular mid-year with issuances from the Swedish City of Gothenburg and South Africa's City of Johannesburg. Gothenburg was a trailblazing green city issuer with repeated green issues through the year, while Jo'burg was the first to show how green bonds can work for emerging market issuers.

We also had other types of municipal issuers: In the first two quarters of 2014, Ile de France brought EUR 850m (\$1.3bn) of green bonds to market. But it was first in the second half of 2014 when the green municipal market really started to heat up with Ontario and 11 different US States bringing a wide range of green bonds to market.



Ending the year on a high

-----ENDS-----

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About Climate Bonds Initiative: The Climate Bonds Initiative is an investor-focused not-for-profit. It is the only organization in the world focusing on mobilizing the USD 100 trillion bond market for climate change solutions. www.climatebonds.net @ClimateBonds

-----EXTRAS-----

Notes on the figures:

- Currency exchange rates are taken from the last price on the date of issuance.
- Some issuances fall on the cusp of the year in which case we use the announcement date as recorded on Bloomberg to determine its quarter.
- Additional taps of bonds are included dependent on tap announcement date
- \$36.6bn is the labelled green bond total – this means that the issuer has self-labelled the bond as green in a public statement or bond document.

[Bloomberg New Energy Finance's 2014 green bond total is \\$38bn](#) but it includes unlabelled ABS or project bonds. If we include CBI's list of project bonds, which total \$2.5bn in 2014, to our green labelled figure we make it \$39bn.

This difference in the end total is likely to be around how we carve up the numbers. CBI uses the Bloomberg announcement date for inclusion in the 2014 figures.

Top 5 unlabelled project and ABS bonds with proceeds for green from 2014:

Issuer	Amount issued – Project Bonds or ABS
Wind Energy Transmission	\$490m
XINGY 2014-2 A	CNY 2.76bn (\$450m)
AVR Afvalverwerking BV	EUR 300m (\$374m)
Northland Power	CA\$ 232m (\$206m)
CGN Wind Energy Ltd	CNY 1bn (\$160m)