

ANZ Bank joins green bond party with AUD600m, 5yr AA-, Certified Climate Bond

Green property + wind + solar. And ANZ Bank becomes a Climate Bonds Partner

London, 27 May 2015 – ANZ Bank, Australia’s third largest bank, today issues its first green bond, with proceeds going to green property, wind energy and solar energy loans in Australia, New Zealand and parts of Asia.

The AUD600m (USD464m) green bond has been certified by EY under [the Climate Bonds Standard](#), a Fair Trade-like labelling scheme for bonds designed to allow investors to easily prioritise ‘climate-smart’ low carbon investments.

Demand for investments that address climate change has soared in the past year and fuelled the rapid growth of the green bond market, which [trebled in size in 2014](#) to reach USD36.8bn.

ANZ Group Treasurer, Rick Moscati, said: “We have developed the bond in response to investor demand and to deliver on our commitment to deploy capital for the transition to a low-carbon economy. Importantly, the continued development of Australia’s green bond market should enable ANZ to increase funding allocated to green projects in the future.”

40% of the ANZ green bond will refinance assets in the built environment, making the bond the world’s first green bond certified under [the Climate Bonds Standard for Low Carbon Buildings](#). One of the projects funded by the bond is Brookfield Tower Place, a low-carbon building in Perth. The other 60% of the proceeds will fund wind and solar projects, including Miaoli Wind Farm in Taiwan and Collgar Wind Farm in Australia.

Sean Kidney, CEO of Climate Bonds Initiative, said: “ANZ Bank’s green bond is a good example of how issuers can take advantage of the green bond theme to mix a range of assets to get needed bond scale while also easily establish green credibility using the robust, but low-transaction cost, Climate Bonds Standard. That allowed ANZ to win new investors, deepen investor relationships and highlight the green credentials of their lending.”

Kidney added: “ANZ’s bond provides a demonstration of how to do it right; expect a lot of followers.”

Katharine Tapley, Director of Sustainable Finance Solutions at ANZ Bank, said: “Using the Climate Bonds criteria has enabled us to leverage our position as a leading financier to the renewables and commercial buildings sector in Australia. Not only has feedback been positive during our roadshow, but also our customers, whose assets are included in the bond have been very supportive”.

ANZ also announced today that they have become a [Climate Bonds Partner](#). Paul White, Global Head of Debt Syndicate at ANZ Bank, said: “We fully support the Climate Bond Initiative’s efforts in developing this important market - we believe a large, liquid and global market will benefit investors, issuers and the environment. We are actively involved in this growth market and we’re pleased to be partnering with them to enhance the market further, as we see a tremendous opportunity, particularly in the Asia Pacific region”.

Kidney noted: “We are enormously privileged to have ANZ Bank join us as a Climate Bonds Partner and we look forward to working together on addressing the challenge of climate change”.

The key points about the bond:

First AUD Senior Unsecured Green Bond Transaction from ANZ, and, at AUD600m, the largest AUD climate related bond by an Australian issuer. It also equals the largest AUD green bond deal, sitting alongside KFW's AUD600m 5yr deal, which was executed in March 2015.

The portfolio is made up of existing loans to wind power and solar projects as well as low-carbon commercial property buildings in Australia, New Zealand and parts of Asia.

125% oversubscribed, with 46 investors putting in a total of AUD725m in orders. The deal attracted existing ANZ investors as well as new investors.

Geographical split: Australia 92%, Asia 8%

Investor Type: Asset Manager 56%, Insurance 21%, Middle Market 7%, Bank 6%, Central Bank 3%, Semi Government 3%, Council 3%, Private Bank 1%

EY has independently verified the green bond against the Climate Bonds Standards for [Solar](#), [Wind](#) and [Low Carbon Buildings](#) and will review its compliance on an annual basis.

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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 working to mobilise the USD 100 trillion bond market for climate change solutions. www.climatebonds.net @ClimateBonds

Climate Bonds Standards and Certification Scheme – Climate Bonds Standard is a screening tool for investors and governments, which allows them to easily prioritize climate and green bonds with confidence that the funds are being used to deliver climate change solutions. It is co-ordinated through the work of dedicated working groups, overseen by a Climate Bond Standards Board representing \$34 trillion of assets under management. www.climatebonds.net/standards