

ESG Primary Market Weekly (Europe)



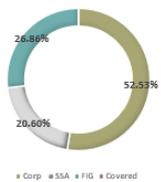
w/e 8th March 2024

Weekly ESG deals as % of total issuance

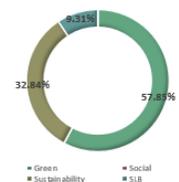
12.62%

YTD ESG issuance (EUR equivalent)
132,268,766,465
(18.63% of all issuance)

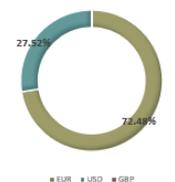
ESG breakdown by sector



ESG breakdown by ESG type



ESG breakdown by currency



ESG issuance continues to fluctuate from week to week but with longer term trend consistently above 20%



Source: Informa Global Markets. Charts and tables reflect combined volume of EUR, USD and GBP public transactions offered in EMEA, all ESG types (EUR equivalent)

- Ethical debt made up 12.62% of the week's euro, sterling and dollar paper.
- A EUR7.519bn equivalent in ESG supply was comprised mostly of single currency notes (72.48%) with the remainder in dollars.
- Corporate borrowers spearheaded ESG supply (52.53%) with Telefonica printing the largest euro deal by some margin. Financials followed with 26.86% whilst SSAs provided the balance (20.6%).
- By ESG type, Green Bonds led with 57.85% (eight tranches), three sustainable bonds made up 32.84% and a single SLB rounded out the total with 9.31%.

| Issuer Name | Date Priced | ESG Type | Ccy | Amount (m) | Amount (EUR m) | Maturity | Final Spread | IPTs to Pxd | Book Size (m) | Cover | Peak Book (m) | NICs | Book Managers |
|---|-------------|----------------|-----|------------|----------------|-----------|--------------|-------------|---------------|-------|---------------|------|--|
| International Development Association (IDA) | 4-Mar | Sustainability | EUR | 400 | 400 | 03-Nov-53 | | | | | | | JP Morgan, Commerz |
| Koninklijke Ahold Delhaize N.V | 4-Mar | SLB | EUR | 700 | 700 | 11-Mar-36 | m/s+120 | -27.5 | 2100 | 3.00 | 2300 | 10 | Rabobank, ING Bank, JP Morgan, Deutsche Bank, SG Corporate & Investment Banking, VFS, BNP Paribas, Sumitomo Mitsui Banking Corp, Bank of America Securities, Goldman Sachs Bank Europe SE |
| Banco de Sabadell SA | 4-Mar | Green | EUR | 500 | 500 | 6NC5.5 | m/s+160 | -40 | 3500 | 7.00 | 4600 | -4.5 | Morgan Stanley, SG Corporate & Investment Banking, Banco Sabadell, UniCredit, UBS, Santander |
| Koninklijke Ahold Delhaize N.V | 4-Mar | Green | EUR | 500 | 500 | 11-Mar-31 | m/s+78 | -37 | 2100 | 4.20 | 2850 | -2 | Rabobank, ING Bank, JP Morgan, Deutsche Bank, SG Corporate & Investment Banking, VFS, BNP Paribas, Sumitomo Mitsui Banking Corp, Bank of America Securities, Goldman Sachs Bank Europe SE |
| NTT Finance Corp | 5-Mar | Green | EUR | 700 | 700 | 12-Mar-31 | m/s+73 | -32 | 2100 | 3.00 | 2600 | 3 | Goldman Sachs, JP Morgan, Morgan Stanley, Citigroup, BNP Paribas, Bank of America Securities |
| Al Rajhi Sukuk Limited | 5-Mar | Sustainability | USD | 1,000 | 920 | 12-Mar-29 | T+90 | -30 | 2800 | 2.80 | 3000 | | HSBC, Citigroup, SG Corporate & Investment Banking, DIB, SMBC Nikko Securities Inc, Abu Dhabi Islamic Bank (ADIB), Standard Chartered Bank, ENBD, GSI, First Abu Dhabi Bank, KFH Capital, Al Rajhi Capital, ADCC |
| Landsbankinn hf | 5-Mar | Green | EUR | 300 | 300 | 13-May-28 | m/s+225 | -40 | 1900 | 6.33 | 1900 | 0 | ABN Amro, Barclays Capital, Bank of America Securities, Goldman Sachs Bank Europe SE |
| Orsted A/S (Orsted, fka Dong Energy) | 5-Mar | Green | EUR | 750 | 750 | 100NC5.75 | 5.25% | -50 | 3700 | 4.93 | 3900 | 0 | Danske Bank, HSBC, JP Morgan, Morgan Stanley, Citigroup |
| Arbejdernes Landsbank A/S | 5-Mar | Green | EUR | 300 | 300 | 5NC4 | m/s+220 | -15 | 480 | 1.60 | 540 | | Danske Bank, Nordea Bank, DZ Bank, BNP Paribas |
| Telefonica Europe BV | 6-Mar | Green | EUR | 1,100 | 1,100 | 6NC8.08 | 5.75% | -50 | 3000 | 2.73 | 4200 | 6.5 | JP Morgan, Citigroup, Deutsche Bank, SG Corporate & Investment Banking, BBVA, Natixis, BNP Paribas, Sumitomo Mitsui Banking Corp, Mizuho Securities, CaixaBank, Bank of America Securities, Goldman Sachs Bank Europe SE |
| Valmet Oyj | 6-Mar | Green | EUR | 200 | 200 | 13-Mar-29 | m/s+133 | -17 | 285 | 1.43 | 285 | | Danske Bank, Nordea Bank |
| Asian Infrastructure Investment Bank (AIIB) | 6-Mar | Sustainability | USD | 1,250 | 1,149 | 13-Mar-34 | SOFR m/s+61 | -4 | 5400 | 4.32 | 5400 | 0 | Nomura, Citigroup, Bank of America Securities |

Source: Informa Global Markets

Pipeline

- Ile-de-France Mobilités**, rated Aa3 stable outlook by Moody's and A+ positive outlook by Fitch, has mandated BNP Paribas and Crédit Agricole CIB as Green Structuring Banks and BNP Paribas, Crédit Agricole CIB, Deutsche Bank, Natixis and Societe Generale are mandated as Joint Lead Managers for a new EUR long-dated Green benchmark transaction. A GIC and a series of investor meetings to introduce its updated Green Financing Framework is scheduled for 08-Mar
- Auckland Council**, rated Aa2/AA (Moody's/S&P; both Stable), has mandated Citi, HSBC, UBS Investment Bank and Westpac for a EUR500m exp 10yr green senior secured transaction. Expected to price early next week (w/c 11-Mar).
- Korea Housing Finance Corporation**, rated AA by S&P / Aa2 by Moody's / AA- by Fitch has mandated BNPP, CA CIB, DB, ING and Natixis for a EUR 3-5yr RegS social covered bond (Aaa/AAA). Calls begin 08-Mar
- Junta de Andalucia**, rated Baa2/A- (Sta/Sta) by Moodys and S&P respectively, has mandated BBVA, CaixaBank, Credit Agricole CIB, HSBC, ING and Santander for a new EUR Benchmark 10yr Sustainable bond maturing on 30th April 2034, expected to be rated Baa2/A- by Moody's and S&P respectively

- [Fingrid](#) rated A+ (stable) /A+ (negative) by S&P / Fitch, has mandated BNP Paribas, Danske Bank, ING Bank and Nordea for a EUR500m WNG, Reg S, fixed rate, senior unsecured Green Bond offering with a 10-year maturity expected issue rating is A+ and AA- by S&P and Fitch. Calls from 11-Mar

Deal Highlights

SSA

- **Asian Infrastructure Investment Bank (AIIB)** [USD1.25bn Mar-2034](#) SDB was well-received by investors, who placed more than USD5.4bn worth of orders (peak and final). Pricing went from a SOFR m/s+65bp area starting point and ended 4bp tighter at SOFR m/s+61bp. This is the issuer's second dollar SDB outing this year, following USD3bn 5s from January which amassed a lofty USD9bn+ orderbook.
- In euros, **International Development Association (IDA)** also sold SDBs; the issuer tapped its outstanding EUR600m [Nov-2053](#) notes (originally issued in Oct-2023) by a further EUR400m.

Corp

- **Ahold Delhaize** started off the week's corporate ethical proceedings with a EUR1.6bn three-part transaction which included two ESG pieces. A [EUR500m Mar-2031](#) Green bond was printed on a EUR2.1bn final book, though the issuer printed a larger [EUR700m Mar-2036](#) SLB on an equivalent book.
- A duo printed Green hybrid issues this week. **Orsted** sold [EUR750m 1000NC5.75](#) notes. The Danish utility company is a pioneer in the ultra-long dated issuance, having sold 1000yr notes as far back as 2013. Tuesday's foray secured EUR3.7bn in orders. Spain's telecom giant **Telefonica** brought [EUR1.1bn PNC8s](#) a day later trimming pricing by 50bp. Orders exceeded EUR4.2bn at one point but settled at a still-impressive EUR3bn.
- Japan's **NTT Finance Corp** provided some competition for Orsted in the green corporate space on Tuesday, selling [EUR700m Mar-2031](#) at m/s+73bp (from m/s+105bp area IPTs) courtesy of a EUR2.1bn+ book.

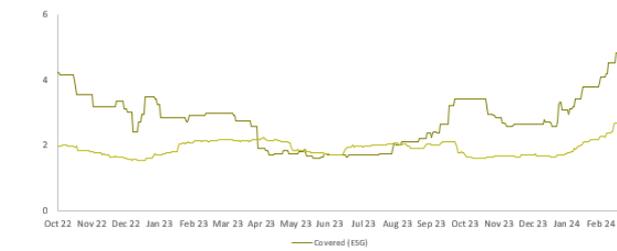
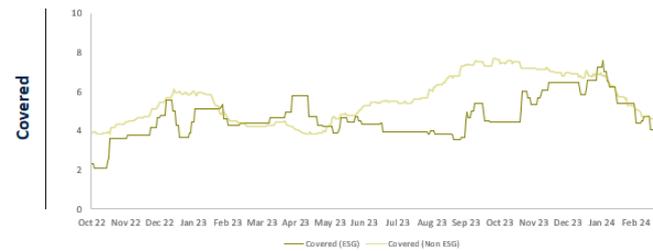
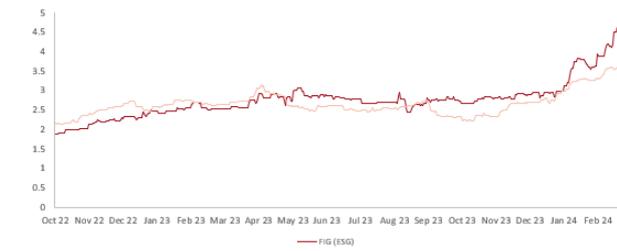
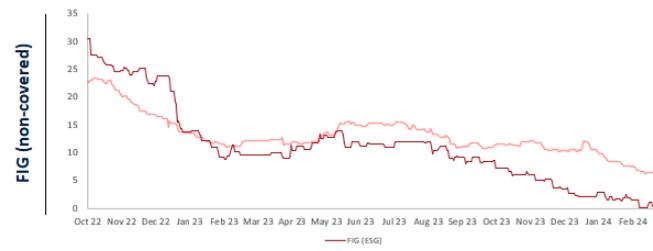
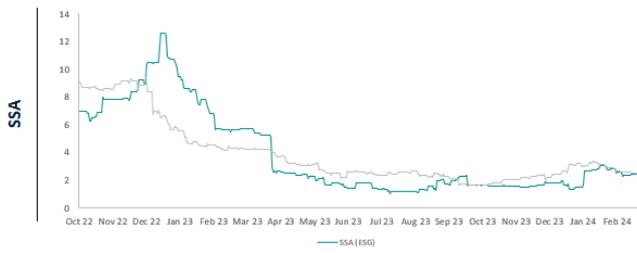
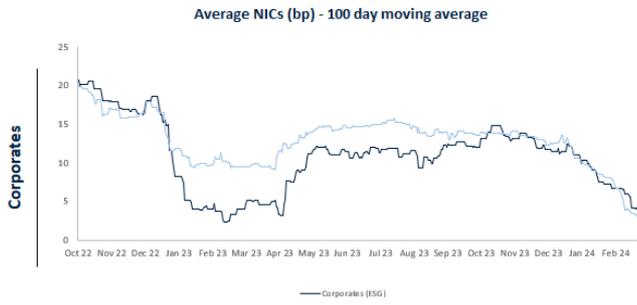
FIG

- On Monday, **Banco de Sabadell** went out with a [EUR500m wng 6.5NC5.5](#) Green senior non-preferred line on a whopping EUR4.6bn book. Some sensitivity (a 40bp spread compression to m/s+160bp reoffer) saw final books finish up at EUR3.5bn.
- Scandi banks **Landsbankinn hf** and **Arbejdernes Landsbank** both sold sub-benchmark ESG paper on Tuesday. Landsbankinn structured its outing as a [EUR300m wng May-2028](#) senior preferred Green bond (EUR1.9bn+ book) while Arbejdernes Landsbank issued a EUR300m (from EUR300m expected) [5NC4](#) senior non-preferred Green bond – a debut single currency outing – on a EUR480m+ book
- Yet another sukuk contributed to dollar ESG supply; **Al Rajhi's** [USD1bn Mar-2029](#) sustainable sukuk (USD2.8bn book) joins the USD15.05bn in sukuk issuance sold so far in 2024.

High Yield

- Unrated **Valmet Oyj** printed [EUR200m wng Mar-2029](#) Green bonds, having touted a EUR200m exp deal size during the roadshow. Books opened with m/s+150bp area IPTs and a EUR285m book took reoffer to m/s+133bp.

ESG charts created from IGM data:



Charts and tables reflect combined volume of EUR, USD and GBP public transactions offered in Europe, all ESG types (EUR equivalent)