

1.625% US\$700 Million 5-year Climate Resilience Bond due 27 September 2024

*** PRESS RELEASE ***

Issuer:	European Bank for Reconstruction & Development (EBRD)
Rating:	Aaa (Moody's) / AAA (S&P) / AAA (Fitch)
Issue amount:	USD 700 million
Pricing Date:	20 September 2019
Settlement Date:	27 September 2019
Coupon:	1.625% Fixed, SA 30/360
Maturity:	27 September 2024
Reoffer Price:	99.466%
Reoffer Yield:	1.737%
Reoffer vs. Mid-Swaps:	+15 bps
Reoffer vs Benchmark:	CT5 1.250% Aug 2024 + 9.15 bps
Lead Managers:	BNP Paribas, Goldman Sachs International, and SEB

Transaction Highlights

- On Friday, 20th September 2019, European Bank for Reconstruction and Development (EBRD), rated Aaa (Moody's) / AAA (S&P) / AAA (Fitch), launched and priced its inaugural US\$700mm 5-year Climate Resilience Bond due 27 September 2024
- The new 5-year issue is the first of a new category of green bonds, based on the recently announced [Climate Resilience Principles](#), published by the Climate Bonds Initiative on 17 September 2019
- Timing of the issuance was key, taking advantage of a short window post FOMC and ahead of the UN Climate Change Summit which will convene on Monday 23rd September 2019 in New York
- The proceeds of the bonds are earmarked to support a specific portfolio of climate resilient investments and will typically fall under one of three categories:
 - climate resilient infrastructure (water, energy, transport, urban communications);
 - climate-resilient business and commercial operations; and
 - climate resilient agriculture and ecological systems
- The bonds were also issued in conformity with the four core principles of the [Green Bond Principles](#) as well as EBRD's Environmental and Social Policy

Transaction Execution

- BNP Paribas, Goldman Sachs International and SEB were mandated as joint lead managers on the transaction

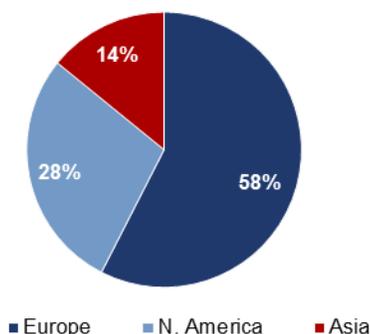
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- The mandate for the 5-year USD Climate Resilience Bond was announced on Thursday, 19th September 2019, around 9:00am London. Shortly before New York open, IPTs of MS+16bps area were released to the market. EBRD held a global investor call in the afternoon to present its newly launched Climate Resilience Framework
- The deal was met with strong investor interest, with IOIs reaching oversubscription on the minimum targeted size of US\$500mm by London open on Friday, at which point books were officially opened. Simultaneously, the issuer decided to provide clarity to the market and immediately set the spread at MS+15bps, 1bp tighter than IPTs
- Momentum continued to build throughout the European morning, as orderbooks reached in excess of US\$750mm by 10:30am London, with European and Asian books going subject at 11:00am London
- The transaction was ultimately launched shortly after 3:00pm London time, for a size of US\$700mm on the back of extremely high quality orders and with final demand in excess of US\$750mm
- The deal was priced at 4:06pm London with a re-offer yield of 1.737%, equivalent to a spread of 9.15bps vs CT5 1.250% due Aug-2024

Distribution Statistics

- The high quality orderbook saw over 40 accounts from 15 countries participating with Asset Managers taking 32% of the total allocations, closely followed by Central Banks / Official Institutions (31%) and Banks (28%). About 66% of the total size was allocated to green accounts
- In terms of geographic distribution, European accounts dominated with 58% of the allocations, followed by North America (28%) and Asia (14%), highlighting EBRD's strong penetration across key regions

Investor distribution by region



Investor distribution by type

