

## News Release

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### **ANZ leads Housing NZ Wellbeing Bond**

ANZ was a joint lead manager on a \$600 million Housing New Zealand (HNZ) Wellbeing Bond this week, which will help fund investment in new or upgraded sustainable social housing.

The bonds are a new instrument that is part of HNZ's Sustainability Financing Programme. The bond follows the issue of a 7.5-year Sustainability Bond joint led by ANZ and issued under HNZ's Sustainability Financing Framework last April.

HNZ CFO, Matthew Needham, said: "All HNZ bonds on issue are now labelled as Wellbeing Bonds, further reinforcing our commitment to improving the wellbeing of New Zealanders by building warm dry, healthy homes."

The Wellbeing Bond is being issued on 16 September in two tranches, with maturity of 12 June 2025 and 18 October 2028.

ANZ Bank's head of capital markets Dean Spicer said the Wellbeing Bond issue will help HNZ further embed environmental and social considerations across its core activities, and opens opportunities for investors in New Zealand and globally to access Sustainability focused assets.

"There are strong investment opportunities in social and affordable housing, which enable agencies such as Housing New Zealand to deliver high-quality, healthy and sustainable housing, while aligning to the Government's commitments to international accords, such as the Paris Agreement and the UN's Sustainable Development Goals," Mr Spicer said.

The Sustainable Financing Framework was developed to demonstrate how HNZ intends to enter into Sustainability Financing Transactions over time. Proceeds will be used to build new, or retrofit existing, social housing to make these properties sustainable.

"Updating our Sustainability Financing framework to more explicitly reflect the alignment with Treasury's Living Standards Framework made it a natural progression in what is an evolving space with respect to ESG financing," said Sam Direen, Treasurer of HNZ.

ANZ's Head of Sustainable Finance, Katharine Tapley, said: "In both the Australian and New Zealand markets bond issuance related to social and affordable housing is appearing to become a relatively significant asset class of its own.

"Continued growth in market understanding and interest in instruments aimed at reducing global carbon emissions as well as addressing essential social services is driving this investment."

ANZ has been a leader in sustainable finance solutions. This includes working with electricity generator Contact Energy to develop its world-first \$1.8 billion Green Borrowing Programme and leading the \$500m HNZ Sustainability Bond in April this year.

ANZ also was the arranger and green bond co-ordinator for Argosy Property Limited's \$100 million, 7-year Green Bond, and for each of Auckland Council's \$200 and \$150m million green bonds raised to fund electric trains.

"Bonds such as this play an important role in mobilising international savings to help close the sustainable finance gap," Mr Spicer said.

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