



27 June, 2014

NWB Bank launches 5-year EUR 500 million inaugural Benchmark Green Bond

On Thursday, 26th June 2014, the Nederlandse WaterschapsBank N.V. (NWB Bank), rated Aaa/AA+, launched a 5-year EUR 500 million Green Bond transaction to support NWB Bank's lending to the Dutch water authorities.

Proceeds from the NWB Bank's Green Bonds will be credited at an internal earmarked account at NWB Bank dedicated for lending to the Dutch Water Authorities. The Dutch Water Authorities are governmental bodies, employing around 11,000 people, responsible for flood protection, water management and water quality. Climate change adaptation is an integrated part of their tasks. A large part of the future investments in flood control and in water management will be executed under the umbrella of the Dutch "Delta Plan" a plan set up by the Dutch government to make the Dutch flood protection and water management schemes fit for the expected climate change in the coming decennia. Both heavier rainfall patterns as well as longer periods of drought are taken into consideration.

Proceeds will be used to fund Green Bond Eligible Projects by the Water Authorities that target (a) *mitigation* of climate change, being waterway management, (b) *adaptation* to climate change, meaning investments in climate-resilient growth (flood protection, other flood defenses and pumping stations) or (c) *biodiversity* projects which are related to water related biodiversity projects rather than directly climate related (i.e. sanitation and dredging of waterbeds, water treatment, transport and cleaning of wastewater and disposal of sewage sludge).

The 5-year EUR 500 million "no-grow" transaction was announced in the morning of Thursday, June 26th with an initial guidance at midswaps plus 10 basis points area and quickly attracted strong demand from predominantly European green bond investors. After a rapid book building process, the heavily oversubscribed order book could be closed after 2 hours of book building totaling EUR 1.8 billion from 83 investors. The transaction priced at 14.15h in the afternoon of June 26th in line with the issuers secondary market EUR curve at midswaps plus +8 basis points, and was primarily allocated to dedicated green investors and committed mainstream accounts such as Aegon NV, APG, F&C Investments, AP2, AP4, La Mondiale, Triodos bank, MIROVA, IKEA, European Commission, Banque Degroof, SNS Asset Management, SNS Bank, Robeco and Uninvest Company.



“We are very happy with the result. The water authorities are our shareholders and a nice aspect of this project was that we could bring all the good work they are doing under a broad attention. Their knowledge on environmental issues is so extensive that they are asked all over the world for their expertise, however, not many people are aware of this. As a bank this is our first green bond. Our aim is to make this an annual event in this format” says **Tom Meuwissen, Treasurer at NWB Bank**

The distribution by investor type and geography was as follows; 51% of the bonds were placed with asset managers and insurance companies, 30% with central banks and official institutions, 16% with banks and 3% with other types of investors; and in terms of geography 26% was placed in the Benelux, 19% in Germany and Austria, 15% in Asia, 13% in France, 11% in Scandinavia, 7% in other Europe, 6% in Switzerland and 3% in the rest of the world.

With today's issue, the NWB Bank continues to attract new investors and broaden the market span for Green Bonds. In addition to the traditional investment considerations such as safety of investment and risk-adjusted returns, 69% of the issue was bought by investors who purchased the bonds due to their interest in supporting climate-friendly projects within their investment mandates.

HSBC, RaboBank and SEB are the joint-lead managers for this transaction and have interacted with investors over the past weeks to secure that investors have appropriate knowledge about the NWB Bank's Green Bond program.

“The green bond issued by the Nederlandse Waterschapsbank fits within our existing mandate guidelines and our impact investing approach in which we select investments that meet our existing risk and return requirements, but also have the intent to create a measurable social or environmental impact. In our view the activities of the Dutch water authorities clearly contribute to an improvement of the environment both in the Netherlands and also in other regions with which they share their expertise” says **Hendrik Jan Tuch, Senior Portfolio Manager at Aegon Asset Management.**

“Today's highly successful Green Bond debut for NWB Bank attracted a granular and high quality orderbook, which was almost four times oversubscribed, underscoring the growing momentum in this important and strategic market. NWB Bank successfully broadened and diversified their investor base, with "green focused" investors accounting for almost 70% of the transaction, whilst successfully promoting their unique position in addressing climate change via lending to the Dutch Water Authorities“ says **Ulrik Ross, Global Head of Public Sector & Sustainable Financing, Capital Financing at HSBC.**

“The strong interest in NWB Bank's Green bonds from SRI investors shows the commitment to NWB Bank and the Water Boards in their sustainability efforts. The NWB green bond greatly contributes to the fight against climate change and the protection of biodiversity in the Netherlands. Moreover, this bond proves once again that Green bonds help to attract a wider group of investors which, in this case, was expressed through the high demand from new SRI investors in the NWB name and particularly from the Benelux” says **Crispijn Kooijmans, Director, DCM Public Sector Origination at Rabobank.**

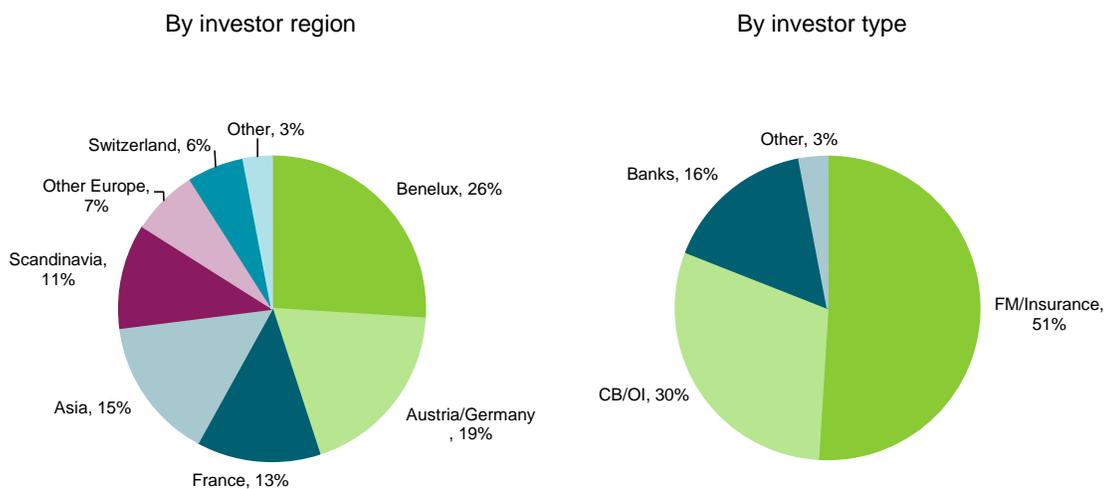


“It is with great interest that we through our cooperation with NWB Bank on their first green bond transaction have learned about the impressive Dutch water management and how the Dutch experience has been helping not only the Netherlands but also other regions in the world to manage increased volatility in weather patterns. We hope, and know from many of our investors, that we through this bond will contribute to integrate higher awareness on a global level on water management solutions” says **Joachim Alpen, Global Head of Markets at SEB**

Transaction Summary:

Issuer: Nederlandse Waterschapsbank (NWB BANK)
Format: RegS
Amount: EUR 500 million
Settlement date: 3 July 2014
Maturity date: 3 July 2019
Issue price: 99.428%
Coupon: 0.625%
Issue yield: 0.742%
Spread: Midswap +8 bps and OBL #169, 0.500% Apr 2019 +38.8 bps
Denomination: EUR 100,000 / EUR 1,000
Listing: Luxembourg Stock Exchange
Joint-Lead Managers: HSBC, Rabobank International and SEB
ISIN: XS1083955911

Distribution statistics



About NWB BANK

Nederlandse WaterschapsBank N.V. (NWB Bank) is the Dutch Bank of and for the public sector. is a leading financial services provider for the public sector. The NWB Bank arranges short-term and long-term loans for waterboards, municipal authorities, provinces, social housing, healthcare, educational institutions, Public-Private-Partnerships ("PPP") and activities in the field of water supply and the environment.

NWB Bank funds its activities on the international money and capital markets on the back of a very strong financial position and ratings from Moody's (Aaa) and Standard & Poor's (AA+). Since the Bank was founded in 1954, its shares have been held by public authorities.

The NWB Bank's objective is to provide the required funding subject to the most favourable terms and tailored specifically to the individual customer. Social relevance, high quality and a strong financial position and integrity are the cornerstones of the NWB Bank's policy.

Information for investors is available on the NWB Bank's website: <https://www.nwbbank.com/investor-relations-en.html>

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