

Lendlease completes first UK green bond

Sydney, 8 December 2021: Lendlease has raised £250 million through its debut pound sterling green bond – testament to ongoing investor demand for sustainable real estate development projects.

The 12-year fixed rate bond pays a coupon of 3.5 per cent and will help the company continue to bring its \$114 billion global pipeline of development projects to fruition.

The issuance follows \$800 million raised across two successful AUD green bonds in FY21 and reinforces Lendlease's position as one of Australia's largest non-bank ASX listed issuers of green, social and sustainability (GSS) bonds. In the past year, Lendlease also completed approximately \$1.5 billion of sustainability linked loans denominated in AUD, USD and EUR.

More than 50 per cent of Lendlease financing facilities are now linked to green, social and sustainability criteria to ensure the best outcomes against these three areas.

Bond proceeds will be used to support the delivery of green buildings and earmarked to \$1.8 billion of eligible assets, including across eight major urbanisation projects, such as the UK's International Quarter London where the landmark Pavilion building has been constructed using sustainable glue laminated timber; and the Milano Innovation District in Italy, where 95 per cent of construction waste is being diverted from landfill.

The delivery of these buildings will drive a range of market leading initiatives, with benefits ranging from the lowering of carbon emissions, to reducing the environmental impact of materials and the delivery of health and wellbeing benefits.

This third green bond issue follows Lendlease's launch of [Mission Zero](#) in May to promote its industry-leading sustainability targets:

1. The environmental target sets a global benchmark for the real estate industry by becoming a 1.5°C aligned company and targeting Net Zero Carbon for scope 1 and 2 emissions by 2025, and Absolute Zero Carbon for scope 1, 2 and 3 emissions, encompassing all operations and including the supply chain by 2040.
2. The social target signposts Lendlease's aspiration for delivering positive social benefits to communities through the creation of \$250 million of measured social value over five years to 2025, via the shared value partnerships supported by the Lendlease Foundation, going above and beyond Lendlease's project obligations.

Quotes attributable to Simon Dixon, Chief Financial Officer:

"We believe that creating places where communities thrive goes hand in glove with delivering positive environmental and social outcomes while also creating value for our securityholders.

“Despite continuing market volatility in the context of emerging COVID-19 variants the bond attracted solid interest from investors seeking to support sustainable opportunities.”

Additional background

The bond has been issued under a Sustainable Finance Framework aligned with the following principles, as amended from time to time: ICMA Green Bond Principles 2018, the Social Bond Principles 2020 and the Sustainability Bond Guidelines 2018.

The success of the bond paves the way for future issuance under the new Sustainable Finance Framework which has been established to facilitate future green, sustainable and social financing initiatives across Lendlease’s global portfolio.

Citigroup Global Markets Limited, HSBC Bank plc, Merrill Lynch International and Natwest Markets Plc were mandated as Joint Lead Managers. Bank of China Limited, London Branch, Barclays Capital Asia Limited and SMBC Nikko Capital Markets Limited were mandated as Co-Managers. HSBC Bank plc and Natwest Markets Plc were mandated as Green Bond Advisors.

For more information

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About Lendlease

Lendlease is a global real estate Group with operations in Australia, Asia, Europe and the Americas. Headquartered in Sydney, Australia, and listed on the Australian Securities Exchange, Lendlease has approximately 9,500 employees internationally. Our core capabilities are reflected in our operating segments of Development, Construction and Investments. The combination of these three segments provides us with a sustainable competitive advantage and allows us to provide innovative integrated solutions for our customers. Lendlease has 23 major urbanisation projects located across 10 global gateway cities.

