

# Press release

## AXA IM Alts' flagship core European real estate fund raises first green bond with €500 million issuance

AXA IM Alts, a global leader in alternative investments with c. €162<sup>1</sup> billion of assets under management, announces that its flagship European open-ended real estate fund AXA CoRE Europe (the "Fund") has priced a seven year €500 million green bond offering with an ambitious Green Finance Framework (the "**Green Notes**" or the "**Green Bond**"). The Fund is managed by AXA IM Alts' market leading Real Assets team<sup>2</sup> on behalf of a wide range of investors across Europe, North America and Asia including 60+ third party clients.

The Green Bond, which represents the first issuance undertaken by AXA CoRE Europe, attracted strong demand with a c. 4x oversubscribed orderbook amounting to €1.8 billion. The Green Notes were placed across a broad range of c. 80 European and international institutional investors.

The Green Notes pay a coupon of 0.75% and the issue price of the Green Notes is 99.364%.

The Green Bond was issued under AXA Core Europe's Green Finance Framework which has been approved by Sustainalytics, a market leading independent ESG and corporate governance research, ratings and analytics firm, which confirmed its alignment with the ICMA Green Bond Principles.

The proceeds of the Green Bond will be used to replace a number of existing debt facilities while reducing the Fund's average cost of debt and improving average maturity.

The Green Notes have been assigned a BBB+ investment grade rating by S&P Global ratings. Goldman Sachs International acted as Sole Global Co-ordinator and Bookrunner on the transaction.

AXA CoRE Europe seeks to provide institutional investors with long-term stable income through the acquisition of high-quality core real estate assets with resilient income profiles across major cities in Europe, adopting a research led approach to capitalise on individual market dynamics and timing.

The Green Bond is in line with AXA IM Alts wider ambition of seeking to affect positive changes in society through its investments.

**Isabelle Scemama, Global Head of AXA IM Alts, commented:** "The success of the Fund's inaugural Green Bond is an important achievement for the AXA IM Alts platform and a further indication of our overriding ambition to provide market leading returns to our clients while at the same time pursuing strategies and investments that allow us to make a positive contribution to society and improve tomorrow."

**Timothé Raully, Global Head of Fund Management at AXA IM Alts, commented:** "The issuance of AXA CoRE Europe's first green bond is a key milestone for the Fund. In addition to the immediate benefits of reducing the cost of debt and extending the average debt maturity, it will diversify the source of financing. The capital structure of the Fund remains unchanged. This access to the debt capital market will facilitate the growth of the Fund and reinforces its access to larger core investments where there is less competition. Furthermore, we believe the success of the transaction, being four times oversubscribed, is a clear endorsement of the quality of assets in the Fund's portfolio, as well as its investment and ESG strategies."

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1. Source: AXA IM Alts unaudited data, as of March 2021
2. Source: INREV/ANREV Fund Manager Survey – June 2021 – in terms of assets under management

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## About AXA IM Alts

AXA IM Alts is a global leader in alternative investments with €162 billion of assets under management as of 31 March 2021<sup>1</sup>, across real assets (real estate & infrastructure), private debt & alternative credit and private equity & hedge funds. AXA IM Alts employs over 750 people located in 16 offices around the world and serves the needs of more than 350 clients from Europe, North America, Asia Pacific and Middle East. We are a global leader in real assets investment with c. €109 billion of assets under management, the number one property portfolio and asset manager in Europe<sup>2</sup>, and one of the largest worldwide.

1 Source: AXA IM data (unaudited). All figures as of 31 March 2021.

2 Source: INREV Fund Manager Survey, June 2021. #1 largest European managers in total real estate assets under management.

## About AXA Investment Managers

AXA Investment Managers (AXA IM) is a responsible asset manager, actively investing for the long-term to help its clients, its people and the world to prosper. Our high conviction approach enables us to uncover what we believe to be the best global investment opportunities across alternative and traditional asset classes, managing approximately €869 billion in assets as at the end of March 2021.

AXA IM is a leading investor in green, social and sustainable markets, managing €555 billion of ESG-integrated, sustainable and impact assets as at the end of December 2020. We are committed to reaching net zero greenhouse gas emissions by 2050 across all our assets, and integrating ESG principles into our business, from stock selection to our corporate actions and culture. Our goal is to provide clients with a true value responsible investment solution, while driving meaningful change for society and the environment.

AXA IM employs over 2,440 employees around the world, operates out of 27 offices across 20 countries and is part of the AXA Group, a worldwide leader in insurance and asset management.

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