

# Press release

## AXA IM Alts raises €500 million in second oversubscribed Green Bond issuance for flagship core European real estate fund

### **First bond issued under new €3 billion EMTN programme demonstrates continued investor demand for green financing and confidence in the strategy deployed by AXA IM Alts**

AXA IM Alts, a global leader in alternative investments with c. €163 billion of assets under management<sup>[1]</sup>, announces that its flagship European open-ended real estate fund AXA CoRE Europe (“AXA Core Europe” or the “Fund”) has priced a second green bond with a €500 million issuance (the “Green Notes” or the “Green Bond”). The Green Bond has an eight and a half year maturity and is the first to be issued under a new €3 billion euro medium-term note (“EMTN”) programme which AXA IM Alts has created on behalf of AXA Core Europe to facilitate further issuances. The Fund, which recently passed €5 billion in assets under management<sup>[2]</sup>, is managed by AXA IM Alts’ market leading Real Assets team<sup>[3]</sup> on behalf of a wide range of investors across Europe, North America and Asia including over 60 third party clients.

The Green Bond was 4.6 times oversubscribed, attracting a €2.3 million orderbook, with the Green Notes placed across a broad range of c. 167 European and international institutional investors. Maturing in April 2030, the Green Notes pay a coupon of 1.25% and have an issue price of 99.292%. This offering follows AXA CoRE Europe’s inaugural €500 million green bond, which launched last June. As with the first green bond, the Green Notes have been assigned a BBB+ investment grade rating by S&P Global ratings.

The majority of the proceeds from the Green Bond will be used to refinance existing secured debt, with the balance invested in suitable assets from AXA CoRE Europe’s acquisition pipeline. The Green Notes improve the capital structure of the Fund by increasing the unsecured debt portion up to c.60% of the total debt, while maintaining a low rate of net leverage at c.25%.

Goldman Sachs International acted as Sole Global Coordinator, Joint-Bookrunner and sole green structurer on the transaction. Société Générale and Crédit Agricole CIB acted as Joint-Bookrunners.

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.

Launched in 2016, 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.

**Timothé Raully, Global Head of Fund Management at AXA IM Alts, commented:** “This second green bond issuance on behalf of AXA CoRE Europe is a further endorsement of the quality of assets in the Fund’s portfolio, as well as a clear testament to both our strong track record in ESG investing and the continued demand for green investment opportunities from institutions. This issuance extends the Fund’s average debt maturity, further diversifies the sources of financing and, more importantly, significantly reduces the level of secured debt within the portfolio. It will facilitate the further growth of the Fund and help us

achieve our goal of delivering market leading returns to our clients while pursuing investment strategies that affect positive change in society.”

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1. Source: AXA IM Alts unaudited data, as of June 2021
2. Source: AXA IM Alts unaudited data, as of June 2021
3. 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 €163 billion of assets under management <sup>[1]</sup> comprising c.€78 billion of primarily private real estate, c.€74 billion of private debt and alternative credit, as well as c.€11 billion in Infrastructure, private equity and hedge funds. We take a 360° approach to real assets (real estate & infrastructure) investing with c. €110 billion of assets under management in direct opportunities, held indirectly through debt and listed equities and via long term private equity investments into operating platforms. ESG is fully integrated into our investment decision making processes with our responsible investment approach anchored by the three key pillars of decarbonisation, resilience and building tomorrow.

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 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 30 June 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 €866 billion in assets as at the end of June 2021. AXA IM is a leading investor in green, social and sustainable markets, managing €568 billion of ESG-integrated, sustainable and impact assets as at the end of June 2021. 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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