

Unlocking Value With Green Finance

Municipal issuers have been key drivers of growth in the US green bond market to date, having raised

\$18.6bn¹

But US corporates are beginning to recognize the value on offer too.



New research from ING finds that corporate appetite for green finance is growing, that it can deliver value for the organizations that embrace it, and that finance professionals must begin to actively identify opportunities to access it.

1 Appetite for green finance is rising

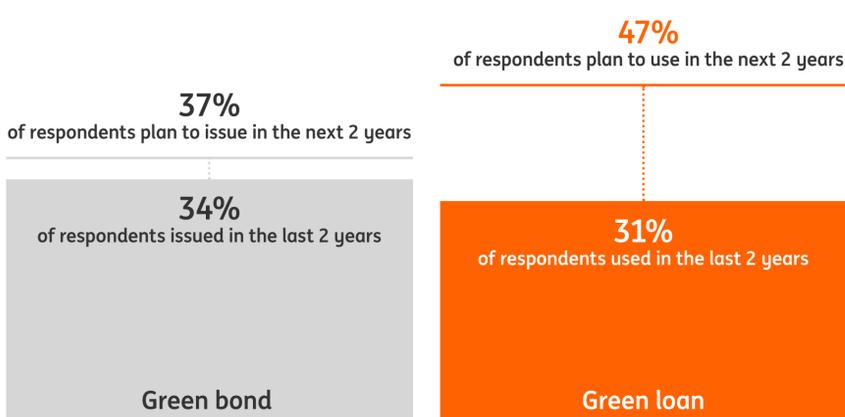
US-domiciled issuers have now raised more than

\$50bn

of green bonds²



And our research identifies a rising demand for green bonds **and** green loans among **US corporates...**



2 Green finance can deliver added value

For corporates and investors, the arguments for green finance are growing stronger:

Investors are increasingly seeking sustainability-driven opportunities

For instance, ESG benchmarking agency GRESB says that...

88%

of infrastructure fund managers now collect ESG data³

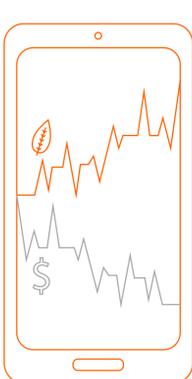
Green finance helps corporates tell their sustainability story

“ We were able to make this [certification from the Climate Bonds Initiative] a critical part of our marketing effort, driving a lot of media coverage — we received an overwhelming response from investors”

Rose Poblete, Controller-Treasurer, San Francisco Bay Area Rapid Transit District

Favourable rates can be achieved

Green finance innovation, such as sustainability-rating linked loans, will deliver cheaper pricing for the best performers



3 With green bonds come green responsibilities

Finance and treasury professionals need to engage with sustainability teams and enhance their knowledge to help the business unlock value through green finance



46%

of the finance leaders in our research say their teams lack strong knowledge of green finance



“ The internal people who regularly talk to investors don't understand sustainability quite well enough to talk to the sustainability folks on the investor side at the current time — so it's really important to have a financial partner who understands the objectives.”

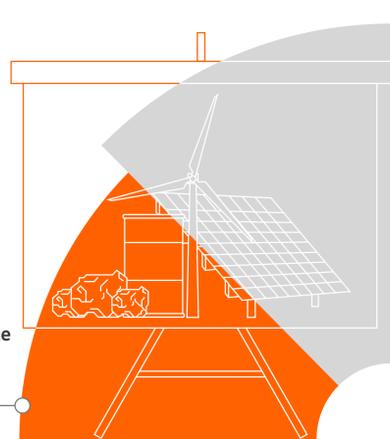
Jonathan Flaherty, Senior Director for Sustainability and Utilities, Tishman Speyer

43%

of finance leaders say their firm lacks sufficient reporting to monitor the effectiveness of sustainability initiatives

47%

of finance leaders will prioritize improving their teams' knowledge of green financing instruments over the next two years



Global green bond issuance hit a record level of **\$155.5bn** in 2017, with the **US, China and France** accounting for **56% of issuance**. In the US, however, government-sponsored mortgage financier Fannie Mae accounted for a significant proportion of the issuance, at **\$24.9bn**, with corporates making up a relatively smaller slice of the pie.⁴

Looking ahead, as US corporates become more adept at integrating sustainability into business strategy and engaging the finance function, they can increasingly access the innovative green finance market, and unlock fresh value for their business.

¹ Green bond comment, Environmental Finance, November 2017 [https://www.environmental-finance.com/content/analysis/green-bond-comment-november-2017.html]

³ 2017 GRESB Data Shows the Global Infrastructure Sector Sharpening its focus on Sustainability Issues, GRESB, September 2017

⁴ Green Bond Highlights 2017, Climate Bonds Initiative, January 2018

² Figures from Environmental Finance's Green Bond Database

Find out more

visit www.ingwb.com to find out more about sustainability and finance in the US

