

ESG corporate bond issuance on a tear as investor stance on impact hardens



Activist-driven boardroom change at ExxonMobil and a Netherlands court order to Royal Dutch Shell to cut emissions have given fresh impetus to the causes of energy transition and sustainable finance.

The election of candidates from impact investor Engine No. 1 to ExxonMobil's board could shake up the existing emissions reduction plan, as the hedge fund had previously claimed the company has no credible strategy to create value in a decarbonising world. Meanwhile, the district court in The Hague ruled that Royal Dutch Shell must cut its CO₂ emissions by 45% by 2030 against a 2019 baseline. These are big moves.

The capital markets have been rising steadily to meet the challenge of funding sustainable projects and the transition to a low-carbon economy. ESG debt issuance set a blistering pace in 2020 and that has continued into 2021. According to Refinitiv, global sustainable bonds across all issuer segments (labelled ESG bonds and bonds issued by companies in sustainable sectors) reached USD 381bn between the start of this year and 28 May. With ESG syndicated loans, the total rises to more than USD 626bn.

The share of corporate issuance has been rising consistently: roughly 42% of YTD bond volumes have been from non-financial corporate issuers, not far off the total for the sovereign, supranational and government agency segment (46%) and 3.5x the volume of issuance from financial institutions.

Scope impact scores on Q1 corporate bond issuer sample

This report assesses Q1 2021 corporate ESG bond issuance from the perspective of Scope's ESG impact scores and other Scope ESG model outputs. Running on a scale of 0 (worst) to 10 (best), the impact scores are statistical proxies for the environmental and social damage caused by companies' activities. See Table 1 on next page.

Importantly, Scope's ESG scores include the impacts of supply chains and are calculated independently of companies' sustainability reports. The model derives impacts of companies' upstream activities on E, S and G measured as external costs per euro of revenue. Multiplying this figure by the company's revenues yields the total ESG impact. A company with an ESG impact of 14 cents per euro of revenue means that if all upstream ESG impacts were charged, they would have a negative 14% impact on revenues.

Data from Bond Radar, company and media reports, and sell-side research shows that 118 companies sold around USD 73.25bn in labelled ESG bonds in Q1 (see Appendix II for listing). Corporate issuance ran the maturity spectrum from short-dated all the way out to perpetual hybrid supply from a number of countries. The sector bias to real estate and utilities remains intact, although issuers from transportation, consumer goods, industrials, manufacturing, technology, construction and other sectors sold bonds in the period.

Green bonds accounted for close to 62% of issuance. Sustainable and sustainability bonds (20%) and perhaps more notably sustainability-linked bonds (13% and rising fast) together accounted for a third of Q1 volumes. Corporate social bonds and transition bonds together accounted for 5% of issuance; the transition bond concept failing to-date to gain traction with almost all issuers.

Of the total issuing universe, Scope's impact scoring model covers 53 of the 118 corporates, responsible for USD 42.2bn of issuance, equivalent to 58% of total issued volume. For European issuers that sold labelled ESG bonds in Q1, Scope's coverage rises to 85% of the total volume of bonds sold. In both cases, the universe of companies covered can be seen as representative of the market.

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Table 1: Q1 corporate ESG bond issuers – reverse ranking by Scope proxy E score

Company	Country	Sector	E score
UltraTech Cement Ltd	India	Construction Materials	0.09
Hapag-Lloyd AG	Germany	Marine Freight & Logistics	0.45
Public Power Corporation SA	Greece	Electric Utilities	0.45
Klabin SA	Brazil	Paper Products	0.45
Neste Oyj	Finland	Oil & Gas Refining and Marketing	0.90
Odfjell SE	Norway	Air Freight & Courier Services	0.99
Snam SpA	Italy	Oil & Gas Transportation Services	0.99
SSE PLC	UK	Electric Utilities	1.08
EDP - Energias de Portugal SA	Portugal	Electric Utilities	1.35
Southwestern Energy Company	US	Oil & Gas Exploration and Production	1.53
E.ON SE	Germany	Multiline Utilities	1.62
United Utilities Group PLC	UK	Water Utilities	1.71
Iberdrola SA	Spain	Electric Utilities	2.07
UPM-Kymmene Corporation	Finland	Paper Products	2.43
Ardagh Group SA	Luxembourg	Non-Paper Containers & Packaging	2.43
Constellium SE	France	Aluminum	2.43
SK Innovation Co Ltd	South Korea	Oil & Gas Refining and Marketing	2.43
Vossloh AG	Germany	Construction & Engineering	3.15
Orsted A/S	Denmark	Electric Utilities	3.42
Alibaba Group Holding Ltd	China	Internet Services	3.60
Koninklijke Ahold Delhaize NV	Netherlands	Food Retail & Distribution	3.78
ACEA SpA	Italy	Multiline Utilities	3.87
Nidec Corporation	Japan	Electrical Components & Equipment	3.96
New World Development Company Ltd.	Hong Kong	Real Estate Rental, Development & Operations	4.14
Verbund AG	Austria	Electric Utilities	4.41
Mercadolibre Inc	Argentina	Internet Services	4.86
Faurecia SE	France	Auto, Truck & Motorcycle Parts	5.22
Toyota Industries	Japan	Auto & Truck Manufacturers	5.58
Volta SA	France	Electric Utilities	5.58
Tesco PLC	UK	Food Retail & Distribution	5.58
Scatec ASA	Norway	Independent Power Producers	6.03
Whitbread plc	UK	Hotels, Motels & Cruise Lines	6.57
Deutsche Wohnen SE	Germany	Real Estate Rental, Development & Operations	6.66
YIT Oyj	Finland	Construction & Engineering	6.84
Daimler AG	Germany	Auto & Truck Manufacturers	6.93
Takamatsu Construction Group Co Ltd	Japan	Construction & Engineering	6.93
SK Hynix Inc	South Korea	Semiconductors	6.93
Modern Land (china) Co Ltd	China	Real Estate Rental, Development & Operations	7.02
Atrium European Real Estate Limited	Jersey	Real Estate Rental, Development & Operations	7.11
H & M Hennes & Mauritz AB	Sweden	Apparel & Accessories Retailers	7.29
Equinix Inc	US	Commercial REITs	7.74
Movida Participacoes SA	Brazil	Passenger Transportation, Ground & Sea	7.74
VGP NV	Belgium	Real Estate Rental, Development & Operations	8.10
Vonovia SE	Germany	Real Estate Rental, Development & Operations	8.10
Workspace Group plc	UK	Commercial REITs	8.19
Digital Realty Trust, Inc.	US	Commercial REITs	8.37
CBRE Group Inc	US	Real Estate Services	8.46
Citycon Oyj	Finland	Real Estate Rental, Development & Operations	8.46
Telefonica SA	Spain	Integrated Telecommunications Services	8.46
Gimv NV	Belgium	Investment Management & Fund Operators	8.64
Duke Realty Corp	US	Commercial REITs	8.64
Orpea SA	France	Healthcare Facilities & Services	8.73
Telecom Italia SpA	Italy	Integrated Telecommunications Services	8.73

Scale runs from 0 (lowest) to 10 (highest). Source: Scope

Investor stance on credible transition hardening

20 issuers in issuer sample have more than half their ESG impact in the supply chain

Supply-chain impacts

In parallel with the rise in issuance, the stance of investors towards credible transition and material and measurable impact is hardening. Investor focus on Scope 3 emissions in particular continues to intensify. But the lack of reliable information or in most cases any information at all about companies' total ESG footprints including the proportion that derives from their supply chains make it challenging to say the least for asset owners and asset managers to gauge the true environmental sustainability of their portfolios.

The European Commission's proposed Corporate Sustainability Reporting Directive will update and expand the Non-Financial Reporting Directive and require greater ESG disclosure from 49,000 listed and large unlisted companies responsible for 75% of the turnover of all EU limited liability companies. But it won't solve the challenge of capturing the impacts of companies' supply chains.

Twenty of the Q1 corporate bond issuers covered by Scope have supply chains that account for more than half of their ESG impacts. This number does vary by sector; some sectors by their very nature will have heavy indirect ESG impacts. Dutch food retailer and distributor Ahold Delhaize, for example, which sold a EUR 600m sustainability-linked bond in March, has the majority of its ESG footprint in its supply chain, according to Scope's model. It is noteworthy that the KPIs in the company's bond are a 29% reduction in Scope 1 and Scope 2 CO₂-equivalent emissions and a 32% reduction in food waste.

Companies may have little to no impact or influence over the environmental actions of companies in their supply chains so KPIs embedded into bond covenants will capture impacts over which they do have control, which are those within the sphere of direct corporate footprints. But sustainable accountabilities will need to radiate out from corporates. Investors armed with supply-chain information can at least factor this into their stewardship programmes.

German utility E.ON, French autoparts producer Faurecia, Japanese electrical components and equipment manufacturer Nidec and German automobile and truck manufacturer Daimler all have more than 70% of their ESG impacts in their supply chains. See Appendix I for breakdown of issuers' ESG impacts per euro of revenue generated, according to Scope's proxy macroeconomic model.

Table 2: Q1 ESG corporate bond issuers –proxy supply-chain ESG impacts

Above 70%	40% to 60% (contd)	20% to 30% (contd)
Ahold Delhaize NV	Takamatsu Construction Group Co Ltd	Gimv NV
E.ON SE	UPM-Kymmene Corporation	Duke Realty Corp
Faurecia SE	Whitbread plc	Telecom Italia SpA
NIDEC Corporation	Klabin SA	Workspace Group plc
Daimler AG	Scatec ASA	Telefonica SA
Above 60%	SK Hynix Inc	Voltaia SA
Tesco PLC	30% to 40%	Odfjell SE
Toyota Industries	Vossloh AG	VGP NV
Constellium SE	SSE PLC	Atrium European Real Estate Limited
Iberdrola SA	Mercadolibre Inc	Below 20%
Ardagh Group SA	Neste Oyj	Modern Land (China) Co Ltd
ACEA SpA	VERBUND AG	Southwestern Energy Company
SK Innovation Co Ltd	Equinix Inc	CBRE Group Inc
40% to 60%	United Utilities Group PLC	Deutsche Wohnen SE
YIT Oyj	Vonovia SE	Digital Realty Trust, Inc.
H & M Hennes & Mauritz AB	Snam SpA	UltraTech Cement Ltd
Alibaba Group Holding Ltd	20% to 30%	Orpea SA
Orsted A/S	Hapag-Lloyd AG	
EDP - Energias de Portugal SA	Citycon Oyj	
New World Development Company Ltd.	Movida Participacoes SA	

Source: Scope

Half of issuer sample has E impact score below five

On environmental impact scores, half of the issuer sample scored below five; 17 issuers scored lower than three and seven below one. See Table 1 on p2. For companies scoring close to zero, the environmental impact of generating each euro of revenue is very high.

Having issuers in sectors with less-than-stellar environmental records or low Scope ESG impact scores tap the ESG debt market to fund brown-to-green transition is in principle a welcome development. Over the life of a bond, the positive environmental impacts generated by such companies will likely be much higher than companies in 'clean' sectors. But companies with low Scope ESG scores looking to attract investors will have to demonstrate challenging transition programmes and ambitious timelines.

India's UltraTech Cement has the lowest Scope proxy E score in the Q1 corporate issuer sample, at 0.09, a score that lags its sector average, which is itself very low (0.57). The KPI in the company's USD 400m sustainability-linked bond is a 22.2% reduction in carbon emissions for every ton of cementitious material it produces by March 31, 2030 against levels of March 2017.

The conundrum investors confront when faced with investment opportunities of this type is first of all understanding a sector's sustainability drivers and second whether specific company targets are ambitious and challenging. Investors need to decide if a company's targets represent a commitment to transition its business sustainably and materially. Commitments also need to meet the minimum demands of the Paris climate agreement.

Corporate narratives and pathways need to evolve quickly if companies are committed to addressing their environmental footprints. Scope's E scores allow investors and market stakeholders to make direct comparisons between best-in-class sector plays and sector laggards. Where companies rank against their Scope sector average scores and how that evolves over time is a useful comparative benchmark and a yardstick to gauge progress.

Table 3: Scope ESG impact score – company vs sector average

Significantly above sector average	
Scatec ASA	Independent Power Producers
Volta SA	Electric Utilities
VERBUND AG	Electric Utilities
ACEA SpA	Multiline Utilities
Orsted A/S	Electric Utilities
Takamatsu Construction Group Co Ltd	Construction & Engineering
YIT Oyj	Construction & Engineering
Tesco PLC	Food Retail & Distribution
Daimler AG	Auto & Truck Manufacturers
Above sector average	
H & M Hennes & Mauritz AB	Apparel & Accessories Retailers
Iberdrola SA	Electric Utilities
Citycon Oyj	Real Estate Rental, Development & Operations
Orpea SA	Healthcare Facilities & Services
Faurecia SE	Auto, Truck & Motorcycle Parts
Constellium SE	Aluminum
VGP NV	Real Estate Rental, Development & Operations
Vonovia SE	Real Estate Rental, Development & Operations
Duke Realty Corp	Commercial REITs
EDP - Energias de Portugal SA	Electric Utilities
E.ON SE	Multiline Utilities
Toyota Industries	Auto & Truck Manufacturers
Telecom Italia SpA	Integrated Telecommunications Services
CBRE Group Inc	Real Estate Services
Ahold Delhaize NV	Food Retail & Distribution
Digital Realty Trust, Inc.	Commercial REITs
SSE PLC	Electric Utilities
SK Innovation Co Ltd	Oil & Gas Refining and Marketing
UPM-Kymmene Corporation	Paper Products
Around sector average	
Southwestern Energy Company	Oil & Gas Exploration and Production
Gimv NV	Investment Management & Fund Operators
Workspace Group plc	Commercial REITs
Telefonica SA	Integrated Telecommunications Services
Movida Participacoes SA	Passenger Transportation, Ground & Sea
SK Hynix Inc	Semiconductors
Atrium European Real Estate Limited	Real Estate Rental, Development & Operations
Equinix Inc	Commercial REITs
Deutsche Wohnen SE	Real Estate Rental, Development & Operations
Public Power Corporation SA	Electric Utilities
Modern Land (china) Co Ltd	Real Estate Rental, Development & Operations
Hapag-Lloyd AG	Marine Freight & Logistics
UltraTech Cement Ltd	Construction Materials
Lagging sector average	
NIDEC CORPORATION	Electrical Components & Equipment
Whitbread plc	Hotels, Motels & Cruise Lines
United Utilities Group PLC	Water Utilities
Neste Oyj	Oil & Gas Refining and Marketing
Ardagh Group SA	Non-Paper Containers & Packaging
Vossloh AG	Construction & Engineering
Klabin SA	Paper Products
Significantly below sector average	
Snam SpA	Oil & Gas Transportation Services
Odfjell SE	Air Freight & Courier Services
New World Development Company Ltd.	Real Estate Rental, Development & Operations
Mercadolibre Inc	Internet Services
Alibaba Group Holding Ltd	Internet Services

Source: Scope

Scope starts second-party opinions and green bond certification

Scope ESG Analysis is offering second-party opinions on green bonds and labelled ESG bond, and is approved as a verifier under Climate Bonds Initiative's Climate Bonds Standard and Certification Scheme. Scope's [second-party opinion](#) on Hungarian real estate company SunDell Estate plc's green bond framework was published on 26 April.

Scope is also offering supplementary services, including issuers' alignment with the EU Taxonomy, the 'Do No Significant Harm' requirements, the UN's Sustainable Development Goals and the Paris Accord.

As an approved verifier under the Climate Bonds Standard and Certification Scheme, Scope will check an issuer's upcoming bond against the standard as well as sector-based technical criteria. If the bond complies, the issuer is eligible to apply to CBI for certification.

Scope's SPO service covers all labelled debt instruments. Scope's analysis is aligned with the core components of the Green Bond Principles and related principles. For SPO reporting, Scope has created a scoring model, with five levels.

Three green leaves mean 'transformative environmental contribution and strong alignment with all relevant market standards'. Two is 'significant environmental contribution and alignment with selected market standards'. One means 'environmentally friendly but limited contribution to long-term transformation'. A grey leaf means 'no significant environmental impact'. A brown leaf means 'negative environmental impact'.

In the bond pre-issuance phase, Scope works with issuers across sectors and underwriters to prepare External Reviews, using issuance frameworks or individual bond documentation as a basis. Once an instrument has been issued, we can engage with borrowers to prepare use-of-proceeds and allocation of proceeds monitoring reports.

Appendix I: Q1 corporate bond issuers – proxy ESG impacts per EUR of revenue

Company	ESG impact (per EUR of revenue)	Company	ESG impact (per EUR of revenue)
UltraTech Cement Ltd	4.22	Faurecia SE	0.19
Klabin SA	1.39	VERBUND AG	0.18
Neste Oyj	0.73	Voltalia SA	0.14
Snam SpA	0.69	Atrium European Real Estate Limited	0.13
Odffjell SE	0.67	YIT Oyj	0.13
SSE PLC	0.62	Telefonica SA	0.12
EDP - Energias de Portugal SA	0.53	Movida Participacoes SA	0.12
Southwestern Energy Company	0.47	Modern Land (china) Co Ltd	0.12
E.ON SE	0.43	Daimler AG	0.12
United Utilities Group PLC	0.41	Takamatsu Construction Group Co Ltd	0.12
Alibaba Group Holding Ltd	0.40	SK Hynix Inc	0.12
Mercadolibre Inc	0.39	Whitbread plc	0.11
Iberdrola SA	0.37	Equinix Inc	0.11
UPM-Kymmene Corporation	0.35	H & M Hennes & Mauritz AB	0.10
SK Innovation Co Ltd	0.34	Deutsche Wohnen SE	0.09
Ardagh Group SA	0.33	Orpea SA	0.08
New World Development Company Ltd.	0.33	Telecom Italia SpA	0.07
Constellium SE	0.31	Duke Realty Corp	0.06
Vossloh AG	0.30	VGP NV	0.06
NIDEC Corporation	0.26	Gimv NV	0.06
Ahold Delhaize NV	0.26	CBRE Group Inc	0.05
Orsted A/S	0.25	Digital Realty Trust, Inc.	0.04
ACEA SpA	0.22	Vonovia SE	0.04
Scatec ASA	0.22	Workspace Group plc	0.03
Toyota Industries	0.21	Citycon Oyj	0.03
Tesco PLC	0.19		

Source: Scope

Appendix II: Q1 2021 labelled ESG corporate bond issuance

Labelled ESG corporate debt issuance - Q1 2021									
Issuer	Country	Sector	Bond format	Issue date	Currency	Volume (m)	USD equiv	Coupon	Final maturity
Acea SpA (Azienda Comunale Elettricità e Acque)	Italy	Electricity and water utility	Green	21/Jan/21	EUR	300	367	0.000	28-Sep-25
				21/Jan/21	EUR	600	720	0.250	28-Jul-30
Ahold Delhaize N.V.	Netherlands	Consumer Goods & Services, Retail	Sustainability-linked	11/Mar/21	EUR	600	717	0.375	18-Mar-30
Aker Horizons	Norway	Investment company	Green	03/Feb/21	NOK	2,500	298	Nibor+3.25%	Aug-25
Alexandria Real Estate	US	Real estate & REITs	Green	03/Feb/21	USD	900	900	2.000	May-32
Alibaba Group Holding Ltd	China	Technology	Sustainability	04/Feb/21	USD	1,000	1,000	2.700	09-Feb-41
Allied Properties REIT	Canada	Real estate & REITs	Green	05/Feb/21	CAD	600	473	1.726	Feb-26
Amaggi Group	Brazil	Consumer Goods & Services, Foodstuffs/Drink/Tobacco	Sustainability	21/Jan/21	USD	750	750	5.250	28-Jan-28
Ardagh Metal Packaging Finance USA LLC Ardagh Metal Packaging Finance PLC	US	Manufacturing	Green	26/Feb/21	USD	600	600	3.250	01-Sep-28
				26/Feb/21	EUR	450	544	2.000	01-Sep-28
				26/Feb/21	USD	1,050	1,050	4.000	01-Sep-29
				26/Feb/21	EUR	500	605	3.000	01-Sep-29
Aster Group	UK	Consumer Goods & Services, Housing	Sustainability	20/Jan/21	GBP	250	343	1.405	27-Jan-36
Atrium European Real Estate Limited	Czech Republic	Real estate & REITs	Green	29/Jan/21	EUR	300	356	2.625	5-Sep-27
BCI QuadReal Realty	Canada	Real estate & REITs	Green	09/Mar/21	CAD	400	321	1.056	Mar-24
Boston Properties, Inc	US	Industrials, Real Estate & REITs	Green	02/Mar/21	USD	850	850	2.550	1-Apr-32
Cadent Gas Ltd	UK	Utilities & Power, Electricity & Gas	Transition	12/Mar/21	EUR	625	747	0.625	19-Mar-30
The California Endowment	US	Non-profit affordable healthcare	Social	19/Jan/21	USD	300	300	2.498	Apr-51
Canary Wharf Group	UK	Real estate	Green	30/Mar/21	EUR	300	356	1.750	07-Apr-26
				30/Mar/21	GBP	300	416	3.375	23-Apr-28
				30/Mar/21	GBP	350	485	2.625	23-Apr-25
Castle Peak Power Company Limited (CAPCO)	Hong Kong	Utilities and Power	Transition	24/Feb/21	USD	300	300	2.125	03-Mar-31
CBRE Global Investors	US	Real estate & REITs	Green	20/Jan/21	EUR	500	601	0.500	27-Jan-28
Central China Real Estate Limited	China	Real estate & REITs	Green	07/Jan/21	USD	260	260	7.500	14-Jul-25
Citycon Oyj	Finland	Consumer Goods & Services, Retail	Green	04/Mar/21	EUR	350	415	1.625	12-Mar-28
Clearway Energy, Inc	US	Utilities & Power, Electricity & Gas	Green	02/Mar/21	USD	925	925	3.750	15-Feb-31
Constellium SE	France	Manufacturing	Sustainable	09/Feb/21	USD	500	500	3.860	15-Apr-29
Continuum Energy Levantar Pte. Ltd	Indonesia	Utilities and Power	Green	02/Feb/21	USD	561	561	4.500	09-Feb-27
CTP B.V.	Czech Republic	Industrials	Green	11/Feb/21	EUR	500	605	0.700	18-Feb-27
Daimler AG	Germany	Manufacturing, Auto	Green	04/Mar/21	EUR	1,000	1,191	0.750	11-Mar-33
Delhi International Airport (via Clifton Group)	India	Infrastructure, Air & Sea-Ports	Green	18/Mar/21	USD	450	450	6.250	25-Oct-25
Deutsche Wohnen	Germany	Industrials, Real Estate & REITs	Green	31/Mar/21	EUR	500	593	0.500	7-Apr-31
				31/Mar/21	EUR	500	593	1.300	7-Apr-41
Digital Realty Trust, Inc	US	Real estate & REITs	Green	05/Jan/21	EUR	1,000	1,224	0.625	15-Jul-31
DTE Energy Company	US	Utilities & Power, Electricity & Gas	Green	22/Mar/21	USD	575	575	1.900	1-Apr-28
				22/Mar/21	USD	425	425	3.250	1-Apr-51
Duke Realty	US	Real estate & REITs	Green	11/Jan/21	USD	450	450	1.750	1-Feb-31
East Japan Railway	Japan	Transport & Logistics, Airline / Railway / Ferries / Tramway / Public Transport / Fleet	Sustainability	15/Jan/21	JPY	30,000	289	0.205	Jan-31
Energias de Portugal	Portugal	Utilities & Power, Electricity & Gas	Green	25/Jan/21	EUR	750	904	1.875	2-Aug-81
E.ON	Germany	Utilities & Power	Green	25/Mar/21	EUR	750	890	0.600	1-Oct-32
Empresas CMPC	Chile	Basic Materials	Sustainability-linked	31/Mar/21	USD	500	500	3.000	06-Apr-31
Equinix Inc	US	Technology	Green	24/Feb/21	EUR	500	605	0.250	15-Mar-27
				24/Feb/21	EUR	600	726	1.000	15-Mar-33
Faurecia S.E.	France	Industrials, Engineering	Green	17/Mar/21	EUR	400	476	2.375	15-Jun-29
FS Agrisolutions Industria de Biocombustíveis	Brazil	Industrials, Agribusiness	Green	11/Jan/21	USD	50	50	10.000	15-Dec-25
Georgia Power Co.	US	Utilities and Power	Sustainable	22/Feb/21	USD	750	750	3.250	15-Mar-51
GLIM NV	Belgium	Private equity	Sustainable	08/Mar/21	EUR	100	118	2.250	15-Mar-29
Greenko Energy Holdings	India	Renewable energy	Green	23/Mar/21	USD	940	940	3.850	29-Mar-26
H & M Hennes & Mauritz AB (publ)	Sweden	Consumer goods and services	Sustainability-linked	19/Feb/21	EUR	500	605	0.250	25-Aug-29
Hamburger Hochbahn AG	Germany	Infrastructure	Green	19/Feb/21	EUR	500	605	0.125	24-Feb-31
Hapag-Lloyd AG	Germany	Transport & Logistics, Airline / Railway / Ferries / Tramway / Public Transport / Fleet	Sustainability-linked	25/Mar/21	EUR	300	356	2.500	15-Apr-28
Hero Future Energies Global Ltd (Clean Renewable Power (Mauritius) Pte. Ltd)	India	Utilities & Power, Renewable/Alternative Energy	Green	18/Mar/21	USD	363	363	4.250	25-Mar-27
Hyundai Capital Services	South Korea	Consumer financial services	Green	01/Feb/21	USD	600	600	1.250	Feb-26
Hyundai Heavy Industries	South Korea	Shipbuilding	Green	22/Feb/21	KRW	240,000	212	2.502	Mar-24
Hyundai Steel	South Korea	Steelmaker	Green	13/Jan/21	KRW	230,000	209	1.596	Jan-26
				02/Feb/21	EUR	1,000	1,209	1.450	PNC6
Iberdrola S.A.	Spain	Utilities and Power	Green	02/Feb/21	EUR	1,000	1,209	1.825	PNC9
				02/Feb/21	EUR	1,000	1,209	1.825	PNC9
ITOCHU Corp	Japan	General trading	Social	22/Mar/21	USD	500	500	1.564	Mar-26
Klabin S.A.	Brazil	Manufacturing, Materials	Sustainability-linked	06/Jan/21	USD	500	500	3.200	12-Jan-31
Kloven	Sweden	Real estate & REITs	Green	03/Feb/21	SEK	2,500	301	FRN	Feb-25
Korea Southern Power Co Limited	South Korea	Utilities & Power, Electricity & Gas	Green	20/Jan/21	USD	450	450	0.750	27-Jan-26
Kraftwerke Oberhasli AG	Switzerland	Renewable energy	Green	12/Jan/21	CHF	100	111	0.125	21-Feb-31
Lend Lease Finance	Australia	Construction, property, infrastructure	Green	17/Mar/21	AUD	300	229	3.700	Mar-31
Level 3 Communications, Inc	US	Technology, IT	Sustainability-linked	11/Jan/21	USD	900	900	3.750	15-Jul-29
LG Chem	South Korea	Chemicals	Sustainability	04/Feb/21	KRW	350,000	317	1.124	Feb-24
Mastercard, Inc	US	Financial Services	Sustainability	02/Mar/21	USD	600	600	1.900	15-Mar-31
Mercado Libre, Inc	Argentina	Consumer Goods & Services, Non-Financial Services	Sustainability	07/Jan/21	USD	400	400	2.375	14-Jan-26
Mercury NZ	New Zealand	Electric Utilities	Green	18/Mar/21	NZD	200	143	2.160	29-Sep-26
Modern Land (China) Co	China	Real estate & REITs	Green	05/Jan/21	USD	250	250	9.800	4-Mar-24
				25/Jan/21	USD	71	71	9.800	11-Apr-23
				25/Jan/21	USD	77	77	11.950	4-Mar-24
Motability Operations Group PLC	UK	Consumer Goods & Services, Healthcare & Pharmaceuticals	Social	13/Jan/21	EUR	500	607	0.125	20-Jul-28
				13/Jan/21	GBP	350	470	1.500	1-Jan-41
Movida Participacoes S.A.	Brazil	Car rental	Sustainability-linked	28/Jan/21	USD	500	500	5.250	08-Feb-31

Labelled ESG corporate debt issuance - Q1 2021 (continued)

Issuer	Country	Sector	Bond format	Issue date	Currency	Volume (m)	USD equiv	Coupon	Final maturity
MTR Corp	Hong Kong	Transport & Logistics, Airline / Railway / Ferries / Tramway / Public Transport / Fleet	Green	15/Mar/21	CNH	1,000	150	2.900	24-Mar-24
Naver Corporation	South Korea	Technology, IT	Sustainable	22/Mar/21	USD	500	500	1.500	29-Mar-26
Neste Oyj	Finland	Basic Materials, Oil & Gas	Green	18/Mar/21	EUR	500	589	0.750	25-Mar-28
New World Development - NWM (MTN) Limited	Hong Kong	Real estate & REITs	Sustainability-linked	07/Jun/21	USD	200	200	3.750	14-Jan-31
Nidec Corporation	Japan	Manufacturing	Green	24/Mar/21	EUR	300	353	0.460	27-Sep-24
Northern States Power Company	US	Utilities & Power, Electricity & Gas	Green	23/Mar/21	USD	425	425	2.250	1-Apr-31
				23/Mar/21	USD	425	425	3.200	1-Apr-52
Novelis Inc	US	Manufacturing	Green	24/Mar/21	EUR	500	593	3.375	15-Apr-29
Odjell SE	Norway	Transportation and storage	Sustainability-linked	07/Jun/21	NOK	850	100	Nibor+575bp	21-Jan-25
Orpea Groupe	France	Consumer goods and services	Sustainable	25/Mar/21	EUR	500	593	2.000	1-Apr-28
Orsted A/S	Denmark	Basic materials	Green	18/Feb/21	EUR	500	605	1.500	Feb 18 3021
				18/Feb/21	GBP	425	590	2.500	18-Feb-33
Pilgrim's Pride Corporation	US	Consumer goods and services	Sustainability-linked	25/Mar/21	USD	1,000	1,000	4.250	15-Apr-31
Russian Railways	Russia	Transport & Logistics, Airline / Railway / Ferries / Tramway / Public Transport / Fleet	Green	16/Mar/21	CHF	250	268	3.125	Perpetual
Prologis Inc	US	Industrials, Real Estate & REITs	Green	09/Mar/21	EUR	500	593	0.750	23-Mar-33
PT Japfa Comfeed Indonesia Tbk	Indonesia	Industrials, Agribusiness	Sustainability-linked	16/Mar/21	USD	350	350	5.375	23-Mar-26
Public Power Corp S.A.	Greece	Utilities & Power, Electricity & Gas	Sustainability-linked	22/Mar/21	EUR	125	150	3.875	30-Mar-26
				11/Mar/21	EUR	650	780	3.875	30-Mar-26
ReNew Power Ltd (India Green Power Holdings)	India	Utilities and Power	Green	08/Feb/21	USD	460	460	4.000	22-Feb-27
ReNew Wind Energy	India	Renewable energy	Green	30/Mar/21	USD	585	585	4.500	Jul-28
Scatec ASA	Norway	Utilities and Power	Green	09/Feb/21	EUR	250	302	3mE+250	19-Aug-25
Seaspan Corporation (a unit of Atlas Corp)	Canada	Transport & Logistics, Shipping	Sustainability-linked	21/Jun/21	USD	200	200	6.500	5-Feb-24
Seattle Children's Hospital	US	Healthcare	Green	03/Feb/21	USD	300	300	2.719	Oct-50
Shuifa Group Co.	China	Utilities & Power, Water/Sewage/Waste	Green	17/Mar/21	USD	200	200	4.000	24-Mar-24
Simpur S.A.	Brazil	Transport & Logistics	Sustainability-linked	14/Jun/21	USD	625	625	5.200	26-Jan-31
SK Engineering & Construction	South Korea	Construction	Green	16/Feb/21	KW	300,000	266	2.159	Feb-24
Smakraft AS	Norway	Utilities & Power	Green	26/Mar/21	EUR	50	59	1.875	14-Apr-26
SNAM SpA	Italy	Utilities and Power	Transition	08/Feb/21	EUR	500	605	0.000	15-Aug-25
				08/Feb/21	EUR	250	302	0.750	17-Jun-30
S IMMO AG	Austria	Industrials, Real Estate & REITs	Green	26/Jun/21	EUR	150	183	1.750	4-Feb-28
SINIC Holdings (Group) Co Ltd	China	Real estate & REITs	Green	18/Jun/21	USD	250	250	8.500	24-Jan-22
SK Hynix, Inc	South Korea	Technology, Electronics	Green	13/Jun/21	USD	1,000	1,000	2.375	19-Jan-31
SK Innovation Co., Ltd	South Korea	Industrials, Engineering	Green	19/Jun/21	USD	300	300	1.625	26-Jan-24
				19/Jun/21	USD	700	700	2.125	26-Jan-26
Southern Power Co.	US	Utilities & Power, Electricity & Gas	Green	05/Jun/21	USD	400	400	0.900	15-Jan-26
Southern Water Ltd	UK	Utilities & Power, Water/Sewage/Waste	Sustainable	23/Mar/21	GBP	300	409	1.625	30-Mar-27
Southwestern Public Service	US	Utilities and Power	Green	23/Feb/21	USD	250	250	3.150	01-May-50
SSE plc (Scottish & Southern Energy)	UK	Utilities & Power, Electricity & Gas	Green	17/Mar/21	GBP	250	346	1.500	24-Mar-28
				17/Mar/21	GBP	250	346	2.125	24-Mar-36
Swiss Prime Site	Switzerland	Real estate	Green	11/Jun/21	CHF	300	337	0.375	Feb-28
Takamatsu Construction Group	Japan	Construction	Sustainability-linked	12/Mar/21	JPY	10,000	92	0.290	19-Mar-26
Telefonica S.A.	Spain	Media and telecoms	Sustainability-linked	03/Feb/21	EUR	1,000	1,209	2.375	PNC8.25
Tesco PLC	UK	Consumer Goods & Services, Retail	Sustainability-linked	20/Jun/21	EUR	750	901	0.375	27-Jul-29
TIM SpA (Telecom Italia)	Italy	Media & Telecoms, Telco	Sustainability-linked	11/Jun/21	EUR	1,000	1,209	1.625	18-Jan-29
Tokyo Tatemono Co Ltd	Japan	Real estate	Sustainability-linked	04/Feb/21	JPY	40,000	392	1.130	Feb-61
				18/Mar/21	USD	1,250	1,250	0.681	25-Mar-24
				18/Mar/21	USD	1,000	1,000	1.339	25-Mar-26
				18/Mar/21	USD	500	500	2.362	25-Mar-31
				12/Mar/21	JPY	70,000	644	0.500	Due 2026
				12/Mar/21	JPY	60,000	552	0.219	Due 2031
				12/Mar/21	JPY	100,000	920	0.100	Due 2026
UltraTech Cement Ltd	India	Industrials	Sustainability-linked	10/Feb/21	USD	400	400	2.800	16-Feb-31
United Utilities Water Limited	UK	Utilities & Power, Water/Sewage/Waste	Sustainable	21/Jun/21	GBP	300	408	0.875	28-Oct-29
UPM-Kymmene Oyj	Finland	Basic Materials, Forestry	Green	15/Mar/21	EUR	500	589	0.500	22-Mar-31
Vasakronan AB	Sweden	Real estate & REITs	Green	13/Jun/21	NOK	600	70	2.035	15-Jan-31
				13/Jun/21	SEK	250	30	0.730	15-Apr-27
Vattenfall AB	Sweden	Utilities and Power	Green	05/Feb/21	EUR	500	605	0.125	12-Feb-29
Verbund AG	Austria	Utilities and Power	Sustainability-linked	24/Mar/21	EUR	500	589	0.900	1-Apr-41
VGP NV	Belgium	Logistics and real estate	Green	31/Mar/21	EUR	600	712	1.500	08-Apr-29
Via Célere Desarrollos Inmobiliarios	Spain	Consumer Goods & Services, Housing	Green	18/Mar/21	EUR	300	357	5.250	1-Apr-26
Volitalia SA	France	Renewable energy	Green convertible	06/Jun/21	EUR	200	241	1.000	13-Jan-25
Vonovia SE	Germany	Consumer Goods & Services, Housing	Green	17/Mar/21	EUR	600	712	0.625	24-Mar-31
Vossloh AG	Germany	Infrastructure	Sustainability-linked	15/Feb/21	EUR	150	181	4.000	Perpetual
Whitbread Group PLC	UK	Consumer goods and services	Green	03/Feb/21	GBP	300	416	2.375	31-May-27
				03/Feb/21	GBP	250	347	3.000	31-May-31
Workspace Group PLC	UK	Industrials, Real Estate & REITs	Green	04/Mar/21	GBP	300	416	2.250	11-Mar-28
Wuhan Metro	China	Transport & Logistics, Airline / Railway / Ferries / Tramway / Public Transport / Fleet	Green	03/Mar/21	CNY	2,000	300	4.230	Perpetual
YIT Corporation	Finland	Industrials	Green	25/Mar/21	EUR	100	119	3mE+310bp	31-Mar-24
				25/Mar/21	EUR	100	119	3.750	15-Jan-26
				25/Mar/21	EUR	100	119	5.250	Perpetual
Yuzhou Group Holdings Company Limited	China	Real estate & REITs	Green	04/Jun/21	USD	562	562	6.350	13-Jan-27
Zhenro Properties Group Limited	China	Real estate & REITs	Green	04/Jun/21	USD	400	400	6.630	7-Jan-26
				26/Jun/21	USD	300	300	6.700	4-Aug-26

Source: Bond Radar, company reports, media reports, sell-side research



ESG corporate bond issuance on a tear as investor stance on impact hardens

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