



Media release

29 August 2023

NBN Co raises A\$850 million from latest Green Bond issuance

NBN Co has successfully raised A\$850 million from its latest Australian Green Bond issuance in the domestic debt capital markets, positioning the company as the largest corporate bond issuer in Australia.

The five-year benchmark Green Bond transaction priced on 16 August 2023 and settled on 25 August 2023, raising A\$850 million.

The book build included 62 domestic and international investors with more than A\$500 million in the orderbook within the first hour post launch and climbing to a total of A\$1.18 billion in bids by the time the book closed. The company printed A\$850 million at an issuance margin of 105 basis points over the benchmark semi-quarterly asset swap rate.

The net proceeds will be fully allocated to eligible green projects undertaken as part of the company's commitment to energy efficiency in line with its [Sustainability Bond Framework](#).¹

The new Green Bond was issued under NBN Co's A\$10 billion Australian Medium-Term Note (AMTN) Programme.

The company's first Green Bond issuance in April 2022, under the AMTN Programme, generated \$800 million, followed by the company's inaugural European Green Bonds under the Global Medium-Term Note Programme, which successfully raised EUR 1.35 billion (A\$2.1 billion) in March 2023.

The net proceeds from these bond issuances were allocated to fund eligible energy efficiency projects including expanding energy-efficient fibre to more homes and businesses.

The latest debt raising follows the company's release of its second [Sustainability Bond Report](#)² on 15 August, which outlined the allocation of net proceeds from the Green Bond issuances and the impact metrics. It also sets out the company's sustainability approach and the key sustainability milestones achieved to date.

In February 2023, **nbn** committed to long-term company-wide emission reductions by 2050 (or sooner) in line with science-based net-zero via the [Science-Based Targets initiative](#) (SBTi).³

In April 2023, the company's near-term company-wide emissions reduction targets were validated by the SBTi and are as follows:

- NBN Co commits to reduce absolute scope 1 and 2 GHG emissions 95 per cent by FY2030 from a FY2021 base year.
- NBN Co also commits to reduce scope 3 GHG emissions from use of sold products 60 per cent per device within the same timeframe.

- NBN Co further commits that 80 per cent of its suppliers by spend covering purchased goods and services, capital goods, and downstream transportation and distribution will have science-based targets by FY2027.

The company expects to submit its long-term emissions reduction targets to the SBTi for validation in the near future.

The company is investing in extensive network upgrades to be ready to meet current and future customer demand for high speed services and increased volumes of data.

The company’s largest fibre upgrade program is the Fibre-to-the-Node (FTTN) to Fibre-to-the-Premises (FTTP) network upgrade program, which will enable up to 3.5 million premises to access our fastest residential wholesale download speed tier of close to 1 Gbps⁴ by the end of 2025.

This includes the Federal Government’s announcement to contribute \$2.4 billion equity towards the roll-out of fibre to an additional 1.5 million FTTN premises.

Fiona Trigona, Executive General Manager, Group Treasurer, NBN Co said:

“We are making significant progress in rolling out more fibre and delivering faster broadband services to households and businesses, which is enabling long-term social, economic and environmental value for customers, communities, partners and the nation.

“Our network investment plan is taking energy-efficient fibre deeper into communities to meet the growing digital demands of Australia’s homes and businesses. Fibre is inherently more capable of delivering faster upload and download speeds and is generally more reliable than copper connections.

“The net proceeds from the latest Green Bond issuance will be allocated to refinance and finance energy efficiency projects related to the build out of fibre in the **nbn**[®] network, which further support **nbn**’s strong commitment to delivering on our purpose to lift the digital capability of Australia.”

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1 [NBN Co Sustainability Bond Framework](#)

2 [Sustainability Bond Report](#)

3 [Ambitious corporate climate action - Science Based Targets](#)

4 Regardless of the retail service you purchase, the actual wholesale download speeds delivered to providers will be less than 1Gbps due to equipment and network limitations. Your experience on FTTP, including the speeds actually achieved, depends on the configuration over which services are delivered to your premises, whether you are using the internet during the busy period, and some factors outside of **nbn**’s control (like your equipment quality, software, chosen broadband plan, or how your provider designs its network)

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