



INTERNATIONAL NEWS

NTU Issues World's First Publicly-Offered Sustainability-Linked Bond By A University Under Its S\$1 Billion Medium-Term Note Programme



By India Education Diary ...

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Singapore – The first series of the Nanyang Technological University's (NTU) SGD1 billion medium-term note (MTN) programme was priced yesterday. The inaugural issuance, under this MTN, of SGD 650 million with a 15-year tenor marks the world's first publicly-offered sustainability-linked bond (SLB) by a university and the one with the longest tenor in the Asia-Pacific region.

Key highlights

- The issuance comprised SGD 650 million 15-year notes with a coupon of 2.185% per annum.
- The final order book stood in excess of SGD 850 million from insurance companies, fund managers, banks, corporates and private banks in Singapore.



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Ms Tan Aik Na, Senior Vice President (Administration), NTU Singapore, said, “We have consistently built on our sustainability commitments and are excited by the prospect of leveraging the capital markets to propel our wide-ranging sustainability efforts over the next 15 years towards a climate-aligned future. Our sustainability manifesto will guide our actions and solidify our reputation as a global leader in this area. We look forward to partnering with the community and industry partners to realise a sustainable and carbon-neutral future.”

Mr Clifford Lee, Global Head of Fixed Income, DBS, said, “We are honoured to work with NTU on their inaugural sustainability-linked bond, the first to be issued by a university globally, to build on the breadth and depth of the ESG financing landscape and cement Singapore’s position as a leading international green finance hub. The issuance also sets an important precedence in the global education industry by paving the way for more universities to efficiently broaden their access to include ESG bond investors for their financing needs. This in turn enables universities to provide affordable education for our future generations amid a green and climate-friendly environment, ticking off both the environmental and social aspects in the ‘ESG’ equation.”

Mr Edmund Leong, Head of Group Investment Banking, UOB, said, “At UOB, we are committed to helping organisations advance responsibly and tap the capital markets to support their sustainability efforts. Going forward, we expect more organisations to follow NTU’s lead in issuing such bonds to raise funds as well as to meet their sustainability goals. We are pleased to have the opportunity to work with NTU on their inaugural sustainability-linked bond; this is an important step forward to showcase our collaboration with like-minded partners as we forge a sustainable future together.”

NTU has a credit rating of ‘Aaa’, the highest available, along with a baseline credit assessment of ‘aaa’ by Moody’s Investors Service. The global ratings agency has also issued a “stable” rating outlook for NTU. NTU is one of 22 universities in the world, and one of only 2 universities outside the United States with Moody’s ‘Aaa’ rating.

DBS Bank and UOB are appointed as joint lead managers and bookrunners for NTU’s maiden SLB.

For more information on NTU’s Sustainability Manifesto, visit: www.ntu.edu.sg/sustainability.

