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# Green/ ESG/ sustainable securitisation?

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# ESG securitisation: short history, long future?



## True sale (cash) securitisations

The pace of ESG issuance slowed in 2022

Date	Issuer Name	Sector	ESG Type	Amount Issued EUR mn	Amount Sold EUR mn
Jun-16	STORM 2016-GRN	RMBS	Green	526	500
May-17	STORM 2017-GRN	RMBS	Green	378	350
May-18	STORM 2018-GRN	RMBS	Green	588	400
Jul-19	Sinopel 2019	RMBS	Green	841	Not disclosed
Jul-19	STORM 2019-GRN	RMBS	Green	641	600
Apr-20	Green Belem 1	RMBS	Green	392	331
Jan-20	River Green Finance 2020	CMBS	Green	186	186
Oct-20	Sage AR Funding No. 1 plc	CMBS	Social	243	243
Sep-21	BPCE Home Loans FCT 2021	RMBS	Green	1,620	1,500
Mar-21	Brass 10	RMBS	Social	2,014	560
Jun-21	Finsbury Square 2021-1	RMBS	Green	720	640
Nov-21	Frost CMBS 2021-1	CMBS	Green	222	222
Feb-21	Gemgarto 2021-1	RMBS	Social	572	519
Nov-21	Sage AR Funding 2021	CMBS	Social	308	308
Mar-21	Storm Green 2021-A	RMBS	Green	532	500
Apr-22	Storm 2022-GRN	RMBS	Green	532	500
Oct-22	BRASS 11	RMBS	Social	1,319	Not disclosed

## Synthetic securitisations

Green initiatives have featured in Significant Risk Transfers

Date	Name	ESG Type	Notes EUR mn	Reference Pool EUR mn	Assets description
Dec-15	Premium Green Series 2015-7	Green	57	Not disclosed	Corporate loans
Aug-16	Premium Green 2016-2	Green	1,000	Not disclosed	Corporate loans
Mar-17	Premium Green 2017-2	Green	3,000	Not disclosed	Power, Infrastructure, oil & gas, shipping
May-17	Northvest 2017	Green	103	11,000	Aircraft, renewable, CRE and SME loans
Dec-17	Northvest 2	Green	500	10,100	Aircraft, infrastructure, renewables, SME and shipping loans
Dec-19	Project Grasshopper	Green	Not disclosed	1,100	Power projects
Jan-20	Nightingale Project Finance 2019-1	Green	93	1,305	Sustainable energy project finance loans
Jan-21	GARC (green energy)	Green	Not disclosed	1,300	42 project finance contracts to construct wind (50% of pool), solar (40%) and biomass (10%) power plants
Sep-21	Nordea Green	Green	Not disclosed	1,800	Corporate and SME loans
Nov-21	Premium Green Series 2021-4	Green	168	2,800	Corporate loans
Nov-21	Premium Green Series 2021-5	Green	70	2,000	Capital call facilities

Source: Bloomberg, SCI, BofA Global Research



# Questions without answers ... yet

- ESG: the E, the S and the G of it all
- Green: green assets or green use of proceeds?
  - Green corporate bond vs green asset backed bond?
- Looking for ESG:
  - assets: mortgages, autos, solar panels, corporate loans?
  - parties to the transaction
- Reporting for ESG: intentional or aspirational?
- ABS/MBS/CMBS/CLO – multiple agents in any given deal
- ESG pricing – green premium or discount?
- Securitisation and transition to sustainability?
- ESG perspectives: regulation – market – investor

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