

Morrison & Co helps NZ schools operate sustainably

14 June, 2022

Wellington, Sydney: H.R.L. Morrison & Co ('Morrison & Co') is supporting New Zealand schools to arrange financing through 'sustainability loans' which help them establish environmentally and socially enhanced education facilities.

Investment manager Morrison & Co has arranged sustainable finance for two Hobsonville Point schools in Auckland, which will help fund projects including rainwater collection systems and motion-activated light controls to reduce unnecessary lighting.

A new NZD60 million debt facility has been secured for the schools, whose facilities are being managed through a public-private partnership (PPP) led by Morrison & Co.

Industrial and Commercial Bank of China Limited, Auckland Branch ('ICBC') acted as lender and sustainability loan coordinator, with Societe Generale appointed as financial advisor to Morrison & Co for the transaction. The loan financing received approval from the New Zealand Ministry of Education.

Steven Proctor, Morrison & Co Executive Director, said the education facilities have been designed with sustainable outcomes as a key objective.

"The schools have achieved a five-star rating under the GRESB Infrastructure Asset Assessment, an international benchmarking assessment, and a New Zealand 5 Star Green Star rating for design and construction."

Yasmine Djedjai, Head of Sustainable Finance, Asia Pacific at Societe Generale, said, "We were delighted to advise Morrison & Co in designing a credible Sustainable Financing Framework, enabling the issuance of a Green and Social Loan for Hobsonville Schools. This achievement recognises Morrison & Co's efforts to embed sustainability across its schools portfolio. This is also aligned with our ambition to support our clients in structuring financing of essential infrastructure for sustainable development."

"These school facilities are managed with positive environmental and social outcomes at their core. Sustainable Finance is a key focus at ICBC and we are excited by the opportunity to partner with Morrison & Co on this transaction", said James Gill, Director, Corporate & Institutional Banking, ICBC New Zealand.

Mr. Proctor said the loan is over 5 years and is endorsed by DNV, an independent international accreditor of sustainable financial tools. The accreditation is achieved from the way the proceeds will be used, which need to help achieve the UN Sustainability Development Goals.

"To meet these standards, the schools are available for community groups to hire, and they provide a special unit for children with disabilities to complete individualised learning programs, therapy and staff support. There are rainwater harvesting tanks that provide non-potable water for toilet flushing, rain gardens that promote site stormwater collection and treatment, and native plant species are used due to their suitability to local conditions.

"At Hobsonville Point, both schools have a 2009 five-star Green Star Built rating. There is an array of solar panels installed on the rooftop with monthly tracking of power generation, a building management system that minimises heating and cooling requirements and tracks energy efficiency. In addition, there are pedestrian and cycle-friendly links to surrounding streets, storage and bicycle and scooter parking to encourage sustainable transport.

"Sustainable public infrastructure, like each of the 11 schools across New Zealand that we manage, helps drive better outcomes for both the environment and the communities they serve, and spotlights the importance of sustainability for future generations," he said.

Mr. Proctor said sustainable finance is becoming increasingly common as global investment funds demand opportunities which meet international benchmarks for improved environmental, social and governance returns as well as deliver commercial returns.

"The global investment community is increasingly allocating capital in recognition of wider responsibilities. They want investments which are accountable – through measurement, reporting, and transparency – not only for the return on financial capital, but which also deliver positive returns on all of financial, human, social and natural capital."

The Hobsonville Point schools are managed through a Morrison & Co-led PPP, established in 2012 with the Ministry of Education, covering the design, financing, construction and maintenance for a 25-year period.

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About Morrison & Co

Morrison & Co is a global infrastructure investment management specialist, founded in 1988. It manages multiple client mandates, with total funds under management of over NZ\$24.4 billion at 30 April 2022. Morrison & Co is a pioneer in innovative infrastructure investing, supporting businesses that help enhance the lives of local communities. It invests on behalf of sovereign wealth funds, pension funds, family offices, endowments and other public and private pools of capital. Morrison & Co's investment mandates are tailored to each client and include investments in private and listed markets, public-private partnerships and asset-specific management relationships. Morrison & Co is set apart by a management style that integrates deep industry specialisation with financial and transactional expertise. For more information, visit <https://hrlmorrison.com/> & <https://au.linkedin.com/company/hrl-morrison-&-co>

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