

## Press Release

26 May 2015

### **Shanks launches its first Green Bond Issue to retail investors in Belgium and the Grand Duchy of Luxembourg**

International waste-to-product business, Shanks Group plc ("Shanks" or the "Group") today launches its first Green Bond Issue (the 'Bonds') to retail investors in Belgium and the Grand Duchy of Luxembourg to raise up to €150M. The Bonds are guaranteed by 29 subsidiary guarantors (the "Guarantors").

Shanks is the first UK company to issue Euro Green Bonds and has chosen the Belgian and Luxembourg market because it is a leading Belgian waste-to-product company and it has a successful history with two previous successful bond issues in the market. The green bond is one which meets stringent audited criteria demonstrating that the funds will be used for environmentally beneficial purposes.

The new Bonds will carry a gross coupon of 3.65% payable annually for a period of seven years from 16 June 2015. The redemption on maturity, expected to be 16 June 2022, will be at 100% of the nominal amount of the Bonds. Based on the issue price set at 101.875%, the annual gross yield is 3.345%.

The bond issue significantly extends the maturity of the Group's funding. Shanks' core net debt of £155M at 31 March 2015 is predominantly in Euro. It comprises €40M of Private Placement notes due in April 2018, the existing €200M of Retail Bonds of which €100M is due in October 2015 and €100M due in July 2019 and drawings on a €180M bank facility which expires in January 2019. The proceeds of the Bonds will be used to finance our program of investment in sustainable infrastructure and in part to repay a bond that matures in October 2015.

The Bonds are available in denominations of €1,000, and will be listed on the main market of the London Stock Exchange. The joint lead managers for the transaction are BNP Paribas Fortis and KBC Bank (the 'Joint Lead Managers'). BNP Paribas Fortis also acts as Global Coordinator and Green Structuring Advisor.

The subscription period will run from 28 May 2015 at 09.00 hrs CET and is expected to close on 11 June 2015 16.00 hrs CET. Shanks retains the right to close the subscription period early, in conjunction with the Joint Lead Managers.

To view the Prospectus dated 22 May 2015 (including in particular the risk factors) please paste the following URL into the address bar of your browser:

<http://www.rns-pdf.londonstockexchange.com/rns/0798O -2015-5-22.pdf>

A copy of the Prospectus shall be available for inspection at the National Storage Mechanism ([www.morningstar.co.uk/uk/NSM](http://www.morningstar.co.uk/uk/NSM)) shortly.

Potential investors in the Bonds must themselves assess, with their own advisors if necessary, whether the Bonds are suitable for them, considering their personal income and financial situation. In case of any doubt about the risk involved in purchasing the Bonds, investors should abstain from investing in the Bonds. Any holder of the Bond bears the risk of losing some or all of his invested capital in any case of default by the issuer and the Guarantors. Other risk factors are described in the Prospectus.

Peter Dilnot, Group Chief Executive of Shanks Group plc, commented:

*“We are delighted to be launching our first Green Bonds to retail investors in Belgium and Luxembourg. The issue of these Green Bonds supports our vision as a leading waste-to-product company and our commitment to sustainability and responsible green investment. It is also our third Retail Bond to be issued in Belgium, where we have a long history as one of the leading waste-to-product companies and a proud record of helping Belgium meet its environmental goals. I am confident that this offer will appeal to retail investors, with the bonds supported by our unique business with a record of successful innovation in waste-to-product technologies.”*

Sustainalytics, a leading provider of environmental, social and governance (ESG) research and analysis, evaluated the bond framework, reviewed reporting commitments, and provided views on the robustness and credibility of the green bond.

Simon MacMahon, Global Director of Advisory Services at Sustainalytics, commented:

*“Shanks’ entry into the green bond market offers retail investors a valuable opportunity to play a role in strengthening sustainable waste management practices. We enjoyed working with Shanks to certify the bonds “green” status and look forward to seeing the progress of their efforts in mitigating the environmental effects of waste.”*

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#### About Shanks Group plc

Shanks is a leading international waste-to-product business.

The Group uses a range of cost-effective sustainable technologies to make valuable products from what is thrown away. We produce green energy, recovered fuel, recycled commodities and organic fertiliser.

Shanks meets the growing need from public and private sectors to manage waste sustainably without damaging the environment. Our solutions reduce greenhouse gas emissions, recycle natural resources and limit fossil fuel dependency.

Shanks operates in three divisions that reflect our markets: Hazardous, Commercial and Municipal. It has operations in the Netherlands, Belgium, UK and Canada and employs approximately 3,500 people.

For more information, visit: [www.shanksplc.com](http://www.shanksplc.com)