**Sustainability-Linked Bonds**

**Information Template[[1]](#footnote-2)**

**Issuer name:**

**ISIN code[[2]](#footnote-3):**

**Date of completion (or of latest update):**

**I Issuance overview**

**Description of the issuer:**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Sovereign** |  | **Agency** |
|  | **Supra** |  | **Municipality** |
|  | **Financial Institution** |  | **Other** *(please specify)*: |
|  | **Corporate** *(please indicate the sector: real-estate, transportation, health, energy, infrastructure, etc.)* |  |  |

**Type of Issuance:**

|  |  |
| --- | --- |
|  | **Sovereign Debt** |
|  | **Supra Debt** |
|  | **Corporate Debt** |
|  | **Covered Bond** |
|  | **Asset Backed Securitisation (RMBS, CMBS, Auto, Credit Card, etc.)** |
|  | **Municipal Bond / Revenue Bond** |
|  | **Other** *(please specify)*: |

**Is there a Sustainability-Linked Bond Framework available?**

|  |  |  |
| --- | --- | --- |
|  | **Yes,** publicly on a website | *please indicate the weblink* |
|  | **Yes,** to investors only | *please indicate the contact details of the IR team* |
|  | **No,** but equivalent information can be found in legal or other documentation | *please indicate the weblink or the contact details of the IR team* |
|  | **No** | *please explain* |

**If there is a Sustainability-Linked Bond Framework, is there a pre-issuance external review available?**

|  |  |  |
| --- | --- | --- |
|  | **Yes,** publicly on a website | *please indicate the weblink* |
|  | **Yes,** to investors only | *please indicate the contact details of the IR team* |
|  | **No[[3]](#footnote-4),** but an internal assessment is available | *please indicate the weblink or the contact details of the IR team* |
|  | **No** | *please explain and indicate the contact details of the IR team* |

**II Issuer’s sustainability / ESG strategy**

**What are the issuer’s overarching objectives, strategy, policy and/or processes relating to sustainability?** *Please describe briefly or provide a reference to where this information can be found.*

Issuer’s Environmental Sustainability Strategy:

Issuer’s Social Sustainability Strategy:

Issuer’s Governance related to Sustainability:

ESG Risk Management: \*

*\*Identified sustainability-related risks which are likely to cause adverse impact in those areas and explanations on how they are managed and mitigated by the issuer.*

**What are the supporting regulations, standards, or frameworks for issuer’s sustainability-related disclosure and reporting?** *Some examples are listed below while it is acknowledged that others can be relevant. Tick the box “other” where appropriate and specify the reference.*

|  |  |  |  |
| --- | --- | --- | --- |
|  | Task Force on Climate-related Financial Disclosures (TCFD) |  | Science Based Targets initiative (SBTi) |
|  | Principles for Responsible Investment (PRI) |  | Sustainability Accounting Standards Board (SASB) |
|  | Global Reporting Initiative (GRI) |  | Carbon Disclosure Project (CDP) |
|  | Climate Transition Finance Handbook |  | EU Regulation (NFRD-CSRD-SFDR, Taxonomy, etc.) |
|  | International Labour Organisation (ILO) Standards |  | OECD Guidelines for Multinational Enterprises |
|  | UN Guiding Principles on Business and Human Rights |  | GHG Protocol |
|  | UN Global Compact |  | Other (please specify): |

**III Sustainability-Linked Bond Principles (SLBP) Alignment**

**Selection of Key Performance Indicators (KPIs)**

**Selected sustainability thematic(s):**

**Environmental**

|  |  |  |  |
| --- | --- | --- | --- |
|  | Air quality |  | Sustainable aquaculture/animal welfare |
|  | Biodiversity (incl. soil/land use) |  | Sustainable water management |
|  | Climate change (GHG emissions and energy) |  | Waste management |
|  | Raw material sourcing and recycling (circular economy) |  | **Other** (please specify): |
|  | Supply chain |  |  |

**Social**

|  |  |  |  |
| --- | --- | --- | --- |
|  | Access & affordability (incl. access to medicine) |  | “just transition” |
|  | Community & Human rights |  | Occupational Health & Safety |
|  | Customers (incl. relation and welfare, responsible marketing and product labelling) |  | Working conditions (employee engagement, labour practices and labour rights) |
|  | Diversity, Equity & Inclusion |  | **Other** (please specify): |

**Governance and other themes**

|  |  |  |  |
| --- | --- | --- | --- |
|  | Business ethics |  | Health\* |
|  | Consumers (incl. relation and welfare, responsible marketing and product labelling) |  | Poverty and inequality\* |
|  | Data protection & security (incl. cybersecurity) |  | **Other** (please specify): |
|  | Product governance (safety & quality) |  |  |
|  | Value chain |  |  |

\* Themes relevant for sovereign issuers

**The KPIs are related to:**

|  |  |  |  |
| --- | --- | --- | --- |
|  | International Standards or Taxonomies |  | SDGs |
|  | ESG ratings |  | **Other** (please specify): |

**List of selected KPIs[[4]](#footnote-5):**

•

•

•

**Scope[[5]](#footnote-6) and geographical perimeter:**

**Please describe the calculation methodology[[6]](#footnote-7):**

**Please describe the rationale and process according to which the KPI(s) have been selected and how the KPI(s) fit into the issuer business and sustainability strategy[[7]](#footnote-8).**

**Overall comments on this section[[8]](#footnote-9)**

**Calibration of Sustainability Performance Targets (SPTs)**

**Please fill in the following fields as appropriate:**

• Baseline year:

• Baseline:

• Target year:

• Target performance:

• Targeted reduction from base year (%):

• Target status for the latest reporting year (value, reporting year):

• Long term target:

• SPT Trigger event[[9]](#footnote-10):

**Please explain the level of ambition[[10]](#footnote-11) and motivation[[11]](#footnote-12):**

**What are the Benchmarks for calibration of targets** (please describe):

issuer’s own performance (including look-back period[[12]](#footnote-13)):

issuer’s peers/sector data [[13]](#footnote-14):

science-based[[14]](#footnote-15):

other (please describe):

**Please explain how the issuer intends to reach such SPTs[[15]](#footnote-16):**

**Please describe the evaluation of SPTs against specific Sustainable Development Goals and/or other relevant sustainability objectives (such as EU Taxonomy objectives):**

**Please indicate whether a change to the KPI(s) and/or SPT(s) is included in the bond documentation:**

**Overall comments on this section**

**Bond characteristics**

**Type of bond characteristics:**

|  |  |  |  |
| --- | --- | --- | --- |
|  | a step-up structure |  | a variable redemption structure |
|  | a step-down structure |  | other (please specify): |

**Please fill in the following fields as appropriate:**

• Coupon Observation Date (notification date):

• Coupon Variation Date (1st coupon variation payment):

• Frequency of such payment *(i.e. annually/semi-annually until maturity)*:

• Coupon Variation:

• Optional Redemption Dates:

• Redemption Price with SPTs achieved:

• Redemption Prices without SPTs achieved:

⦁ Call Schedule (including the Callable Date and the Mechanism to be applied in case the bond is called before the SPT date(s)):

⦁ Any other change in bond characteristics:

**Please explain how the variation of the bond financial and/or structural characteristics is commensurate and meaningful relative to the issuer’s original bond financial characteristics[[16]](#footnote-17):**

**Are there any fallback mechanisms in case the SPTs cannot be calculated or observed in a satisfactory manner?**

Yes (*please describe)*  No *(please explain)*

**Please describe any potential actions in case the issuer fails to meet the SPTs (i.e. disclosure of reasons for deviation, corrective action plan, re-schedule of observation date, etc):**

**Overall comments on this section**

**Reporting**

**Scope of reporting:**

Bond-by-bond Bond programme

**Form of reporting:**

Stand-alone SLB report Existing report (please describe):

**Please describe the intended post issuance reporting[[17]](#footnote-18) (***timelines and means of communication***):**

• On up-to-date information on the performance of the selected KPI(s) including baselines and the % of achievement towards the SPT

• On any information enabling investors to monitor the level of ambition of the SPTs[[18]](#footnote-19)

• On qualitative or quantitative explanation of the contribution of the main factors, including M&A activities behind the evolution of the performance/KPI[[19]](#footnote-20)

• On the positive sustainability impacts of the performance improvement

• On any re-assessments of KPIs and/or restatement of the SPT and/or pro-forma adjustments of baselines or KPI scope

**Overall comments on this section**

**Verification**

**Please describe the current verification or assurance status for the KPI(s) in scope (KPIs’ historical performance and baseline):**

**Please describe the intended verification / assurance report post issuance reporting (*timelines and means of communication*):**

**Overall comments on this section**

**IV- European Central Bank (ECB) eligibility criteria (central bank collateral - APP and PEPP)**

Please confirm if the Performance Targets measuring quantified improvements in the issuer’s sustainability profile over a predefined period of time refer to *“one or more of the environmental objectives set out in the EU Taxonomy Regulation and/or to one or more of the United Nations Sustainable Development Goals relating to climate change or environmental degradation*.”\*. In addition, *"in order to be eligible, debt instruments shall have either of the following coupon structure until final redemption: [...] Multi-step or floating coupons with steps linked to SPTs, provided the issuer’s compliance with SPTs is subject to verification by an independent third party in accordance with the terms and conditions of the debt instrument."\*\**

**Please describe the alignment with those requirements:**

**Please provide references where the related information can be found in the publicly available issuance document** (prospectus or any other legally binding document) including page number and section:

*Once completed, this template can be sent to the central banks, members of the Eurosystem. For further information, please refer to* [*FAQ on Sustainability-Linked Bonds*](https://www.ecb.europa.eu/paym/coll/standards/marketable/html/slb-qa.en.html)*.*

*\** *New article 2(88a), guideline ECB/2014/60.*

*\*\* Amended article 63, guideline ECB/2014/60.*

1. *The use of a summary reflecting the main characteristics of a Sustainability-Linked Bond and illustrating its key features in alignment with the 5 core components of the SLBP may help inform market participants.* *This contributes to market transparency and clarifies issuers’ alignment with the Principles.* [↑](#footnote-ref-2)
2. *The ISIN code is mandatory for publishing the template in the Sustainable Bond Issuers Database* [↑](#footnote-ref-3)
3. In cases where no Second Party Opinion is sought, it is recommended that issuers demonstrate or develop the internal expertise to verify their methodologies. Issuers are recommended to thoroughly document any such expertise, including the related internal processes and expertise of their staff. This documentation should be communicated to investors. [↑](#footnote-ref-4)
4. *The metric(s) should be spelled out under KPI and the target(s) in number should be mentioned: e.g. KPI: Scope 1 and 2 emissions measured in tCO2e per unit sold and SPT: Decrease scope 1 and 2 GHG emissions by 2030 (vs 2018 base year) - eqv. 66% per unit sold.* [↑](#footnote-ref-5)
5. *E.g. the percentage of the issuer’s total emissions and specific category (e.g. GHG Protocol category 11: use of sold products) to which the target is applicable.* [↑](#footnote-ref-6)
6. *E.g. clear definition of the denominator of intensity-based KPIs, definition of a baseline, where feasible, science-based or benchmarked against an industry standard (e.g. consider SMART philosophy specific, measurable, attainable, relevant and time-bound, or other relevant references as applicable (e.g. location-based or market-based for scope 2 emissions as per the GHG Protocol).* [↑](#footnote-ref-7)
7. *Please explain how the KPIs are relevant, core and material to the issuer’s overall business, and of high strategic significance to the issuer’s current and/or future operations, e.g. based on the issuer’s materiality assessment or external resources, such as ICMA’s Illustrative KPIs Registry.* [↑](#footnote-ref-8)
8. *Here the issuer could comment on specific steps/measure/actions (in the context of the sustainability strategy) that the issuer will take to ensure the achievement of the KPIs/SPTs; provide a brief description.* [↑](#footnote-ref-9)
9. *The trigger event is the result of the observation whether a KPI has achieved or not a given predefined SPT that may cause a change in the financial and/or structural characteristics of the bond.* [↑](#footnote-ref-10)
10. *Should represent a material improvement in the respective KPIs and be beyond a “Business as Usual” trajectory.* [↑](#footnote-ref-11)
11. *SPTs must be set in good faith and the issuer should disclose strategic information that may decisively impact the achievement of the SPTs.* [↑](#footnote-ref-12)
12. *A minimum of 3 years.* [↑](#footnote-ref-13)
13. *Where available (average performance, best-in-class performance) and comparable.* [↑](#footnote-ref-14)
14. *I.e. systematic reference to science-based scenarios, or absolute levels (e.g. carbon budgets), or to official country/regional/international targets (Paris Agreement on Climate Change and net zero goals, Sustainable Development Goals (SDGs), etc.) or to recognised Best-Available-Technologies or other proxies to determine relevant targets across environmental and social themes.* [↑](#footnote-ref-15)
15. *Where possible and taking competition and confidentiality considerations into account, including information such as the respective contribution (e.g. %) of the different measures to the overall reduction, or the total expenses associated with the plan.* [↑](#footnote-ref-16)
16. E.g. the issuer (e.g. size, industry), the transaction structure (e.g. tenor, call features, SPT evaluation date(s), and credit rating – especially classification as an investment grade v. high yield offering), and the relative and absolute ambition of the target(s). [↑](#footnote-ref-17)
17. Issuers of SLBs should publish, and keep readily available and easily accessible post-issuance reporting. [↑](#footnote-ref-18)
18. E.g., any update in the issuer’s sustainability strategy or on the related KPI/ESG governance, and more generally any information relevant to the analysis of the KPIs and SPTs. [↑](#footnote-ref-19)
19. Strategy followed and measure taken towards achieving the KPIs in terms of systems, monitoring, operational improvements, etc. [↑](#footnote-ref-20)