



9th Annual Conference of the Principles

28 June 2023

Marina Bay Sands, Singapore

Supporting Partner



Monetary Authority
of Singapore

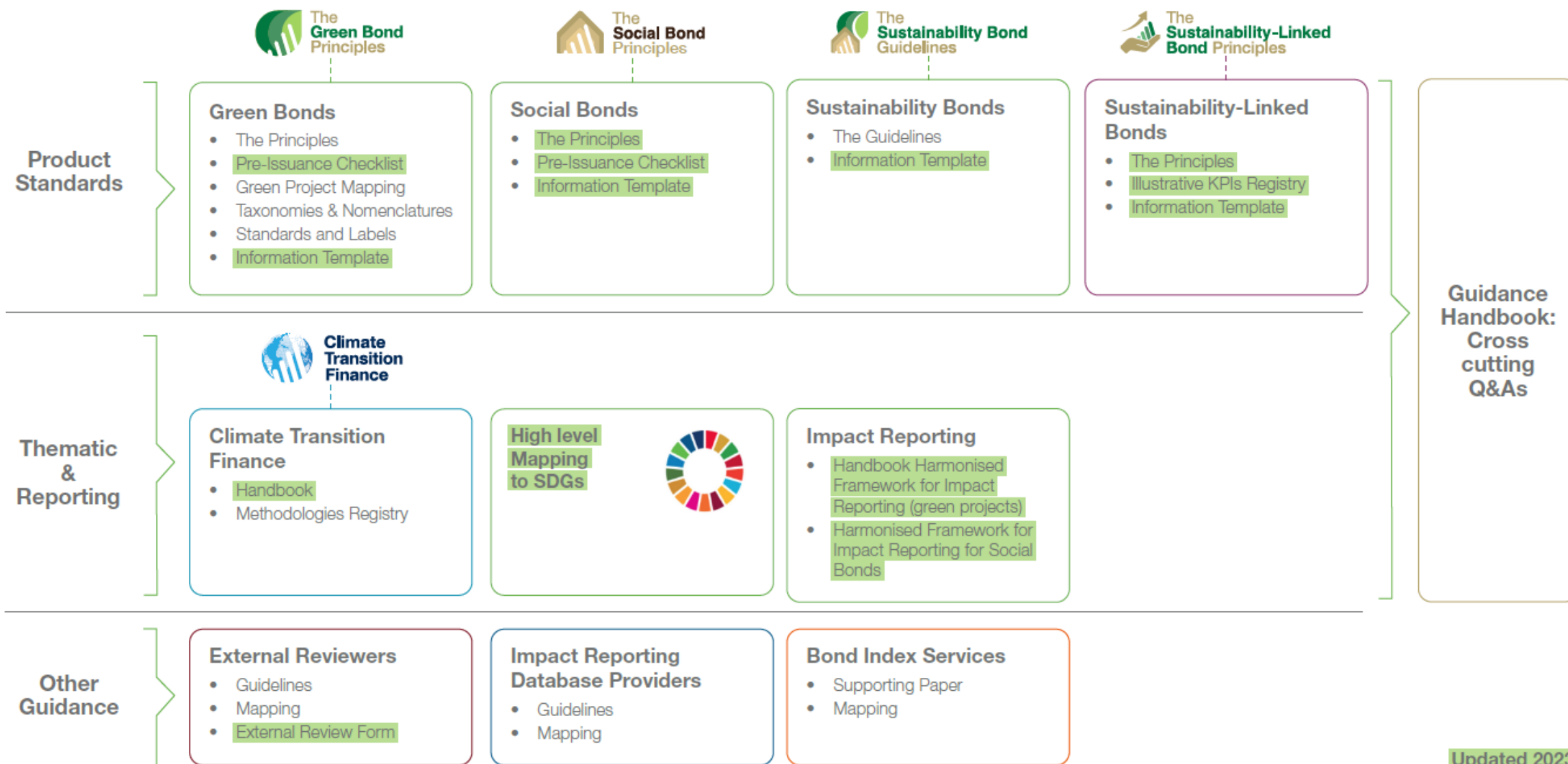
Held in



2023 Guidance from the Principles

- **2023 edition of the CTFH** integrating progress made by the market and the official sector on climate transition guidance and disclosures. Includes dedicated recommendations for climate-themed green, sustainability and sustainability-linked bonds and new annexes with illustrative disclosures, infographics and list of wider market and official sector guidance for climate-themed bonds.
- **2023 update of the SLBP** and related tools adapted for sovereign issuers, as well as new metrics for sovereigns and social issues in the KPI registry.
- Also:
 - **Additional Q&As** for green, social and sustainability bond securitisation.
 - **Revised language for the Social Bond Principles** confirming the need to identify target populations, and separately an expanded Q&A and specific guidance for impact reporting for Social Bonds.
 - **New core recommendations for impact reporting** for Green Bonds, and **impact reporting metrics for energy efficiency & renewable energy**.
 - **References to “just transition”** now in CTFH, issuer pre-issuance checklists and information templates
 - **Revised mapping to SDGs**, and updated issuer information templates and external review forms

2023 Guidance from the Principles (infographic)

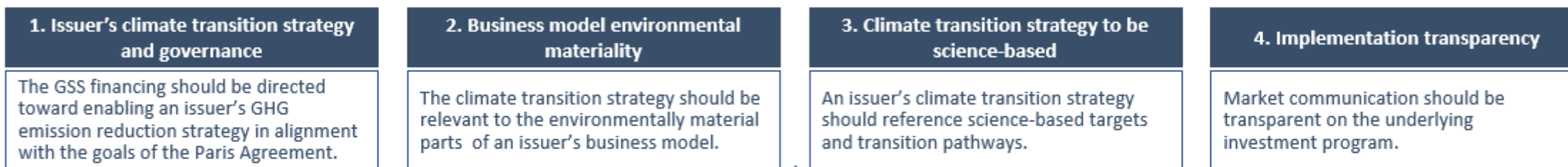


Updated 2023

Guidance for climate transition-themed bonds

- **Climate transition focuses principally on the credibility of an issuer's Greenhouse Gas (GHG) emissions reduction strategy, commitments, and practices.**
- Bonds aligned with the Green, Sustainability, or Sustainability-Linked Bond Principles (GSS Bonds) to be underpinned by organisation level climate transition strategies and disclosures **aligned with recommendations of the Climate Transition Finance Handbook 2023 (CTFH 2023).**
- Notably, GSS issuance from issuers in 'hard-to-abate' sectors would be strengthened through alignment with the CTFH 2023.
- **Issuers are encouraged to reference the CTFH 2023** and align with the elements contained therein to communicate their GHG emissions reduction strategy. This is especially pertinent to green, sustainability or sustainability-linked instruments designated as "climate transition" bonds (which may take the form of an additional climate transition label, as is the case in certain jurisdictions).

Key Elements of the Climate Transition Finance Handbook



Sustainable Finance Solutions

Green and Sustainability Bonds
Focus on projects

Type: Use of proceeds (UoP)

Guidance: Green Bond Principles and Sustainability Bond Guidelines

Projects: projects that will make a meaningful contribution to an issuer's GHG emissions reduction strategy. This can include environmental (green) projects that will make a direct contribution to an issuer's own GHG emissions trajectory, and/or projects (including social) tied to a "just transition".

Additional resources: See Annex 2 for a non-exhaustive list of wider official and market guidance for climate transition themed GSS Bonds.



Sustainability-Linked Bonds (SLBs)
Focus on the issuer's climate transition trajectory

Type: General purpose with KPIs and SPTs at the issuer level

Guidance: Sustainability-Linked Bond Principles

KPIs and Sustainability Performance Targets (SPTs): where one or more of the KPIs are monitoring GHG emission reduction metrics – either direct results (i.e., absolute/intensity GHG emission metrics) or supportive proxies (i.e., metrics that act as levers to advance GHG emission reduction targets). Targets to be science-based.

Additional resources: See [illustrative KPI Registry](#) and Annex 2 for a non-exhaustive list of wider official and market guidance for climate transition themed GSS Bonds.