Universita Degli Studi di Milano – Bicocca

SUSTAINABLE FINANCE:
WHICH FINANCIAL INSTRUMENTS CAN SUPPORT THE TRANSITION?

Sustainability Linked Bonds

Professor of the Financial Market course: Monica Rossolini

Paper research realized by Clarisse Veron, Margaux Lucas, Louison Guegaden, Anhoa Danoz, João Teixeira, Jacobo Velssco

College year 2022/2023

SUMMARY

INTRODUCTION

Climate action is a priority on all country’s political agendas, and fundamentally, there is a lot of focus on green bonds. In the wake of the COVID-19 pandemic, sustainable finance has become an even more critical driver for global recovery and resilience. Amidst these unprecedented times, sustainability-linked bonds (SLBs) have emerged as a groundbreaking solution, captivating both investors and environmental enthusiasts alike. As the financial world grapples with the pandemic's impact, SLBs have taken center stage, catalyzing a paradigm shift and redefining the boundaries of responsible investing. Join us on a compelling journey as we explore the transformative potential of SLBs, their profound implications for addressing pressing environmental and social challenges, and how they are shaping the path to a sustainable future in the post-pandemic era.

Sustainability linked bonds are a new type of financial instrument that have emerged in response to the growing demand for sustainable investments. In fact, the world is facing a number of urgent environmental and social challenges, such as climate change, pollution, and social inequality. In this context, investors and companies are increasingly looking for ways to make a positive impact while also generating financial returns.

Use of proceeds linked to the Sustainable Development Goals (SDGs). Sustainability linked bonds are a powerful tool that can help to address these challenges by incentivizing companies to improve their sustainability performance. These bonds are different from traditional bonds because their financial terms are linked to the issuer's sustainability performance. This means that companies that meet certain sustainability targets will benefit from lower financing costs, while those that fail to meet these targets will face higher costs.

In this presentation, we will provide an overview of sustainability linked bonds, explain how they work, and explore their potential benefits for investors and issuers alike. I will also highlight some of the key trends and developments in this rapidly evolving market. By the end of this presentation, you should have a better understanding of sustainability linked bonds and their role in promoting sustainable finance.

I. KEY CHARACTERISTICS OF SLB

A. How SLB differ from traditional bonds?

Sustainability-Linked Bonds or SLBs differ from traditional bonds in several ways, including their structure, purpose, and performance metrics.

Firstly, SLBs are specifically designed to promote sustainability and support issuer's environmental, social, and governance (ESG) objectives. The purpose of SLBs is to align financial markets with sustainability goals and incentivize issuers to improve their sustainability performance. Traditional bonds are, as for it, primarily issued to raise capital for general corporate purposes, such as funding projects, acquisitions, or refinancing existing debt. They focus on generating financial returns for investors.

In addition, they don't have a direct linkage to the issuer's sustainability performance, contrary to SLBs. The financial terms and conditions of SLBs, such as coupon rate, maturity, or redemption amount, are tied to predefined sustainability targets or KPIs (key performance indicator). The performance against these targets determines the financial outcome of the bond, creating a direct connection between sustainability performance and the cost of borrowing. For the traditional bonds, the financial terms are primarily based on creditworthiness, interest rates and market conditions.

Moreover, SLBs and traditional bonds also differ in the dynamic nature of their terms. The terms and conditions of traditional bonds are generally fixed at the time of issuance and remain unchanged throughout the bond's life, except for predefined events such as a change of control of bankruptcy. The terms and conditions of SLBs can be adjusted during the bond's life based on the issuer's sustainability performance. If the issuer achieves the predefined sustainability targets, the bond's terms may be improved, resulting in a more favorable financial outcome for the issuer. Conversely, failure to meet the targets may lead to penalties, such as higher coupon rates or additional payments.

ESG integration is another key feature of Sustainability-Linked Bond. Traditional bonds may not explicitly consider the issuer's ESG performance or disclosure requirements, although investors can apply their own ESG criteria when making investment decisions. SLBs require issuers to disclose their sustainability strategies, targets, and progress against those targets. The sustainability-linked nature of SLBs ensures that investors have visibility into the issuer's commitment to sustainability and can evaluate the issuer's progress over time.

Therefore, SLBs cater to investors with specific sustainability objectives and those seeking to align their investments with ESG principles. SLBs provide an opportunity for investors to support issuers committed to improving their sustainability performance and achieving measurable sustainability goals, while traditional bonds primarily attract investors seeking financial returns and diversification of their investment portfolios.

Before concluding, the difference between Green Bonds and SLBs is sometimes misunderstood. To understand, green bonds are specifically issued to finance environmentally sustainable projects while SLBs have their returns linked to the overall sustainability performance of the issuer, without a specific allocation of funds. Green Bonds are focused on the specific use of funds, whereas SLBs are tied to the general sustainability goals of issuing company.

Overall, SLB differs from traditional bonds by incorporating sustainability targets or KPIs directly into their financial terms, incentivizing issuers to improve their sustainability performance and allowing investors to support sustainable initiatives while generating financial returns. The dynamic nature of SLB terms and their focus on sustainability set them apart from the more conventional fixed-income securities.

B. Overview of the types of SLB

There are different types of Sustainability-Linked Bonds. Firstly, general sustainability performance bonds link the financial terms, such as coupon payments to the issuer's overall sustainability performance. The issuer commits to improving its sustainability metrics, which are measured and verified periodically. The bond's coupon rate may vary based on the achievement of predefined sustainability targets. For example, if the issuer achieves its sustainability goals, the coupon rate may decrease, providing financial rewards for their sustainable actions.

Second, there are SLBs that focus on environmental or social performance. Environmental Sustainability Bonds specifically target environmental performance and improvement. The issuer sets environmental targets related to various metrics, such as carbon emission, energy efficiency, waste management or water conservation. Social SLBs prioritize social sustainability aspects and encourage issuers to address social challenges and promote positive social outcomes. The issuer establishes targets related to social factors like labor standards, diversity and inclusion, employee well-being, or community development.

There are also SLBs related to Development Goals more specifically, which are called SDG-linked goals. They align with the United Nation's Sustainable Development Goals. The issuer sets specific targets related to one or more SDGs and integrates them into the bond's terms. The targets can be diverse and encompass various sustainability aspects, such as climate action, gender equality, affordable and clean energy or responsible consumption and production.

Then, the Industry-Specific Sustainability Bonds target sustainability improvements within a particular industry or sector. For instance, a bank may issue a bond with sustainability performance targets related to responsible lending practices, financial inclusion, or supporting renewable energy projects. These bonds allow investors to support sustainable practices within a specific sector and encourage the issuer to adopt sustainable measures tailored to their industry's unique challenges.

Finally, there are also Regional or Municipal Sustainability Bonds, issued by regional governments or municipalities to fund sustainability initiatives at the local level. The bond's proceeds are used to finance projects that promote environmental, social, or economic sustainability within the region.

It's important to note that the specific terms and structures of SLBs can vary, and each issuance may have its own unique features tailored to the issuer's sustainability objectives.

II. MARKET OVERVIEW

A. Current state of the SLB

Nowadays the number of companies in this market are increasing to get sustainability finance, and not only in the traditional sectors of renewable energy and energy efficiency, but also other sectors such as transport, water, waste management, green construction, social inclusion programs…

Sustainability Linked Bones experienced an incredible demand growth in 2020, where they increased the use of these bonds by up to 10 times (from 11 billion euros in 2020 to 110 billion euros in 2021) and today are continuing growing.

We live in a situation where Europe dominates the sustainable bond market and is becoming the largest sustainable bond market in the world (at a European level, according to data from the Climate Bond Initiative (CBI), SLB in 2021 grew by 74% compared to 2020).

B. Market Trends

SLBs are becoming more and more popular among companies seeking financing (investors now require companies to have a sustainability strategy), so that's why the market is experiencing a significant increase in the issuance of these bonds, which indicates increased interest in sustainable financing.

In addition, we can see a greater diversification of issuers in the markets. Initially, the main issuers of these bonds were large companies, but now smaller and medium-sized companies are joining.

On the other hand, we also see how issuing companies are setting specific sustainability objectives to link the terms and conditions of the SLBs. For example, a company could set a target to reduce its negative environmental impact, and if it doesn't achieve this target, it could be that the cost of the bond increases (so that's why it is important that every single company consider how sustainable their operations are).

The situation of COVID-19 has also been a factor propelling this trend ever larger as governments around the world focus on better rebuilding their economies (and sustainability is a big part of that goal of economic reconstruction of a country).

C. Key players in the market

Some key actors in the Sustainability Linked Bonds market are not only the figure of the issuers of the bonds and the investors who buy these bonds, but there are also other important roles within this market, for example, the financial advisors, who help issuers set sustainability goals and design the terms and conditions of the bonds to ensure they meet those goals. Another important role in this market is the regulatory and standard bodies, which establish and supervise the rules and requirements for the issuance of sustainable bonds. Finally, environmental organizations play a crucial role in promoting SLBs, as they can influence issuers decisions and investor demand, driving the growth of SLBs.

III. ADVANTAGES OF SLB

A. Advantages for issuers

Sustainability linked bonds (SLBs) offer numerous advantages for issuers, ushering in a new era of sustainable financing. Firstly, these bonds serve as a powerful incentive for issuers to enhance their sustainability performance. By tethering the financial terms of the bond to specific sustainability targets, issuers are motivated to take tangible actions to reduce their environmental impact, promote social equity, and improve governance practices. This not only drives positive change within organizations but also contributes to a more sustainable world.

Secondly, SLBs open doors to a broader investor base. These bonds attract investors who prioritize sustainable investments, granting issuers access to new capital sources that may have been unavailable through traditional financing channels. As sustainability becomes an increasingly important criterion for investors, SLBs provide issuers with an avenue to diversify their investor pool and strengthen their financial position.

Another advantage lies in the reputation boost that comes with demonstrating a commitment to sustainability. Issuers that showcase their dedication to sustainable practices can enhance their reputation and foster stronger relationships with customers, employees, and stakeholders. Such improved brand recognition and loyalty can ultimately drive business growth and profitability, as consumers increasingly gravitate towards responsible and sustainable businesses.

Furthermore, sustainability linked bonds can lead to lower financing costs for issuers. If an issuer successfully meets its sustainability targets, it may qualify for a lower interest rate on the bond. This offers significant savings over the bond's lifespan, making SLBs an attractive financial tool for issuers seeking cost-effective capital.

In addition, these bonds align with the evolving expectations of stakeholders. As sustainability takes center stage, issuers who issue SLBs are perceived as responsible and forward-thinking. This alignment helps build trust and credibility with stakeholders, ensuring long-term support and collaboration.

Lastly, compared to green bonds, SLBs provide issuers with greater flexibility in fund allocation. While green bonds are tied to specific projects, SLBs can be used for general purposes, granting issuers the freedom to choose how they achieve their sustainability targets. This makes SLBs a viable option even for issuers without dedicated green or social projects, as they focus on the company's future trajectory and the achievement of sustainable outcomes.

In the case of Natixis, a renowned financial institution based in Paris, their experience with sustainability-linked bonds (SLBs) has highlighted several advantages for issuers. The implementation of SLB initiatives at Natixis has driven positive change and positioned the company as a leader in sustainable finance. By aligning the financial terms of their bonds with specific sustainability targets, Natixis has witnessed the following advantages: sustainability performance, access to a broader investor base, strengthened reputation, cost-effective financing, but also alignment with stakeholder expectations. By embracing sustainability-linked bonds, Natixis has not only achieved financial goals but also contributed to environmental and social progress, driving positive change, and positioning themselves as a leader in sustainable finance.

In conclusion, sustainability linked bonds offer a range of advantages for issuers, including improved sustainability performance, access to new investors, enhanced reputation, lower financing costs, alignment with stakeholder expectations, and greater flexibility in fund allocation. These benefits highlight the growing significance of SLBs in driving sustainable development and reshaping the financial landscape towards a more sustainable future.

B. Advantages for investors

Sustainability linked bonds offer several advantages for both issuers and investors alike. For investors, these bonds present an opportunity to align their investments with their values. By investing in sustainability linked bonds, investors can support issuers who are dedicated to making a positive impact on the environment and society, allowing them to contribute to causes that resonate with their own sustainability priorities.

Furthermore, sustainability linked bonds provide investors with access to a diverse range of investments across sectors and regions. This diversification can help reduce risk and enhance the overall stability of their investment portfolio, as they have exposure to a broader range of industries and geographies.

Investors may also have the potential for higher returns through sustainability linked bonds. When issuers successfully meet their sustainability targets, they may qualify for a lower interest rate on the bond. This can result in increased returns for investors over the bond's lifespan, offering a compelling incentive for sustainable investing.

In addition, sustainability linked bonds contribute to enhanced risk management for investors. By linking the financial terms of the bond to specific sustainability targets, these bonds promote greater transparency and accountability. Investors can have greater confidence in the issuer's sustainability performance, reducing the risk of negative sustainability events and ensuring a more sustainable investment.

Lastly, sustainability linked bonds provide an avenue for impactful investing. Investors can make a positive difference by supporting issuers committed to sustainability, enabling them to contribute to environmental and social progress while still generating financial returns. By actively participating in sustainable development through their investments, investors play a crucial role in driving positive change and fostering a more sustainable future.

Overall, sustainability linked bonds offer investors the opportunity to align their investments with their values, access diverse investment options, potentially achieve higher returns, enhance risk management, and engage in impactful investing. These advantages highlight the growing significance of sustainability linked bonds in meeting the needs of responsible investors and advancing sustainable development goals.

The "Our Investors Survey" conducted by Natixis provides valuable insights into the advantages for investors in sustainability-linked bonds (SLBs). Four out of five Natixis' investors see SLBs as not competing with Green Bonds: 2/3 of investors see it as a great value-add to ESG integration. Most of the respondents' location are situated in Europe, so we can see that there is a real market all over the world to reach. Furthermore, SLBs are considered as a product that fits most investment strategies, including as a side allocation within dedicated green bond funds.

C. Benefits for society

Sustainable linked bonds offer several benefits for society, shaping a more sustainable and equitable future. Firstly, these bonds promote sustainable development by motivating issuers to reduce their environmental impact, foster social equity, and enhance governance practices. Secondly, they contribute to addressing global challenges like climate change, pollution, and social inequality by incentivizing issuers to improve their sustainability performance. Thirdly, sustainable linked bonds encourage responsible corporate behavior, fostering transparency, accountability, and responsible business practices.

Moreover, these bonds mobilize capital for sustainability by attracting investors who prioritize sustainable investments, thereby channeling capital towards companies committed to sustainability and promoting sustainable economic growth.

Lastly, sustainable linked bonds support the achievement of the Sustainable Development Goals (SDGs) by fostering sustainable development across various sectors and regions, ultimately contributing to a more sustainable, equitable, and prosperous future for all. The Sustainable Development Goals (SDGs) are a set of 17 global goals established by the United Nations in 2015.

These goals aim to address some of the most pressing social, economic, and environmental challenges facing the world today. The SDGs cover a wide range of issues, including poverty eradication, education, gender equality, clean energy, sustainable cities, climate action, and responsible consumption and production, among others. Sustainability linked bonds serve as a powerful tool to support the implementation of the SDGs by aligning financial resources with sustainable projects, establishing performance targets linked to the SDGs, promoting impact measurement, and reporting, and mobilizing capital for sustainable development. SLBs contribute to the global efforts to achieve the SDGs and promote a more sustainable and inclusive future for all.

IV. CHALLENGES OF SLB

A. Risks and limitations of SLB

As this market matures, “green-washing” and other risks are being identified and dealt with by market participants, the first and the more important is Greenwashing: there is a risk that issuers may use sustainability-linked bonds to greenwash their image, raising money for projects that are not genuinely sustainable. The act of providing investors with misleading or outright false information about environmental impact of a company’s products or financial instruments.

Another risk for SLB is Vagueness terms "sustainability" and "climate change" are broad and vague, making it challenging to set clear goals and standards for sustainability-linked bonds. In addition, the difficulty to verifying performance Sustainability-linked bonds are related to sustainability targets, which can be difficult to measure and verify. The investors must depend on the issuer's reporting on the project's progress against the set targets, which may have biased or incomplete information.

About the limitation of SLB, the size of the market of Sustainability-Linked Bonds is limited. At present, the market size of sustainable bonds is very small compared to the larger capital market. This may limit the scalability and overall impact of such bonds. Therefore, sustainability-linked bonds may be more expensive to issue and manage because of the additional reporting and verification requirements and the smaller market. We can notice about limited supply of sustainable projects: there may be a limited supply of viable sustainable projects that can be financed through sustainability-linked bonds, limiting the investment opportunities offered by such bonds.

B. Best practices for SLB

At first, the issuer should clearly define their sustainability targets. The targets should be objectively measurable and should be linked to the use of proceeds. This will help in the monitoring and tracking of progress towards achieving the sustainability targets. The issuer should conduct a materiality assessment of environmental, social, and governance (ESG) risks and opportunities that are relevant to their business. Materiality assessments consider the level of impact that ESG factors can have on a company and evaluating those factors' significance. The sustainability targets should be aligned with international standards such as the United Nations Sustainable Development Goals (SDGs), Climate Bonds Initiative (CBI) Standards, and other relevant frameworks. Make an Impact measurement and reporting, establish a rigorous impact measurement framework that allows for the quantification and reporting of the bond's sustainability impact.

At the end and important part, the Third-party verification: you should engage a third-party verifier to provide assurance that the sustainability targets are credible, relevant, and aligned with the market standards. And make a final exam an independent review, engage an independent reviewer to evaluate the sustainability-linked bond and provide an independent opinion on its alignment with best practices in the market.

V. CASE STUDIES

Sustainability Linked Bonds are playing a crucial role in the transition process. Indeed, SLBs rely on many sustainability indicators tied to the issuer's ultimate goals in terms of things like CO2 emissions, renewable energy capabilities, water conservation, or diversity and inclusion objectives. Even though this financial instrument is relatively new, here are some examples of successful SLBs from different industries which have been issued with very significant goals in mind:

H&M Group, the renowned fashion retailer, issued a €500 million sustainability-linked bond in 2021 with an 8.5-year maturity. The bond generated significant interest and was oversubscribed by 7.6 times when it was initially issued. Among the targets the company promises to achieve (by linking their success to the bond's interest characteristics) are: increase recycled material usage to 30%, reduce emissions from the group's own operations by 20%, and also reduce absolute Scope 3 emissions from fabric production, raw materials, garment manufacturing and upstream transport by 10%. The Group's CEO, Helena Helmersson, highlighted that the successful bond issue demonstrates both customer appreciation for the company's sustainable practices and the financial market's recognition of their ambitious sustainability work. In this case, since the bond was so successful, the company was able to reduce the interest rate they initially proposed by 50% when finalizing the terms of the bond.

Another example is Italian giant, Enel, a leading energy company, which launched a sustainability-linked bond worth 1.5 billion euros in two tranches on the Eurobond market in 2023. One tranche of the bond combines a KPI linked to the EU taxonomy (which is a list of sustainable economic activities part of EU framework) and a KPI tied to the UN Sustainable Development Goals, while the other tranche is linked to two KPIs related to the company's decarbonization efforts. The bond also received significant oversubscription, with approximately 4 billion euros in orders attracting socially responsible investors. In this case, the proceeds will be used to finance Enel's ordinary financing needs. The bond has an average maturity of around 14 years and an average coupon of 4.25 percent. Furthermore, Enel aims to align over 80 percent of its 2023-2025 investment plan with the EU taxonomy's criteria to contribute significantly to climate change mitigation.

Other company issuing SLBs is Suzano, a Brazilian pulp and paper company which issued a $750 million sustainability-linked bond in 2020. This bond was initially oversubscribed by 8 times and some months later added other 500 million which had a historically low yield of 3,1 %, something never seen before for a 10-year bond by a Brazilian company. The bond's interest rate was tied to Suzano's targets for reducing deforestation in the Amazon rainforest as well as UN Sustainable Development Goal # 13 (climate change). In this case, the company committed to reduce gas emissions by 15% before 2030 and the coupon may increase by 25 points if failing to do so.

Indeed, when companies are looking towards issuing SLBs, they would normally look at their goals and objectives for the future which are usually reported based on time specific projections and then they can tie the bond to the success of their initial aims. This however gives them freedom to invest the resources how they see fit to attain the key performance indicators, which are tied to things like the coupons or interest rate of the bonds.

It is then in the company's best interest to effectively achieve measurable progress in the attainment of their objectives because by not doing so they may risk unfavorable conditions by having to pay a higher coupon rate, for example. It is worth noting that even though they have freedom to decide how they invest the money, there is a thorough revision and constant checkup process for the bond holders to get updates on their investment and control whether or not they need to get better conditions for it based on the achievement of the KPIs and sustainability targets.

VI. INVESTMENT IN SLB

A. How to invest in SLB

Sustainability Linked Bonds are a recent topic, but they have been growing steadily for the past years. SLB's are bonds linked to specific achievements of sustainability targets. There are a few ways to invest in these bonds. The two main ways are purchasing them directly from the issuer, or to purchase a bond fund (in which there are SLB's contained). Regarding the second way, there several funds that invest in these Sustainability Linked Bonds, and these portfolio funds can be acquired from a broker.

Essentially, investing in SLB's works in the same way as it does with other bonds. Logically, the issuer is, in most cases, a factor of distinction for SLB's. Therefore, investors avoid risk by choosing SLB's with lower maturity dates and interest rates, higher credit rating, lower yield, and high liquidity. In theory, the ideal bond would be the one with the lowest risk to a fixed level of return (or the highest return for the same risk), but not always does theory correspond to reality.

Investors must take time to do research regarding all the possible investments in SLB's and try to find a balance between the characteristics mentioned above. Also, what might look like a good investment to one investor might not be good to another one, which is why it is also crucial to define investment goals before starting investing.

B. Factors to consider when investing in SLB

Firstly, the fact that SLB's are a relatively new type of bond, explains why there is still not much information regarding its behavior, fluctuations, and risks. This lack of historical data often holds investors back when assessing these bonds' risks and return potential. When it comes to evaluating how risky SLB's are, this ambiguous and incomplete set of data that the investors have access to might cause them to be reluctant about investing in these bonds.

Secondly, SLB's are often issued by companies that are still in the process of making sustainability linked improvements. This means that, if these companies do not manage to meet their goals regarding these sustainability-linked improvements, it could most likely mean a loss for those who invested in these SLB's. Given this, the higher the risk that these companies do not meet their goals, the higher the risk of the investment.

However, SLB's are not a disproportionally high-risk type of bond. Even though the risks are most likely high, these bonds are considered by many investors to have a high potential, given the fact of how crucial and present the urge for an eco-friendly and sustainable world is nowadays, generally amongst everyone.

Most investors consider SLB's an investment that, essentially, requires a lot of research and attention to detail, but that can bring good returns as well. After all, despite the risks, SLB's are considered a great way to invest in companies that are committed to sustainability. Generally, financial advisors alert about the need of a few precautions, when it comes to investing in SLB's: doing research studies, considering investment goals, and diversifying the portfolio.

CONCLUSION

To summarize, sustainability-linked bonds (SLBs) have emerged as a distinct and innovative financial instrument that goes beyond traditional bonds and green bonds. They offer a unique set of features, including their focus on predefined sustainability objectives and their ability to incentivize and monitor issuer performance. This report has provided an overview of SLBs, highlighting their key features, market trends and benefits for issuers, investors, and society.

While SLBs offer many benefits, they also present challenges that need to be carefully considered. Risks and limitations associated with GLA include the risk of "greenwashing", the need for robust frameworks to define objectives and carry out reporting, and the importance of ensuring compliance with industry standards and regulations. However, by adopting best practices and promoting transparency, these challenges can be mitigated, enabling SLBs to make a significant contribution to sustainable development.

As the case studies show, successful SLB offerings have been made in a variety of sectors, demonstrating the versatility and potential impact of this financial instrument. Investors interested in SLBs should consider factors such as the issuer's track records, the credibility of sustainability objectives and alignment with their own environmental, social, and governance (ESG) objectives.

In conclusion, sustainability bonds have the potential to drive positive change and align financial markets with sustainability goals. As the market continues to evolve, it will be crucial for all stakeholders to collaborate and ensure the integrity and effectiveness of SLBs to maximize their contribution to a more sustainable future where transition is finally possible.

SOURCES

https://viewpoint.bnpparibas-am.com/why-investor-appetite-for-sustainability-linked-bonds-is-growing/

https://gsh.cib.natixis.com/api-website-feature/files/download/11818/SLB-Survey-Short-Results_2021-03-FinalVersion_LAST.pdf

https://www.oecd.org/dac/green-social-sustainability-and-sustainability-linked-bonds.pdf

https://www.istat.it/it/benessere-e-sostenibilit%C3%A0/obiettivi-di-sviluppo-sostenibile/quali-sono-i-17-goals

https://youtu.be/vw8IVfq1a00

https://revistasdigitales.udesa.edu.ar/index.php/revistajuridica/article/view/144/149

https://www.sustainadvisory.it/it/sustainability-linked-bonds-superstar-nel-primo-trimestre-2022/

https://www.climatebonds.net/market/slbs

https://www.nerdwallet.com/article/investing/green-bonds

https://www.icmagroup.org/assets/documents/Regulatory/Green-Bonds/June-2020/Sustainability-Linked-Bond-Principles-June-2020-171120.pdf

https://idbinvest.org/en/blog/development-impact/fighting-greenwashing-other-risks-sustainability-linked-bond-market

https://www.weforum.org/agenda/2022/11/cop27-sustainability-linked-bonds-net-zero-transition/

https://www.environmental-finance.com/content/awards/winners/sustainability-linked-bond-of-the-year-suzano.html

https://www.marketscreener.com/quote/stock/ENEL-S-P-A-70935/news/Enel-launches-over-EUR1-billion-bond-in-two-tranches-42978356/

https://hmgroup.com/report-stories/sustainability-linked-bonds-a-new-way-to-invest-in-our-company-and-the-planet/