



SMU

SINGAPORE MANAGEMENT
UNIVERSITY

Singapore Management University

Sustainable Financing Framework

27 June 2025

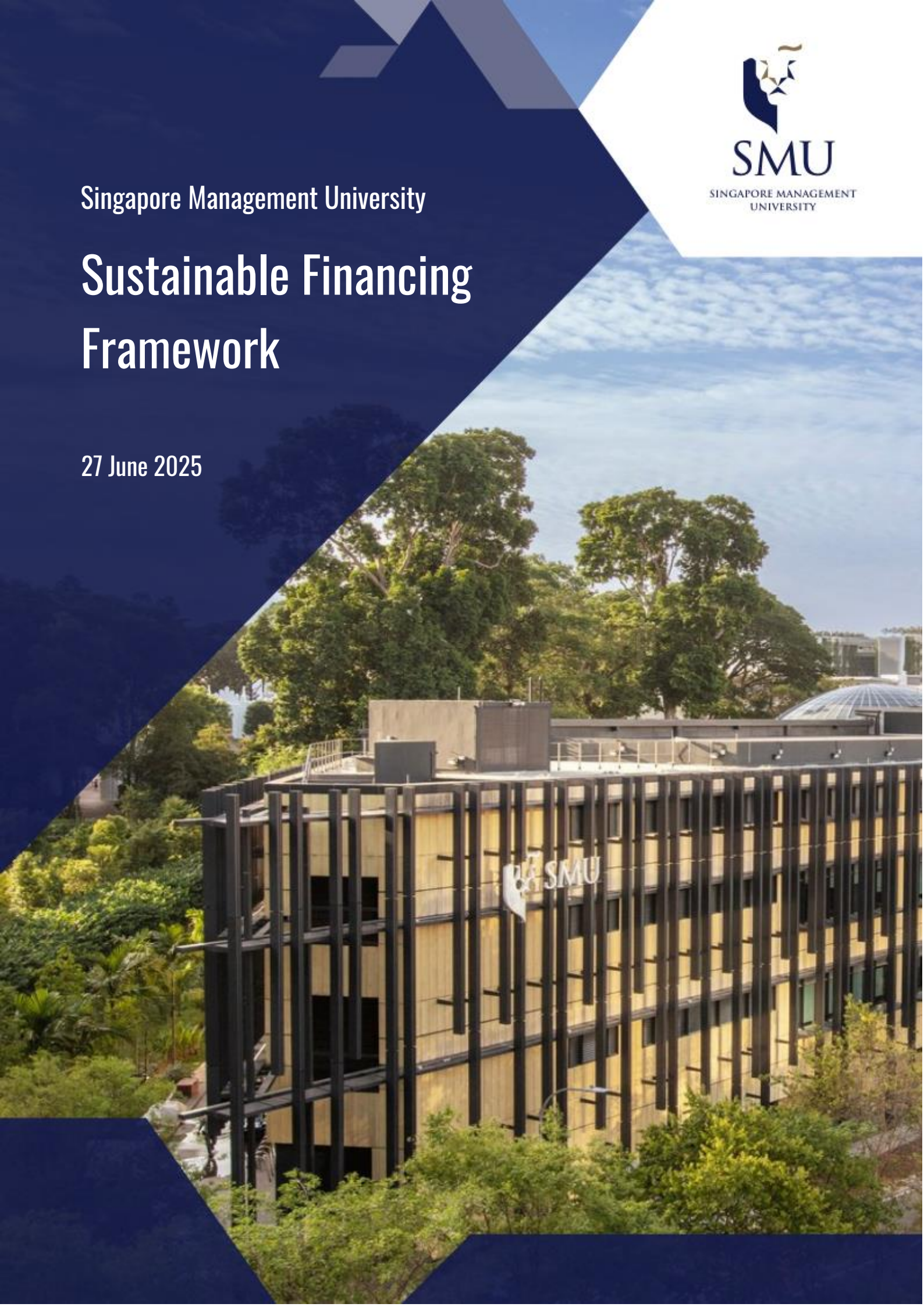


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1. Introduction to Singapore Management University

1.1 About SMU

A premier university in Asia, the Singapore Management University (“SMU” or “the University”) is internationally recognised for its world-class research and distinguished teaching. Established in 2000, SMU’s mission is to generate leading-edge research with global impact and to produce broad-based, creative, and entrepreneurial leaders for the knowledge-based economy. SMU’s education is known for its highly interactive, collaborative, and project-based approach to learning.

Home to over 13,000 students across undergraduate, postgraduate professional and postgraduate research programmes, SMU comprises eight schools: College of Integrative Studies, College of Graduate Research Studies, School of Accountancy, Lee Kong Chian School of Business, School of Economics, School of Computing and Information Systems, Yong Pung How School of Law and School of Social Sciences.

SMU offers a wide range of Bachelors, Masters, and PhD degree programmes in the disciplinary areas associated with its schools, as well as in multidisciplinary combinations of these areas.

SMU emphasises rigorous, high-impact, multi- and interdisciplinary research that addresses Asian issues of global relevance. SMU faculty members collaborate with leading international researchers and universities around the world, as well as with partners in the business community and public sector. This synergistic outlook is reflected in its physical presence: SMU’s city campus is a modern facility located in the heart of downtown Singapore, fostering strategic linkages with business, government, and the wider community.

1.2 Approach to Sustainability

In alignment with SMU’s vision of nurturing future-ready leaders, SMU is deeply committed to sustainability and corporate social responsibility. With the pressing challenges posed by climate change, resource depletion, and social inequality, SMU strives to integrate sustainable practices into its academic framework, research initiatives, and campus operations.

With the launch of the SMU 2025 strategic plan in 2020, ‘Sustainable Living’ was established as one of the University’s three strategic priorities, alongside ‘Digital Transformation’ and ‘Growth in Asia’. Further underscoring its commitment to sustainability, the SMU Sustainability Blueprint was developed in 2022, to chart the university’s actions forward in concerted ways across four key strategies:

1. Cultivate a Greener University;
2. Develop Change Agents;
3. Drive Impactful Research; and
4. Foster Resilient Communities

1. Cultivate a Greener University

Since its inception, SMU has been committed to creating a clean, green and healthy environment for our community. We have also contributed to a shift in the behaviour of our faculty, staff and students towards resource conservation, through dedicated awareness initiatives. Our goals:

- Sustainable energy use
- Sustainable construction and refurbishment
- A zero waste campus
- Sustainable water management
- Sustainable procurement
- Sustainable investing

2. Develop Change Agents

SMU aims to prepare students as future sustainability leaders and active global citizens, through transformative education and holistic learning experiences. By unpacking what it means to be active global citizens, graduates can develop the skills and knowledge necessary to create a sustainable future for all. Our goals:

- Embed sustainability education across the curriculum
- Integrate sustainability into SMU co-curriculum

3. Drive Impactful Research

Our research stands out through an emphasis on management and social sciences, as opposed to physical science and engineering focus adopted by other institutions. We also go beyond environmental sustainability aspects to include sustainable communities and society. This emphasis on the humanities, social and management aspects will continue. Our goals:

- Develop high-quality sustainability research, focusing on areas that amplify SMU's strengths
- Develop global and local research partnerships
- Put sustainability ideas into practice on campus

4. Foster Resilient Communities

Beyond environmental sustainability, we recognise the importance of a resilient SMU community – so that we may not only recover from adversity, but also thrive amid social crises. Our social responsibility also encompasses the building of a diverse community, where we learn to be more inclusive and celebrate our differences. Our goals:

- Promote a holistic approach towards the wellbeing of SMU community
- Promote a diverse and inclusive community on campus

The SMU Sustainability Blueprint provides a framework for the University to integrate sustainable technologies and practices into the planning, management and deployment of its resources; prepare students as future sustainability leaders through transformative education and holistic learning experiences; produce and disseminate impactful sustainability research with an emphasis on the management and social sciences; and create a safe, inclusive and empowering environment for the SMU community to flourish.

Informed by the United Nations 17 Sustainable Development Goals (“SDGs”) and aligned with the Singapore Green Plan 2030, the SMU Sustainability Blueprint serves as a tangible pathway to a more sustainable future and is a call to action for the entire SMU community to apply its strengths to global sustainability efforts - to build a more sustainable university, nation, and world.

1.3 Governance and Reporting

The governance of sustainability at SMU is overseen at the highest level by its Board of Trustees. While the Board provides strategic guidance and direction to SMU management, SMU’s University Management Committee and SMU’s Executive Committee are the key approving and oversight bodies on SMU’s sustainability policies, with key initiatives undertaken by relevant sustainability working groups. SMU is also committed to producing an annual Sustainability Report to report on progress made under the SMU Sustainability Blueprint.

1.4 Rationale for Sustainable Financing Framework

Sustainability is a strategic imperative for SMU, integral to the University’s identity and operations. As a leading educational institution for sustainability and sustainable finance, SMU has prepared this Sustainable Financing Framework (the “Framework”), marking a key step in aligning its financial practices with not only its goals set out in the SMU Sustainability Blueprint, but also in the values it imparts to its students.

With a strong commitment to sustainability, SMU foresees a strong pipeline of projects and investments that will have clear environmental and/or social benefits aligned with the SMU Sustainability Blueprint. The Framework covers Green, Social or Sustainability loans or bonds (“SF Transaction(s)”) that SMU may enter in the future and outlines the criteria and guidelines for SMU to allocate and manage the proceeds raised from SF Transactions.

2. Sustainable Financing Framework

This Framework is prepared in line with the following principles (collectively, the “Principles”) to ensure that the SF Transactions from SMU meet the market best practices:

- Green Loan Principles 2025 (“GLP”) and Social Loan Principles 2025 (“SLP”) published by the Loan Market Association, Asia Pacific Loan Market Association and Loans Syndications and Trading Association;
- Green Bond Principles 2025 (“GBP”), Social Bond Principles 2025 (“SBP”), and Sustainability Bond Guidelines (“SBG”) by the International Capital Markets Association; and
- Association for Southeast Asian Nations (ASEAN) Green Bond Standards 2018 (“AGBS”), ASEAN Social Bond Standards 2018 (“ASBS”), and ASEAN Sustainability Bond Standards 2018 (“ASBS”) by the ASEAN Capital Markets Forum.

Following the Principles, the Framework comprises 4 pillars:

1. Use of Proceeds;
2. Process for Project Evaluation and Selection;
3. Management of Proceeds; and
4. Reporting

For the avoidance of doubt, the SF Transactions may be in any currency, tenor or with other terms and conditions including covenants, to reflect the financing strategy of SMU.

2.1 Use of Proceeds

SMU shall use the proceeds from the SF Transactions to finance and/or re-finance in whole or in part, new or existing Eligible Green and/or Social Projects to support its goals outlined in the SMU Sustainability Blueprint.








Potential expenditures that fall under the Eligible Green and/or Social Project Categories may include:







- Infrastructure and capital expenditures;
- Operational and maintenance expenditures; and
- Research and development expenditures.



The Eligibility Criteria for the Eligible Green and Social Projects are defined in Sections 2.1.1 and 2.1.2 respectively.

2.1.1. Eligible Green Projects

Where relevant and applicable, the Eligibility Criteria below has been developed with reference to the Singapore-Asia Taxonomy December 2023 issued by the Green Finance Industry Taskforce convened by the Monetary Authority of Singapore.




| Eligible Green Project Categories | Eligibility Criteria | Contribution to the United Nations SDGs |
|--------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Green Buildings | <ul style="list-style-type: none"> Buildings that meet the prevailing Building and Construction Authority's ("BCA") Green Mark certification through: <ul style="list-style-type: none"> New construction Renovation of existing buildings Acquisition of buildings Any other recognised green building certification that is of equivalent standard |   |
| Information and Communications Technology | <p>Data Centres On-premise or co-location green data centres that meet the following requirements:</p> <ul style="list-style-type: none"> BCA-IMDA Green Mark Scheme for New Data Centres – Platinum rating, for new facilities located in Singapore, or other recognised green data centre certification that is of equivalent standard; Retrofitting of existing data centres to reach BCA-IMDA Green Mark Scheme for Existing Data Centres – Gold^{Plus} rating, or other recognised green data centre certification that is of equivalent standard, for retrofitting of existing facilities located in Singapore, with a pathway of reaching Power Usage Efficiency (PUE) (at full capacity) green criteria from 2030; and Global warming potential (GWP) of refrigerants used in the data centre cooling system does not exceed 675. |   |
| Energy Efficiency | <p>District Cooling Systems All activities related to district cooling systems.</p> <p>Installation, Maintenance, Repair of Equipment:</p> <ul style="list-style-type: none"> Equipment within the two highest energy efficiency classes for equipment, as determined by relevant international labelling scheme or Singapore regulations; and Water-cooled building cooling system – with total system efficiency (TSE) of $\leq 0.9 \text{ kW/ton}$, or chilled water system efficiency of $\leq 0.65 \text{ kW/ton}$. |    |

| | | |
|-----------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Renewable Energy | <ul style="list-style-type: none"> • All solar energy generation and storage capacity, and supporting infrastructure; and • Renewable Energy Certificates (RECs) from renewable energy facilities connected to a grid operated by a Singapore regulated-entity and which is located in Singapore, or contractually supplying electricity in Singapore, or located in Southeast Asia, and which meet national, regional or international standards for RECs such as the Singapore Standard SS 673. |   |
| Clean Transportation | <p>Low carbon transport infrastructure, such as:</p> <ul style="list-style-type: none"> • Electric vehicle charging solutions; • Pavements, bike lanes and pedestrian zones; • Parking provisions for active mobility modes; and • Electrical charging and hydrogen refuelling installations for personal mobility devices. |  |
| Pollution Prevention, Control and Circular Economy | <p>Sustainable Procurement Products and materials with ecolabels by national, regional, or internationally recognised and reputable certification schemes, including but not limited to:</p> <ul style="list-style-type: none"> • Singapore Green Labelling Scheme by the Singapore Environment Council (SEC); • EU Ecolabel; and • Forest Stewardship Council (FSC) label. <p>Waste Management Facilities, systems and equipment for the collection and treatment of food waste on campus, including but not limited to the installation of food waste biodigesters.</p> |   |
| Sustainable Water and Wastewater Management | <p>Products and equipment enabling efficient water management and water recycling such as smart water metering systems and sensors, and rainwater harvesting and re-use systems.</p> |  |

| | | |
|----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Climate Change Adaptation | <p>Activities to reduce climate related risks and strengthen campus climate resilience, including but not limited to:</p> <ul style="list-style-type: none"> • Measures to achieve heat resilience, such as the use of heat reflective paint on building exteriors; • Flood defence systems; and • Research & Development dedicated to climate change adaptation measures. |   |
|----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

2.1.2. Eligible Social Projects

Potential social expenditures are expenditures used to finance projects that address social issues and fall under the Eligible Social Project Categories. While projects may align with more than one project category, projects are listed in the category that best fits their primary impact objective.

| Eligible Social Project Categories | Eligibility Criteria | Contribution to the United Nations SDGs |
|-------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Access to Essential Services | <p>Access to Quality Education Programmes that promote access to affordable and inclusive education and knowledge. Examples include but are not limited to the following:</p> <ul style="list-style-type: none"> • Financial aid to students from low-income households¹; • Investments in new facilities or retrofit of existing education facilities to be child, disability and gender sensitive and provide safe, non-violent, inclusive and effective learning environments for all; and • Programmes that enhance knowledge transfer and promote equitable access to scientific research, such as Open Access Research programmes. <p>Access to Affordable Quality Healthcare Programmes, resources and/ or facilities that promote mental health and well-being among students.</p> |    |

¹ Defined as students with a family household income where the gross monthly per capita income is in accordance with prevailing Singapore Ministry of Education guidelines.

2.1.3. Exclusion List

For the avoidance of doubt, any business activities that are directly and knowingly supporting fossil fuel energy generation, coal mining, the weapons industries, tobacco, adult entertainment or gambling activities or activities that involve the capturing and trading of endangered or critically endangered species, shall not be eligible for a SF Transaction.

2.2 Process of Project Evaluation and Selection

The process for project evaluation and selection plays a key role in ensuring that the proceeds from the SF Transactions will be used for projects that meet the Eligibility Criteria outlined in the Sustainable Financing Framework. SMU may engage staff or relevant subject experts from various functional areas to identify and select Eligible Green/Social Projects to be included in an Eligible Project List, after which the shortlisted projects will be tabled for approval as follows:

- The Office of Finance will initially select the Eligible Green and Social Projects in accordance with the Eligibility Criteria. The sustainability objective of each Eligible Project will be communicated. The Office of Finance may engage relevant subject experts in selecting the eligible green and social projects, where necessary.
- Potential environmental and social risks associated with the proposed Eligible Green/Social Projects will be assessed and managed by the relevant teams. If any environmental or social risks are raised during the life of the SF Transaction, this will be subject to the relevant teams, together with the Office of Finance, evaluating the impact and escalating the process to the relevant sustainability working group.
- All Eligible Green and Social Projects will be jointly approved by the relevant sustainability working group and the Chief Financial Officer.

2.3 Management of Proceeds

The net proceeds from the SF Transactions, or amount equal to the net proceeds, will be allocated exclusively to the Eligible Green and/or Social Projects. If there are outstanding proceeds, the Office of Finance will manage the Eligible Project List through its internal system and periodically monitor the balance of the tracked proceeds.

Where necessary, additional Eligible Green and Social Projects shall be added to ensure sufficient and timely allocation of the incremental net proceeds. During the life of the SF Transaction, if a project ceases to fulfil the Eligibility Criteria, SMU will, on a best effort basis, remove the project from the portfolio of Eligible Green and Social Projects and replace it as soon as reasonably practicable. Any addition will follow the process described in Section 2.2. The University will not list eligible expenditures more than once in the allocation of the net proceeds.

Where the allocation of proceeds is pending due to there being insufficient approved Eligible Green and Social Projects at any given time during tenor of the SF Transaction, SMU may deploy the proceeds at own discretion in cash or cash equivalent instruments, marketable securities or alternative investments in accordance with its approved investment policy in the interim, which may be liquidated promptly in accordance with planned allocation purposes.

2.4 Reporting

SMU is committed to transparency in its reporting on its SF Transaction. SMU will disclose the relevant reporting methodology and calculation assumptions used in the report to bondholders and/ or lenders.

2.4.1. Allocation Reporting

Green, Social, and Sustainability Bonds

SMU will provide an annual report of the allocation of the proceeds on its website until full allocation of the net proceeds of any outstanding Green, Social, or Sustainability Bonds, or in a timely basis in the event of material development. The report will include:

- The total amount of proceeds allocated and the balance of unallocated proceeds;
- Share of proceeds used for new financing vs. re-financing;
- A breakdown of allocations and a brief description of each eligible project;
- Where feasible, impact reporting using relevant quantitative performance indicators (e.g., energy savings, greenhouse gas emissions avoided, etc.); and
- External assurance or review of the allocation report, where appropriate.

Green, Social and Sustainability Loans

SMU will make the information readily available to the lenders upon request.

2.4.2. Impact Reporting

Green, Social, and Sustainability Bonds

SMU will provide an annual report on the impact of the projects until full bond allocation, using relevant indicators in relation to the Eligible Green/Social Project(s). Examples of such indicators may include:

Green Indicators

| Category | Indicator |
|--------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Green Buildings | <ul style="list-style-type: none">• Number of green buildings, including the scheme and certification level• Reduction in Energy Use Index (EUI) (kWh/m2) |
| Information and Communications Technology | <ul style="list-style-type: none">• Number of green data centres, including the scheme and certification level• Greenhouse gas (GHG) emissions reduced/ avoided in tonnes of CO₂ equivalent |

| | |
|-----------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Renewable Energy | <ul style="list-style-type: none"> • Annual GHG emissions reduced/ avoided in tonnes of CO₂ equivalent • Annual on-site renewable energy generation in MWh • Annual renewable energy certificates purchased and retired in MWh |
| Energy Efficiency | <ul style="list-style-type: none"> • Annual energy savings in MWh • Annual GHG emissions avoided/reduced in tonnes of CO₂ equivalent |
| Clean Transportation | <ul style="list-style-type: none"> • Number of new EV charging points installed |
| Pollution Prevention, Control and Circular Economy | <ul style="list-style-type: none"> • Annual amount of sustainability-certified goods purchased in S\$ • Annual absolute amount of food waste that is separated and/or collected and treated in tonnes per annum • Reduction in Waste Disposal Index (WDI) (kg/pax/day) |
| Sustainable Water and Wastewater Management | <ul style="list-style-type: none"> • Annual absolute amount of water collected/treated (m³) • Reduction in Water Efficiency Index (WEI) (litres/pax/day) |
| Climate Change Adaptation | <ul style="list-style-type: none"> • Description of climate adaptation programmes rolled out during the year |

Social Indicators

| Category | Indicator |
|-------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Access to Essential Services | <ul style="list-style-type: none"> • Number of students who have received financial aid • Building user-friendliness rating for persons with disabilities, the elderly, families with young children, and expectant or nursing mothers, according to the BCA Universal Design Rating scheme |

Green, Social and Sustainability Loans

SMU will make the necessary information readily available to the lenders upon request.

2.5 External Review

2.5.1. Pre-Issuance External Review

SMU has engaged Moody's Ratings to provide a Second Party Opinion (SPO) on its Framework. This review is performed to confirm the alignment of this framework with the core components of the Principles.

This review is done on a one-off basis unless there are material changes to this Framework and will be made available on SMU's website.

2.5.2. Post-Issuance External Review

SMU will engage an independent provider to provide annual external verification on the alignment of the annual allocation reporting with the Framework, until full allocation and in case of material changes.

The post-issuance verification report will be made available on SMU's website.



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