

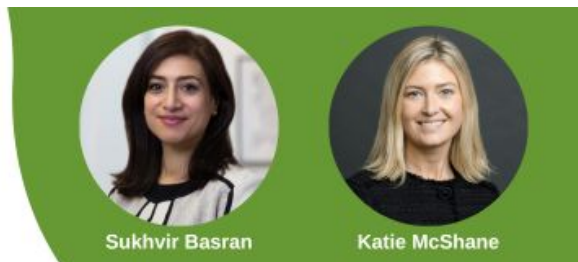
Fund Finance Friday



ESG in Fund Finance: Spotlight on Sustainability-Linked Loans

July 14, 2023

ESG IN
FUND
FINANCE
WEBINAR



Cadwalader partner **Sukhvir Basran** and special counsel **Katie McShane** will lead a Strafford CLE video webinar this Tuesday on ESG in fund finance, with a specific focus on how to structure and draft Sustainability-Linked Loans (“SLLs”) in order to help achieve ESG-related objectives.

Sukhvir and Katie will discuss the LSTA and LMA Sustainability-Linked Loan Principles and related guidance (SLLP Guidance), and the recently published LSTA and LMA SLL drafting guidance. In addition, the webinar will examine the challenges faced in selecting key performance indicators (KPIs), setting of sustainability performance targets (SPTs), agreeing on sustainability-related reporting obligations, the role of the sustainability agent, consequences of sustainability-related breaches, and how to identify and prevent greenwashing.

SLLs are any type of loan instruments that incentivize the borrower’s achievement of ambitious, predetermined sustainability performance objectives. SLLs therefore encourage borrowers to contribute to sustainability. For such a role to be played and for the market to thrive, integrity is of the utmost importance.

The webinar outline includes:

- Why funds and lenders are increasingly including ESG criteria in commercial loans
- Use of proceeds loans and sustainability-linked loans
- The core components of the SLLP
- SLL Model Provisions – best practice
- Challenges in structuring SLLs
- Mitigating the risk of greenwashing
- What’s next for SLLs?

In addition, the webinar will review these and other relevant issues, including:

- What are the benefits to borrowers and lenders in addressing ESG considerations in a loan transaction?
- What are the LSTA and LMA Sustainability Linked Loan Principles and the guidance that has been published with respect thereto, and what are the key differences?
- What is the LSTA and LMA guidance on drafting SLL-related provisions for U.S.- and UK-style credit agreements?
- How to structure ESG in Fund Finance. For example, what are some sample ESG targets used in Fund Finance, and how do these vary depending on the type of facility?
- The role of the sustainability agent.

- Determining reporting requirements.
- How can the failure to meet performance targets be addressed in the loan documents?
- What is greenwashing and how can it be prevented and mitigated against?

You can register [here](#) for Tuesday's program, which will be held from 1:00-2:30 p.m. EDT.