

Supporting Thailand's second Sustainability-Linked Bond

Standard Chartered · Mei Lam · 2026-09-17 · English original

The Sustainability-Linked Bond is Thailand's second, and the first sovereign SLB in Asia to integrate biodiversity KPIs.

Standard Chartered acted as Joint Sustainability Structuring Bank, Joint Bookrunner and Joint Lead Arranger on Thailand's THB25 billion 15-year 8-month Sustainability-Linked Bond (SLB), led by the Kingdom's Public Debt Management Office (PDMO).

In a breakthrough for nature, it marks the first time a sovereign issuer in Asia has embedded biodiversity targets within a Sustainability-Linked Financing Framework.

The transaction builds on the success of Thailand's inaugural SLB, also supported by the Bank, and affirms its continued leadership in sovereign sustainability-linked financing.

Advancing Thailand's sustainability ambitions

The SLB will be linked to two sustainability key performance indicators (KPIs):

- Reducing net greenhouse gas emissions in line with Thailand's path to NZE 2050, including from land use, land-use change and forestry, to 152 million tonnes of carbon dioxide equivalent by 2035, representing a 47 per cent reduction from 2019 levels.
- Increasing protected terrestrial and inland water areas, alongside biodiversity conservation areas outside formally protected zones, to at least 30 per cent of Thailand's total land area by 2030.

Standard Chartered provided support to the PDMO in developing the nature-related component of the framework, drawing on its expertise in nature finance.

Why this matters

The transaction makes Thailand the first sovereign issuer in Asia to embed biodiversity targets within a Sustainability-Linked Financing Framework, setting a precedent for integrating KPIs that support the 30×30 target under the Kunming-Montreal Global Biodiversity Framework.

Thailand's Sustainability-Linked Financing Frameworks demonstrate how sustainability-linked financing can be integrated into a sovereign's mainstream funding programme, while mobilising domestic and international capital in support of long-term sustainable development ambitions.

This second SLB will further stimulate Thailand's growing sustainability-linked finance market, building on the momentum created by the Kingdom's inaugural SLB and ESG-linked bond issued in 2024.

Issued in Thai Baht in Thailand's domestic market, the latest transaction builds on the Kingdom's position of strength as a pioneer in sustainable sovereign financing.

Spotlight on Thailand's inaugural sustainability-linked bond

Thailand's inaugural SLB was the first sovereign sustainability-linked bond in Asia and only the third globally.

It raised more than THB230 billion in local-currency financing through multiple reopenings and helped establish Thailand's 15-year benchmark government bond while supporting progress towards national climate goals, including the expansion of electric vehicle adoption and broader climate policy implementation.

Thailand's first SLB also helped stimulate the development of the country's broader sustainability-linked finance market by providing a strong signal to domestic and international market participants.

Our role

Standard Chartered was the only international bank directly involved in both the inaugural and second Thailand SLB transactions.

Our Debt Capital Markets team played a key role in supporting the development of the Kingdom's inaugural Sustainability-Linked Financing Framework in 2024, working alongside the Asian Development Bank and other stakeholders to align the structure with international market standards and investor expectations.

Standard Chartered also acted as the Joint Sustainability Structuring Bank in preparing the framework for this second SLB in August 2026.

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Standard Chartered has an important role to play in supporting our clients, sectors and markets to deliver net zero, but to do so in a manner that supports livelihoods and promotes sustainable economic growth. We currently provide financial services to clients, sectors and markets that contribute to greenhouse gas emissions however we're committed to net zero in our financed emissions by 2050.

Source: <https://www.sc.com/en/news/corporate-investment-banking/supporting-thailands-second-sustainability-linked-bond/>