

Haynes Boone-Written Sustainability-Linked Loan Guidance Receives Widespread Media Coverage

March 26, 2024 Deborah Low

PRACTICES Environmental, Social and Governance, Finance, Fund Finance

The Loan Syndications and Trading Association (LSTA) and the Loan Market Association (LMA) recently published their first-ever guidance on the application of Sustainability-Linked Loan (SLLs) principles in fund finance transactions. The ESG Practice Group at Haynes Boone, led by Partner [Deborah Low](#), served as project counsel in drafting the new guidance.

Deborah spoke with news outlets discussing the new guidance. Below are excerpts of her conversations:

Loan Market Association – [Integrating ESG into Fund Finance](#):

“This is a dynamic and innovative market, where multiple strategies have been adopted to progress increasing adoption of sustainability-linked loan provisions into fund finance transactions. These strategies are by no means exhaustive and we expect to see further adaptation take place moving forward as drivers to adopt ESG continue to surge ahead.”

Private Funds CFO – [Guidance Seeks to Give Fund Finance a Clearer Sustainability Path](#):

“SLLs are designed so that borrowers who meet bespoke sustainability performance targets, or SPTs, can benefit from a lower spread (or be punished by a higher one) on the interest rate they pay.”

Deborah, founder of Haynes Boone’s [ESG Practice Group](#) and a partner in the [Finance Practice Group](#), is among the 2023 recipients of the New York Legal Awards, presented by the New York Law Journal. She has been honored with a [Rising Star award](#), a distinction given to the New York legal community’s emerging leaders.

Deborah’s ESG practice focuses on advising clients on sustainability-linked and green loans, as well as working with other firm practice groups to advise companies on policies and practices that reduce negative environmental impact and improve social equity. She also works on a wide array of finance transactions, specializing in fund finance, leverage finance, corporate debt and project finance.