



GUIDELINES
FOR
ISSUE OF CORPORATE AND GREEN BONDS
IN MAURITIUS

Issued under section 7(1) (a) of the Financial Services Act 2007

23 DECEMBER 2021

Information note:

In June 2021, the Bank of Mauritius published a Guide for the Issue of Sustainable Bonds in Mauritius (the “Guide”). The Guide was issued with a view to assisting potential issuers in better understanding the legal and regulatory requirements for the issue of sustainable bonds and the listing of these bonds on exchanges licensed in Mauritius. In the same line, the Guidelines for the Issue of Corporate and Green Bonds in Mauritius (‘FSC Guidelines’) issued by the Commission, inter alia, further supplements the Guide by elaborating on various regulatory requirements to be adopted by the Issuers in line with international best practices for the issuance of Green Bonds.

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CHAPTER 1: GENERAL OVERVIEW

PART 1 – PRELIMINARY

1.1 Objective

These Guidelines set out the expectations of the Financial Services Commission, Mauritius (the ‘Commission’) on the issuance of corporate and green bonds in Mauritius.

These Guidelines are issued pursuant to the powers conferred to the Commission under section 7(1)(a) of the Financial Services Act (‘FSA’). These Guidelines also serve to clarify the regulatory roles of the Commission in supervising such financial instruments.

1.2 Scope

These Guidelines in line with international norms describe the practices and procedures to be adopted by issuers of corporate and green bonds. They are not intended to replace or override any provisions under the law. They should be read in conjunction with the provisions of the Securities Act 2005 (‘SA’), the Securities (Public Offers) Rules 2007, the Securities (Preferential Offer) Rules 2017 and any regulations, rules, circulars, notices that the Commission may issue from time to time and other applicable laws.

1.3 Application of these Guidelines

These Guidelines shall apply to all reporting issuers registered under the SA and issuers as defined under section 2 of the SA satisfying the requirements of part 4.1 of these Guidelines and undertaking a minimum size issue of MUR 100 million or equivalent.

The minimum size issue threshold of MUR 100 million or equivalent will not be applicable for issue of green bonds. Notwithstanding the above, issuers of green bonds instruments will still have to comply with the provisions of these Guidelines.

1.4 Interpretation

In these Guidelines, unless the context otherwise requires,

approval	means an approval, authorisation or recognition granted by the Commission, as the case may be
Commission	Financial Services Commission, Mauritius
Corporate Finance Adviser	Holder of an Investment Adviser (Corporate Finance Advisory) Licence
Government Bond Yield Curve	The yield on a government bond is the interest rate that the government borrows at
Greenwashing	making false or misleading claims about the green credentials of financial products.
issuer	means a person or any other entity that issues, has issued or is going to issue securities and as defined under part 4.1 of these Guidelines
IPA	Issuing and Paying Agent means the holder of a registrar and transfer agent licence
IOSCO	International Organisation of Securities Commissions
FSA	Financial Services Act
AML/CFT Handbook	Anti-Money Laundering and Combatting the Financing of Terrorism Handbook 2020
FIAMLA	Financial Intelligence and Anti-Money Laundering Act 2002
MCIB	Mauritius Credit Information Bureau
MUR	Mauritian Rupees
Sophisticated Investors	As defined under section 2 of the Securities Act
SA	Securities Act
USD	United States Dollars

1.5 Effective Date

These Guidelines shall come into effect on 23 December 2021.

CHAPTER 2: CORPORATE BONDS

PART 2 – OVERVIEW OF CORPORATE BONDS

2.1 Definition of Corporate Bonds

IOSCO has released several reports on Corporate Bonds including the reports entitled “*Transparency of Corporate Bond Markets*”, where corporate bonds have been defined as “*debt instruments denoting the obligation of an issuer/company to satisfy a holder’s claim to capital repayment and interest (and/or any other commitments entered into by the issuer)*”.

A corporate bond must have, among others, the following characteristics:

- (i) Denominated in MUR, USD, Euros or in any other currency acceptable to the Commission;
- (ii) A tenure of more than one year (more than 365 days);
- (iii) Fixed term with principal and any accrued interest/returns payable at maturity;
- (iv) Fixed or variable rate of return rate;
- (v) Interest/return/profit to be paid periodically on certain specified intervals from the issue date, except for zero-coupon corporate bonds without periodic distribution; and
- (vi) Excludes all government bonds.

2.2 Key players in the Bond Market

Key players in the corporate and green bond markets include, amongst others, the following:

- Investors (institutional/retail including sophisticated investor);
- Issuers;
- Credit Rating Agency;
- Investment Dealers (full service dealer including underwriting);
- Investment Advisers;
- Registrar and Transfer Agent;
- Underwriters;
- Legal Advisors;

- Securities Exchanges; and
- Regulator.

PART 3 – METHOD OF ISSUE

In Mauritius, corporate and green bonds can be issued in two ways, namely,

- (a) Public Offer; and
- (b) Preferential Offer.

3.1 Public Offer

When making an offer to the public, the corporate or green bonds issuer(s) must register a prospectus with the Commission in line with the SA and the Securities (Public Offers) Rules 2007.

Part V of the SA and the Securities (Public Offers) Rules 2007 provide for the conditions to be fulfilled when making an offer of securities to the public, as well as the contents of the prospectus. The Commission has also issued a Circular Letter regarding the procedures to register a prospectus.

Please refer to <https://www.fscmauritius.org/media/2425/circular-letter-procedures-for-registration-of-prospectus-24-sep-15-89485.pdf>

The issuer has to make a compulsory registration with the Commission as a reporting issuer pursuant to section 86 of the SA and rule 3 of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007.

3.2 Preferential Offer

A preferential offer, as per Rule 2 of the Securities (Preferential Offer) Rules 2017, is defined as:

- (i) an offer or issue of securities that is a private placement;
- (ii) an offer or issue of securities that is made only to sophisticated investors; or

- (iii) an offer or issue of securities only to related corporations of the issuer of the securities.

Corporate or green bonds issued by way of a preferential offer must satisfy, *inter alia*, the following rules of the Securities (Preferential Offer) Rules 2017:

- (a) Rule 4 - Conditions to be fulfilled
- (b) Rule 5 - Allotment of securities
- (c) Rule 6 - Notification to the Commission
- (d) Rule 7 - Contents of the Preferential Offer document
- (e) Rule 8 – Rating and listing of debt securities
- (f) Rule 9 - Minimum cost of subscription for a private placement

PART 4 - REQUIREMENTS

4.1 Eligible Issuers

An eligible issuer of corporate and green bonds may be:

- (i) a reporting issuer as defined under section 86 of the SA and duly registered with the Commission; or
- (ii) an 'issuer' as defined under section 2 of the SA and satisfying the following requirements:
 - (a) Net Asset
The company has, at any point in time, not earlier than 18 months prior to the proposed issue of corporate bonds, net assets of a total value exceeding MUR 100 million or its equivalent, as certified by its external auditor(s) and reflected in its audited financial statements.
 - (b) Track Record
The company has been in existence for at least three years and:
 - (A) Has positive net profits after tax over the last twelve months' financial periods preceding the application for the issue; or

(B) Has a Debt/EBITDA for the last two financial periods preceding the issue maintained at a weighted average of 4 times or less.

(c) Credit History

The company does not have a history of recurrent default/late payments based on its MCIB or any relevant reports at the time of issuance.

(iii) in relation to an issue of green bonds, a person that does not meet the requirements of part (i) or part (ii) but proposes to issue green bonds to sophisticated investors only until such time that it meets the requirements of part 4.1(i) and (ii) and such information is disclosed in an appropriate manner.

4.2 Eligible Investors

Corporate or green bonds may be issued to and held by companies or other persons.

4.3 Notification to the Commission

(i) The issuer shall, not later than 10 days after the corporate or green bond offer is made, notify the Commission of that offer in the event the offer is made as a preferential offer.

(a) The notification under paragraph (i) above must be accompanied by the information as per **Annex 1**; and

(b) A statement signed by all directors of the issuer to the effect that they accept full responsibility for the contents of the documents submitted to the Commission and should be accompanied by the documents as per **Annex 2**.

4.4 Form of corporate and green bonds

The corporate and green bonds shall be issued in the form of debentures under the Companies Act 2001 and held in dematerialised form.

The corporate and green bonds must be denominated in MUR, USD, Euros or in any other currency acceptable by the Commission.

4.5 Tenor of corporate bonds

The corporate bonds shall be issued in maturities of more than 365 days.

4.6 Mode of issue

4.6.1 Minimum size of issue

These Guidelines apply to a minimum size issue of MUR 100 million or its equivalent in any other currency acceptable to the Commission. For any issuance below this threshold, the issuer must comply with the relevant applicable rules such as the Securities (Public Offer) Rules and the Securities (Preferential Offer) Rules.

4.6.2 Minimum issue of the lots

The minimum issue lot shall be MUR 1 million for corporate or green bonds issued under preferential offer and MUR 100,000 for corporate or green bonds issued through public offer.

The corporate or green bonds shall be issued at a price that is near to or at the par value.

4.6.3 Coupon Rate

The coupon on the corporate and green bonds shall be determined by the issuer taking into consideration the prevailing Government Bond Yield Curve and any other relevant market rates and risk premium.

The following market conventions shall be applicable:

- Yields on the corporate and green bonds shall be rounded to 2 decimal points and prices shall be rounded to 3 decimal points; and
- The day count convention shall be Actual/Actual.

4.7 Utilisation of Proceeds

An issuer must ensure that proceeds from the corporate or green bonds are utilised strictly in accordance with the purposes disclosed.

Where the proceeds are utilised for a project which will generate cash flow for payments to bondholders, the issuer must ensure that the transaction documents relating to the corporate or green bonds include the relevant parameters, conditions, supporting documents, where applicable, to manage the release of the proceeds to the issuer.

4.8 Underwriting

A public issue of corporate or green bonds may be underwritten by a licensed Investment Dealer in the category of full service dealer including underwriting and in such a case adequate disclosures regarding underwriting arrangements shall be disclosed in the offer document.

4.9 Transactions in corporate and green bonds

4.9.1 Trading

- (i) Corporate and green bonds, not listed on a securities exchange, may be traded Over the Counter ('OTC') on the secondary markets.
- (ii) Settlement for OTC trades of corporate and green bonds shall not exceed T+3.

4.9.2 Buyback

- (i) An issuer may buy back corporate or green bonds from current holders before maturity, subject to the approval of its Board of Directors.
- (ii) Buyback of a corporate or green bonds shall take place through the IPA.
- (iii) The buyback offer shall be extended to all investors in the corporate or green bonds issue.

4.9.3 Transfer

- (i) The corporate or green bonds shall be transferable.
- (ii) The issuer shall recognize the investor whose name is last registered in the books of the IPA.

4.10 Redemption

On maturity, the IPA shall receive payment from the issuer and shall effect payment to the holder of the corporate or green bonds through direct transfer into a bank account or as agreed with the investor.

Where the maturity date falls on Saturday or public holiday, payment shall be made on the immediate subsequent working day.

4.11 Restrictions on securitisation

4.11.1 A green bond issued by an issuer that is eligible under part 4.1(iii) shall not be issued to retail investors until such time as the issuer satisfies the requirements of part 4.1(i) or part 4.1(ii).

4.11.2 Subject to part 4.11.3, no person shall issue a derivative instrument which has as underlying asset a green bond issued by an issuer that does not meet the requirements of part 4.1(i) or part 4.1(ii) without the approval of the Commission.

4.11.3 The approval of the Commission shall not be required under part 4.11.2 if the derivative instrument is issued to sophisticated investors only.

4.12 Duties and obligations of parties involved

4.12.1 Duties of the Issuer

The Issuer shall:

- (a) make the disclosure as specified in **Annex 3** in the offer document, together with the information required to be submitted under the Securities (Preferential Offer) Rules 2017 or the Securities (Public Offers) Rules 2007 as applicable;
- (b) ensure that it has appointed a licensed Corporate Finance Adviser and Registrar and Transfer Agent and that the roles and responsibilities of all parties have been clearly defined and understood;
- (c) ensure that the proceeds from the issue of the corporate or green bonds are in line with the end use of the funds as disclosed in the offer document;
- (d) route all subscriptions/redemptions/payments through the IPA;

- (e) submit, within 14 days from the issue date, a certificate to the concerned IPA to the effect that the issue of the corporate or green bonds is adhering to the conditions of the offer document. Once the proceeds raised have been used for the disclosed purpose, same has to be, forthwith, communicated to the IPA; and
- (f) comply with any other requirements as may be specified by the Commission.

4.12.2 Duties of the IPA

The IPA shall:

- (a) enter into a written agreement with the issuer to act as IPA for the issue of the corporate or green bonds;
- (b) ensure that the pricing of the debt securities reflects its credit rating and is in line with market conditions;
- (c) in case of default of the issuer, immediately notify the investors, the credit rating agency and the Commission about such default;
- (d) at maturity, receive funds from the issuer and effect all payments to the investors;
- (e) report the details of issuance of corporate or green bonds to the Commission within seven (7) working days of the day of issuance; and
- (f) report on a half yearly basis to the Commission the outstanding amount of corporate or green bonds issued and other relevant information.

4.12.3 Duties of Corporate Finance Adviser

The Corporate Finance Adviser shall:

- (a) enter into a written agreement with the issuer to act as the Corporate Finance Adviser for the issue of the corporate or green bonds;
- (b) with the written authorisation of the issuer, act as the principal point of contact between the Commission and the issuer;
- (c) verify all information disclosed in the offer document before issuance;
- (d) arrange for the allocation of an International Securities Identification Number code to each corporate or green bond issue, as applicable;
- (e) make clear in the offer document that the investment is subject to credit and other risks and that all payments will be made only if the issuer has made the funds available to the IPA;

- (f) conduct, or arrange the conduct of, a customer suitability assessment to ensure that individual investors understand the risks linked to investment in the bonds of the issuer(s), and that such investment matches their objectives and risk appetite; and
- (g) conduct due diligence checks on the investors in compliance with prevailing legislations on Anti-Money Laundering and Combating the Financing of Terrorism, such as the FIAMLA and the AML/CFT Handbook.

PART 5 – DISCLOSURE REQUIREMENTS

5.1 General Information for corporate and green bonds offerings

5.1.1 Where the corporate or green bonds are to be offered on the securities exchange, the issuer must also comply with the continuous disclosure obligations set out in the SA and the relevant rules of the securities exchange.

5.1.2 In addition to part 5.1.1 above, the issuer must immediately publish the following on the securities exchange for listed bonds:

- any issuance of a new tranche by the issuer, including amongst others, details relating to its credit rating, whether a fixed or floating rate is being paid, its maturity, the actual rate at issue and the spread over the repo rate;
- any change in the terms and conditions of the corporate and green bonds;
- any redemption or cancellation of the corporate and green bonds; and
- any occurrence of an event of default.

5.1.3 The issuer must inform the maturity date of each issuance of the corporate and green bonds at least one month before the maturity date.

5.1.4 In the case of an early redemption of the corporate or green bonds, bondholders must be informed of the relevant details of such redemption.

5.1.5 It is an obligation of the issuer to furnish to the Commission, as soon as possible, any information that may affect the pricing of the bonds.

5.1.6 During the period the corporate or green bonds remaining outstanding, the issuer shall submit to the Commission, on a yearly basis, status of the outstanding bonds within 30 days of delay.

5.2 Corporate Governance and Board Practice

The offer document shall provide details of the issuer's directors and chief executive officer, including, but not limited to the following:

- (a) date of expiry of the current term of office (if applicable) and the period served;
- (b) directors service contracts with the issuer;
- (c) the percentage of interest (direct and indirect) the directors have in the company; and
- (d) composition and scope of functions and powers of the audit committee and remuneration committee of the issuer and other committees of the Board.

5.3 Comprehensive Indebtedness

- (a) The offer document shall contain a comprehensive statement of indebtedness of the issuer including any outstanding convertible debt securities and contingent liabilities prior to the date of the offer document including:
 - (i) the amount and maturity of the outstanding bonds issued or agreed to be issued by the issuer or, if none, a statement to that effect; and
 - (ii) particulars of any bank borrowings of the issuer at the latest practicable date, which shall be stated, or if there are no bank borrowings, a statement to that effect.
- (b) Where the indebtedness is secured, details of the collateral or security provided by/or on behalf of the issuer.
- (c) The issuer's statement of total indebtedness shall reflect the effect of the proceeds from the new issue of bonds.

5.4 Event of Defaults

The issuer is required to detail out all the actions that cause investors to demand full repayment of outstanding balance sooner than it was originally due in the event of default.

CHAPTER 3: GREEN BONDS

PART 6 – REQUIREMENTS FOR ISSUANCE OF GREEN BONDS

This chapter provides the additional requirements that issuers of green bonds need to comply with for the issue of green bonds. This chapter is applicable to the issue of green bonds irrespective of the issue size and the tenor.

6.0 Definition:

A green bond is a debt instrument which facilitates capital-raising and investments into new and/or existing qualifying green projects which have environmental benefits and can mitigate risks associated with climate change.

6.1 The Principles of Green Bonds

The principles developed in this part are based on the recommendations of the International Capital Market Association's Green Bond Principles and best practices observed in green bond markets. These principles are intended to guide issuers in the approach to be taken and practices to be observed when considering the issue of green bonds.

6.1.1 Use of Proceeds

- (a) The proceeds of green bonds may only be used for the funding of qualifying green projects. Such projects should have clear environmental benefits which should be assessed and, where feasible, quantified by the issuer.
- (b) The qualifying green project categories include, but are not limited to:
- Renewable and sustainable energy;
 - Energy efficiency;
 - Pollution prevention and control;
 - Terrestrial and aquatic biodiversity conservation;
 - Clean transportation;
 - Sustainable waste management including recycling, efficient disposal of wastage;

- Climate change adaptation;
- Green buildings;
- Environmentally sustainable management of living natural resources and land use;
- Eco-efficient and/or circular economy adapted products, production technologies and processes; or
- Any other category as may be specified by the Commission from time to time.

(c) Certain green projects may have social co-benefits. In such circumstances, the classification of the proceeds as a green bond should be determined by the issuer based on its primary objectives for the underlying projects.

6.1.2 Project Evaluation and Selection

- (a) Issuers engaging in green bonds issue should establish defined internal processes for the evaluation and selection of projects to be funded by the proceeds.
- (b) Consequently, the issuer should ensure that, at minimum, the following information is disclosed to the investors and the Commission before issuance:
- The internal process for evaluating how the proposed project is classified as a qualifying green project;
 - The expected environmental benefits of the proposed project;
 - The internal process around the selection and approval of the proposed project; and
 - Any green standards or certifications referenced in the proposed project.

6.1.3 Management of Proceeds

- (a) Issuers should establish clearly defined internal mechanisms to manage and track the proceeds of green bonds. This relates to the traceability of the use of invested proceeds as well as the remaining uninvested balance.
- (b) Issuers should ensure that the green bonds proceeds are used exclusively for the qualifying green projects defined before issuance and in compliance with these Guidelines.

- (c) The intended types of temporary placement for the balance of unallocated proceeds should be made known to investors and the Commission prior to issuance.

6.1.4 External Review

- (a) An issuer should appoint an independent external reviewer to carry out a pre-issuance review on the credentials of the projects to be funded by the green bonds and the issuer's compliance with the principles of these Guidelines.
- (b) The independent external reviewer should assess and confirm if:
- the projects to be funded by the green bond proceeds are eligible to be categorised as qualifying green projects;
 - the issuer has established appropriate internal policies, processes, controls and governance mechanisms to comply with the requirements of these Guideline; and
 - the issuer has complied with all the principles outlined in these Guidelines prior to the issuance of the green bond.
- (c) The independent external reviewer should produce a Pre-issuance Review Report clearly stating the procedures performed as part of their review and the conclusion reached.
- (d) The Pre-issuance Review Report should be made available to the investors (in case of a preferential offer) and the Commission at least 14 business days prior to issuance. For public offer, this Pre-issuance Review Report should form part of the offer document.

For the purpose of these Guidelines, an independent external reviewer/certifier may be one of the following and having the relevant and sufficient expertise in the field of Environmental Social Governance:

- (i) An auditor duly registered with the Financial Reporting Council;
- (ii) A credit rating agency duly licensed by the Commission or as recognised by the Commission; or
- (iii) Any other service provider duly recognised by the FSC.

6.1.5 Reporting

- (a) As part of its reporting obligations under the SA, the issuer must incorporate in its annual report a section covering green bonds as detailed below.
- (b) As part of its reporting process, the issuer should prepare, annually throughout the term of the issue, a Green Bond Progress Report for the attention of the investors. The Green Bond Progress Report should prominently be published on the website of the issuer. The aim of the Green Bond Progress Report is to ensure the ongoing transparency and regular disclosure of information about the status of the green bond proceeds.
- (c) The Green Bond Progress Report should include the following information at minimum:
- A list of projects to which the green bond proceeds have been allocated;
 - A description of each project and the corresponding amount disbursed;
 - Where applicable, specifying which project have been financed and refinanced;
 - The environmental impact of the projects;
 - The qualitative and where feasible, the quantitative, key performance indicators used to measure the environmental impact of the projects;
 - The underlying methodology or assumptions used in preparing the key performance indicators;
 - Confirmation of the ongoing eligibility of the projects as qualifying green projects;
 - The balance and type of temporary placement for the unallocated green bond proceeds;
 - The expected remaining timeframe for completion of the projects; and
 - Where confidentiality agreements, competitive considerations or a large number of underlying projects limit the amount of details that can be disclosed, the information should be presented in generic terms or on an aggregated portfolio basis. However, the information provided should be sufficient to enable investors and the Commission to formulate their opinions on the green credibility of the projects.

6.2 The Issuance Process

Preparing the green bond issue:

- (a) A green bond issuer should comply with the principles of these Guidelines along with the relevant provisions of the SA and applicable rules such as the Securities (Public Offers) Rules and the Securities (Preferential Offer) Rules.
- (b) Therefore, the issuer of green bonds is subject to all the requirements applicable to a conventional bond issuer but also the additional requirements defined in this section of the Guidelines so that the market is provided with relevant information.
- (c) Accordingly, an issuer should prepare a Green Bond Memorandum prior to the issue of any green bond. The Green Bond Memorandum is expected to be the main source of disclosure for issuers to demonstrate the greenness of their proposed projects and their application of the principles set out in these Guidelines for the proposed issue. For both public and preferential offers, this Green Bond Memorandum should form part of the offer document.

6.3 Ongoing information

- (a) An issuer should ensure that accurate and timely information are disclosed to investors and the Commission throughout the term of the green bond issue.
- (b) In addition to the Green Bond Progress Report to be produced by the issuer as per part 6.1.5, the occurrence of any event that may have a significant bearing on the green bond issuance process or the expected impact of the qualifying green project should be disclosed by the issuer without undue delay.

6.4 Greenwashing

Green bond issuers must endorse a governance structure to ensure that they are not making false or misleading claims about the green credentials of their financial product(s). To this end, they must, among others, ensure that:

- (a) There is an alignment between the product's sustainability related name and their investment strategies;

- (b) Marketing accurately reflect the product's investment objectives; and
- (c) There are no misleading claims about the product's sustainability related performance.

CHAPTER 4: REGULATORY COMPLIANCE

PART 7 - COMPLIANCE WITH THE GUIDELINES

Non-compliance with these Guidelines will expose the issuers of corporate and green bonds to regulatory actions which may include a direction issued under sections 7 and 46 of the FSA and sanctions under section 7(1) (c) of the FSA.

The FSC will also initiate regulatory actions against issuers who are involved in greenwashing and fails to meet the sustainability related goals on an ongoing basis.

These Guidelines may be subject to review and may be amended by the Commission from time to time.

Annex 1 – Information by Issuer

The information to be provided by the issuer shall, at least, include the following:

- (a) The aim of the proposed issue;
- (b) The total number of securities to be issued;
- (c) The price at which or the price band within which the allotment is proposed;
- (d) The basis on which the price has been reached;
- (e) The class or classes of persons to whom the allotment is proposed to be made;
- (f) The proposed time within which the allotment shall be completed; and
- (g) The investment related strategies.

Annex 2 – Director’s statement - Documents to be submitted to the Commission

- (a) Company profile, including shareholders and ultimate beneficial owners holding more than 15% interest;
- (b) Details of directors and senior management;
- (c) Details of any outstanding corporate or green bonds as on date of new issuance;
- (d) Details of proposed corporate or green bonds issue including amount, current credit rating, its validity and details of IPA including its investment strategies;
- (e) Governance surrounding policy to avoid greenwashing;
- (f) Details on the use of the proceeds i.e. sustainability related performance from risk perspective;
- (g) Source of repayment;
- (h) Details of default, if any, for the past three years;
- (i) All outstanding credit facilities from banks and non-bank financial institution;
- (j) Copy of the offer document; and
- (k) Mauritius Credit Information Bureau Report, as applicable.

Annex 3 - Minimum Disclosure in the Offer Document

The corporate or green bond document shall include, at the minimum, the following:

- (a) Credit rating of the corporate or green bonds, risk factors and management plans for reduction of such risks;
- (b) Purposes of raising fund through corporate or green bonds specifying clearly the amount of fund utilization and identifying various proposed projects with the amount of expenditure for each project and also a description of such projects;
- (c) Implementation schedule for completion of each segment of the project along with the proposed dates of trial and commercial operation of the proposed project;
- (d) Inform investors that the investment is subject to credit and other risks and that payment will be made only if the issuer has made fund available to the IPA;
- (e) Inform investor that in event of default, the investor will receive the same treatment as unsecured creditors in terms of priority of claims as laid down in the Companies Act; and
- (f) Inform investors that the corporate or green bonds will be maintained in dematerialized form.