HOUSING & DEVELOPMENT BOARD

Green Finance Framework
6 Jun 2025

Artist's impression of Rail Green I & II at CCK

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Contents

1 Introduction

The Housing & Development Board (HDB), a statutory board of the Ministry of National Development (MND), was established on 1 February 1960. HDB's mission is to provide quality and affordable public housing for Singaporeans, create vibrant and sustainable towns, and promote the building of active and cohesive communities.

HDB has built more than 1.25 million flats across 24 towns and 3 estates, housing close to 80% of Singapore's resident population, of which about 90% own their home. As Singapore's largest housing developer, HDB plays a key role in supporting the nation's sustainability efforts. Over the years, we have intensified our efforts in sustainable development to address challenges such as climate change, while creating a cleaner and more comfortable living environment for our residents.

2 Environmental Policy

HDB, the leading property developer and owner in Singapore, is committed to be the leader in environmental management. In line with our shared value to care for the environment, we shall:

i. Comply with all applicable environmental laws, regulations and other relevant requirements [1]

ii. Contribute to environmental sustainability by:

- Promoting conservation of energy and efficient use of resources in policy formulation, planning, development, management and maintenance of public housing and commercial buildings;
- Considering environmental requirements in land use and procurement of goods and services; and
- Practising 3Rs (reduce, re-use and recycle) in resource and waste management

iii. Continually improve our environmental performance by setting and reviewing environmental objectives and targets

iv. Communicate with and educate all persons working for or on behalf of HDB, business partners, customers and the public to achieve our environmental goals

As part of HDB's planning and development process, we conduct in-depth environmental studies to assess the expected impact of development on the natural and built environment, where required. The studies guide our development plans for the areas and inform mitigating measures to minimise the impact of development works on the environment.

HDB also actively carries out research and development in technology related to

[1] This includes but is not limited to environmental laws and regulations in Singapore such as the Workplace Safety and Health Act 2006, Code of Practice for Environmental Control Officers for Specified Construction Sites and Environmental Protection and Management Act 1999.

building construction. Our innovations are wide-ranging, including an advanced environmental modelling tool, renewable energy, water and waste management systems, high-quality precast construction, floating wetlands system, new methods of reclamation, smart applications, 3D concrete printing, onsite automations and digital technologies for design and construction. Many of these innovations have received accolades locally and overseas.

HDB's Smart Energy Town was honoured with the IES Sustainability Award in 2023, which recognises outstanding engineering projects promoting sustainability and innovation. HDB's dedication to developing high-quality and sustainable homes is also reflected in the multiple annual awards received from the Building & Construction Authority, such as the Green Mark Universal Design Excellence Award and Construction Excellence awards. The prestigious Built Environment Leadership Platinum Star Award recognises HDB's excellence and leadership in shaping a safe, high-quality, sustainable, and user-friendly built environment for Singapore. Additionally, the Green Mark Platinum Champion Award acknowledges HDB's achievements in advancing environmental sustainability in our developments.

3 Commitment to Sustainability

HDB has gained global recognition for providing a green and socially conscious housing programme, with accolades underscoring the significant positive influence of these projects on the urban landscape and community well-being. These recognitions include the prestigious United Nations HABITAT Scroll of Honour Award in 2010.

As the largest master planner and housing developer in Singapore, HDB is dedicated to enhancing the planning and designs of its towns and flats, to keep pace with the changing demographics and lifestyle trends of its residents.

Over the past decade, a new generation of public housing has been progressively completed, including in new housing areas such as Bidadari, Tampines North, Punggol Northshore, Punggol Point, and Tengah. Besides a quality HDB home, residents also enjoy a comprehensive living environment beyond the flat, with greenery and various amenities.

To leverage key trends and address emerging challenges such as an ageing population, climate change, evolving social aspirations, and Singaporeans' growing desire to be more involved in shaping their living environment, HDB has put in place the 'Designing for Life' roadmap. Supported by three pillars – 'Live Well', 'Live Green' and 'Live Connected', the roadmap marks a concerted shift in focus towards the holistic well-being of residents, focusing on planning and designing around residents' physical, mental, and social needs. Some of the initiatives under the roadmap include Biophilic Town Framework, Smart HDB Town Framework, and the Green Towns Programme.

Given Singapore's ageing population, HDB is also focused on making our estates more senior-friendly. Aligning with the national Age Well SG programme, senior-centric upgrading works will be progressively rolled out to over 20 existing precincts with a higher density of seniors, to help them age well in their homes and communities.

In addition, HDB is spearheading the Health District @ Queenstown initiative together with the National University of Singapore and the National University Health System, working together on pilot initiatives that can address the well-being of elderly residents.

HDB is also committed to occupational safety and health. HDB places utmost importance on the safety and health of all our officers, contractors and visitors, striving for the highest standards and aiming for 0 accidents. To achieve its safety goals, HDB fosters a culture where every officer takes responsibility for workplace safety and health, and adheres strictly to all relevant government regulations, such as the Workplace Safety and Health (WSH) Act. At construction sites, HDB enforces robust safety measures, including the Design for Safety and Safety Disqualification Framework working closely with contractors to ensure safety and health are at the centre of all operations. HDB prioritises safety in our construction projects through comprehensive safety standards and measures specified in HDB's contracts. HDB collaborates with contractors or consultants to review work processes and ensure adequate risk mitigation measures are in place. HDB plans to introduce new incentives to encourage WSH among contractors, including safety recognition, increased tender opportunities, and support for contractors with poor safety records to improve their performance. These efforts underscore our commitment to ensuring a safer work environment across our operations.

HDB has published its inaugural Sustainability Report on 30 December 2024. For more information on HDB's commitment to sustainability, please refer to our Annual Report 2023/2024 and Sustainability Report 2023/2024.

4 Green Finance Framework

As part of our commitment towards the development of green and sustainable homes, HDB has developed this Green Finance Framework (the “Framework”) with an intention to enter into multiple Green Finance Transactions (GFTs) in the future, including but not exclusively Green Bonds and Green Loans.

The Framework is developed in accordance with the:

i. Green Bond Principles (2021) (with June 2022 Appendix 1) by the International Capital Market Association (ICMA);

ii. ASEAN Green Bond Standards (2018) by the ASEAN Capital Markets Forum;

iii. Green Loan Principles (2025) by the Loan Market Association, Asia Pacific Loan Market Association and Loan Syndications & Trading Association; and

iv. Singapore-Asia Taxonomy for Sustainable Finance (2023), by the Monetary Authority of Singapore.

The Framework is structured to address the following four core components in compliance with the above Principles and Standards:

i. Use of Proceeds

ii. Process for Project Evaluation and Selection

iii. Management of Proceeds

iv. Reporting

The Framework is developed in alignment with the Singapore Green Bond Framework (January 2025).

HDB’s Debt and Assets Committee, a Board Committee, approves the Framework. The Debt and Assets Committee endorses HDB’s strategies to meet its borrowing requirements.

4.1 Use of Proceeds

The net proceeds from the GFTs will be used exclusively to finance or re-finance Eligible Green Projects under the Project Category of Green Buildings.

This includes the development of new residential and non-residential HDB projects which are planned to achieve the prevailing BCA Green Mark certification[2], and which commences:

i. during the 24 months prior to the relevant issue date of a green bond / loan; or

ii. after the issue date of a green bond / loan

HDB will allocate at least 50% of the net proceeds to current and future expenditures.

Project Category: Green Buildings	
HDB's Initiatives	New public housing developments will be BCA Green Mark Certified and provided with: • Smart lighting for indoor and outdoor common areas • Re-generative lifts for all residential blocks • Solar-ready roofs
Singapore-Asia Taxonomy activities	3.1. Construction of new buildings
Expected Environmental Benefits	• Reduction in energy use • Reduction of carbon emissions
Contribution to	• UN Sustainable Development Goals • Singapore Green Plan 2030[3] Pillar: Energy Reset

[2a]The latest certification standard as of this version of the Green Finance Framework is the BCA Green Mark 2021 (GM: 2021), which new buildings are required to achieve energy efficiency improvement threshold of ≥50% over 2005 baseline to attain Gold^{Plus}. More information about the BCA Green Mark 2021 can be found at https://www1.bca.gov.sg/buildsg/sustainability/green-mark-certification-scheme/green-mark-2021.
[2b] The bond proceeds relating to outstanding bonds would be used to finance projects which meet the standards applicable at the time that the bonds were issued.
[3] The Singapore Green Plan 2030, or the Green Plan, is a whole-of-nation movement to advance Singapore's national agenda on sustainable development. The Green Plan charts ambitious and concrete targets over the next 10 years, strengthening Singapore's commitments under the UN's 2030 Sustainable Development Agenda and Paris Agreement, and positioning Singapore to achieve its long-term net zero emissions aspiration as soon as viable. More information on the Singapore Green Plan 2030 can be found at www.greenplan.gov.sg.

4.2 Process for Project Evaluation and Selection

The project evaluation and selection process play a key role in ensuring that the proceeds from the GFTs are used to finance or re-finance Eligible Green Projects that meet the criteria specified under the Use of Proceeds section in the Framework.

Project Identification and Selection	The Design Development Group will identify the Eligible Green Projects and seek the Deputy Chief Executive Officer (Building)'s endorsement on the projects to be included in the Green Project Register.
Green Projects Register	Annually, the Finance Group will present the Green Projects Register that could be financed with GFT proceeds to the Chief Executive Officer for review and approval. The Finance Group will keep track of the Green Project Register and will ensure that the allocation of the GFT proceeds is in line with the Framework.

4.3 Management of Proceeds

The net proceeds from the GFTs, or an amount equal to the net proceeds, will be allocated exclusively to the Eligible Green Projects on a portfolio basis. As long as there are outstanding GFTs, the Finance Group will manage the Green Project Register through its internal system and periodically monitor the balance of the tracked proceeds.

HDB will track the proceeds of the green bonds / loans and periodically adjust the balance of the tracked proceeds to match allocations to the Eligible Green Projects on a portfolio basis.

Where the allocation of the proceeds is pending, such amounts will be managed as part of HDB's cash management process which includes short-term balances which may be held by the Accountant-General's Department (AGD) under the Government's Centralised Liquidity Management Framework for Statutory Boards. Any unallocated proceeds will be disclosed as part of HDB's post-issuance reporting.

HDB will ensure the allocation of proceeds to Eligible Green Projects on a portfolio basis no later than 2 years from the date of issuance, subject to market conditions and unforeseen circumstances (e.g. construction delays).

4.4 Reporting

HDB is committed to transparent reporting of our sustainability performance.

i. For Green Bonds, HDB shall publish an annual green finance report by financial year, or as and when there are any material developments. Each green bond will be reported until full allocation of proceeds. The annual green finance report will be audited by an independent assurance provider and will be available on the HDB website.

ii. For Green Loans, HDB shall provide an annual green loan report to the lender(s), or as and when there are any material developments. Each green loan will be reported until full allocation of proceeds. HDB shall be deemed to have provided the information if it is available in the annual report or on the HDB website.

iii. For the above reports, HDB will provide information on the allocation of proceeds towards the Eligible Green Projects and environmental impact of those projects on a portfolio basis. This may include the following information:

Allocation report

- Allocated and unallocated amount
- Share of financing or re-financing of projects
- List of Eligible Green Projects

HDB may choose to present the information in generic terms in the event that confidentiality limits the amount of detail that can be made available.

Impact report

- Where relevant and feasible, HDB may provide information regarding the environmental impact of the Eligible Green Projects financed by the GFT proceeds as well as key underlying methodology and/ or assumptions used in determining quantitative performance.

- The annual green finance report may contain the following indicators for each Eligible Green Category:

Project Category	**Sustainability Indicators**
Green buildings	• Number of new residential and non-residential HDB projects which are planned to achieve the prevailing BCA Green Mark certification • Estimated energy generated from Solar Panels (kWh generated per year)

Project Category	Sustainability Indicators
	• Estimated energy saved at common areas from Smart Lighting, with reference to lighting power budget in SS 530, and Regenerative Lifts, as compared to lifts without regenerative function (kWh saved per year) • Estimated avoided carbon emissions (Kg CO_2 saved per year)

The annual green finance report will be reviewed and approved by the Chief Executive Officer.

5 External Review

HDB has obtained a second-party opinion report from DNV Business Assurance Singapore Pte Ltd to confirm the alignment of the Green Finance Framework with the relevant Principles, standards and Singapore-Asia Taxonomy.

The Framework and the second-party opinion report will be made available on the HDB website (https://www.hdb.gov.sg).

6 Amendments to Framework

HDB will review this Framework on a regular basis, including its alignment to updated versions of the green bond principles, standards and Singapore-Asia Taxonomy, as and when they are released, with the aim of adhering to market best practices. Such review may result in this Framework being updated and amended. The updates, if not minor in nature, will be subject to the prior approval of HDB's Debt and Assets Committee. Any future updated version of this Framework that may exist will either keep or improve the current levels of transparency and reporting disclosures, including the corresponding review by an external reviewer. The updated Framework, if any, will be published on the HDB website and will replace this Framework.

*Fulfilling **Dreams**, Building **Homes**, Creating **Communities***

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