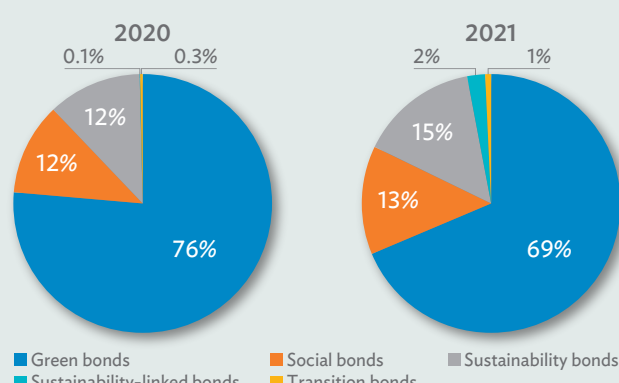


2021 was a banner year for sustainable bonds. The issuance volume of sustainable bonds in ASEAN+3 markets more than doubled in 2021 from a year earlier to reach USD238.7 billion. Green bonds dominated regional sustainable bond issuance in 2021, accounting for 66% of total issuance.

Issuance Volume of Sustainable Bonds in ASEAN+3 Markets



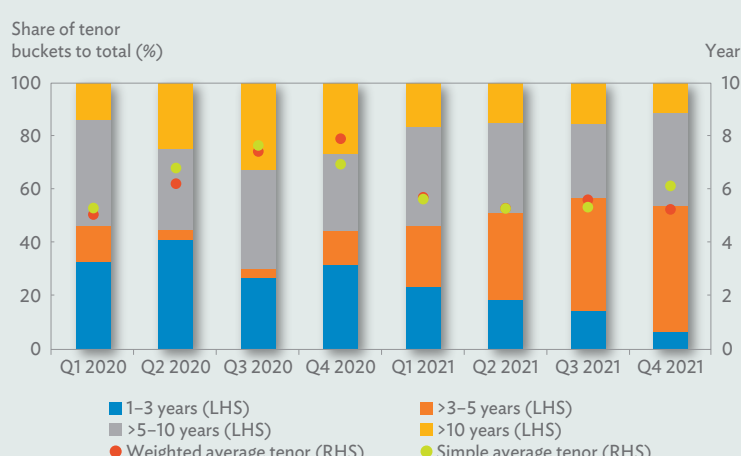
Outstanding Sustainable Bonds in ASEAN+3 Markets by Type of Bond (share of total)



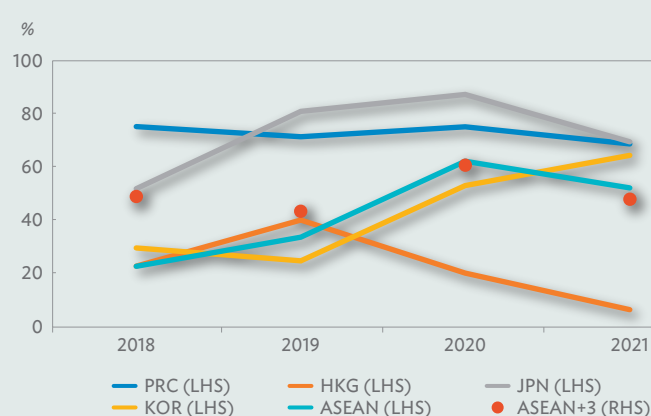
While green bonds continued to dominate ASEAN+3 sustainable bond issuance and bonds outstanding, their share of total outstanding sustainable bonds in ASEAN+3 fell to 69% in 2021 from 76% in 2020. The decline was driven by rising interest in social-related investments during the COVID-19 pandemic.

In Q4 2021, 48.0% of sustainable bonds in ASEAN+3 markets carried a maturity of more than 5 years. The average tenor of bond issuances has increased since Q2 2021. In Q4 2021, the value-weighted average tenor of sustainable bonds reached 8.7 years, while the simple (unweighted) average tenor was 10.5 years.

Maturity Profile Based on Issuance of Sustainable Bonds in ASEAN+3 Markets



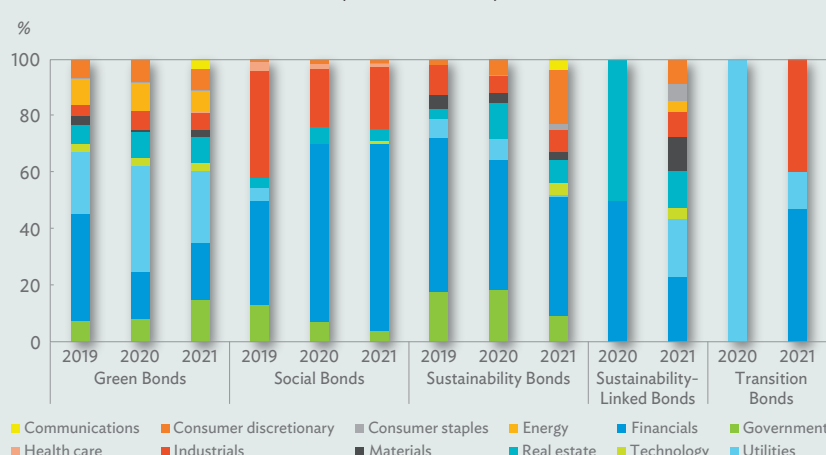
Shares of Local-Currency-Denominated Sustainable Bond Issuance across Markets



Local currency sustainable bonds dominated sustainable bond issuance in ASEAN+3 markets in 2021, accounting for about 64% of total sustainable bond issuance. In recent years, the share of local-currency-denominated issuance has increased in the Republic of Korea, Japan, and ASEAN.

The financial sector dominates issuances of sustainable bonds in ASEAN+3 markets, with issuers becoming more diverse as markets evolve. Green bonds and sustainability-linked bonds have the most diverse issuer profile.

Issuance of Sustainable Bonds in ASEAN+3 by Sector of Issuer (share of total)



ASEAN = Association of Southeast Asian Nations; COVID-19 = coronavirus disease, HKG = Hong Kong, China; JPN = Japan; KOR = Republic of Korea; LHS = left-hand side; PRC = People's Republic of China; Q1 = first quarter; Q2 = second quarter; Q3 = third quarter; Q4 = fourth quarter; RHS = right-hand side; USD = United States dollar.

- Notes:
- Data for sustainable bonds include green, social, sustainability, sustainability-linked, and transition bonds, and include both local currency and foreign currency issues. Data for maturity profile exclude perpetual bonds.
 - ASEAN includes the markets of Indonesia, Malaysia, the Philippines, Singapore, Thailand, and Viet Nam.
 - ASEAN+3 includes ASEAN members plus the People's Republic of China; Hong Kong, China; Japan; and the Republic of Korea.

Source: AsianBondsOnline computations based on Bloomberg LP data.