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| **Hong Kong Special Administrative Region Date: 05/06/2019 Issue date: 28-05-2019 Maturity date: 28-05-2024 Tenor: 5**  **Green Bond Fact Sheet** | | | | |
| **Issuer Name** | Hong Kong Special Administrative Region | **Amount Issued** | | USD1bn |
| **Country of risk** | China | **CBI Database** | | Included |
| **Issuer Type1** | Sovereign | **Bond Type** | | Senior unsecured |
| **Green Bond Framework** | [*Link to Framework*](https://www.hkgb.gov.hk/en/others/documents/GBF_finalised_dated_28_March_2019.pdf) | **Second party opinion** | | [Vigeo Eiris](https://www.hkgb.gov.hk/en/others/documents/Second_Party_Opinion_Hong_Kong_VF.pdf) |
| **Certification Standard** | N/A | **Assurance report** | | N/A |
| **Certification Verifier** | N/A | **Green bond rating** | | N/A |
| **Use of Proceeds** | | | | |
| **Energy** | Solar  Onshore wind  Offshore wind  Geothermal  Hydro  Tidal | | Biofuels   Bioenergy  Waste to energy  District heating  Electricity grid | Energy storage  Energy performance  Infrastructure  Industry: components  Adaptation & resilience |
| **Buildings** | Certified Buildings  HVAC systems  Energy performance | | Water performance  Energy storage/meters  Other energy related | Industry: components  Adaptation & resilience |
| **Transport** | Electric vehicles   Low emission vehicles  Bus rapid transit  Passenger trains  Urban rail | | Freight rolling stock   Coach / public bus  Bicycle infrastructure  Energy performance | Transport logistics  Infrastructure  Industry: components  Adaptation & resilience |
| **Water & wastewater** | Water distribution   Water treatment  Wastewater treatment  Water storage | | Storm water mgmt  Flood protection  Desalinisation plants  Erosion control  Energy performance | Infrastructure   Industry: components  Adaptation & resilience |
| **Waste management** | Recycling   Waste prevention  Pollution control | | Landfill, energy capture  Energy performance  Infrastructure | Industry: components  Adaptation & resilience |
| **Land use & agriculture** | Afforestation/parks  FSC Forestry  FSC Cellulose & paper | | Land remediation  Energy/water efficiency | Sustainable agriculture  Adaptation & resilience |
| **Other** | Adaptation & resilience | | ICT | Industry: process |
| **Issue details** | | | | |
| **Reporting** | An annual report will be made publicly available on the HKSAR government website. These reports will include details on:   * the allocation of proceeds to major projects and project categories * remaining balance of unallocated proceeds * percentage of financing and refinancing, and * quantitative environmental impact indicators of the projects. | | | |
| **Company information** | Hong Kong SAR is a separate jurisdiction within China, with its own monetary policy, legal systems, and treasury function. | | | |
| **Firsts, records and certifications** | This is the first sovereign green bond issued by Hong Kong and the second issued in Asia, after the sovereign green bond (USD1.25bn, February 2018) by Indonesia. | | | |
| **Proceeds description** | * Renewable energy generation installations in government buildings and facilities * Energy efficiency systems in government buildings and facilities * Retrofits of existing government buildings to high energy efficiency standards * Construction of new government buildings to high energy efficiency standards * District cooling system for a specific region * Monitoring and treatment systems for improving air quality * Waste treatment and recycling facilities * Waste energy recovery facilities, including for municipal solid waste (MSW), sewage sludge and food waste * Water and wastewater treatment and management systems * Improved monitoring of water distribution and management systems to reduce water consumption * Grey water collection and treatment systems * Improve climate resilience of water infrastructure * Conservation and restoration of sites with high biodiversity and environmental value * Expansion and development of urban metro and light rail networks * Expansion and development of cycling infrastructure * Conservation and restoration of sites with high biodiversity and conservation value   More than 50% of the proceeds will be used to finance new assets and projects. Refinancing projects will need to be from the previous two financial years. | | | |
| **Climate Bonds view** | The Government had announced that the outstanding bonds in this issuance program may eventually reach up to HKD100bn (USD12bn). This would make it one of the largest sovereign green issuance programmes globally. | | | |
| **Underwriters** | Credit Agricole CIB, HSBC | | | |
| **Deal comments** | | | | |
| **Credit Rating** | AA+ (S&P), AA+ (Fitch) | | | |
| **Pricing summary** | 2.555% (32.5 basis points over 5-year US Treasuries) | | | |
| **Investors summary** | 29% banks  30% fund managers, private banks and insurance companies  41% to sovereign wealth funds, central banks and supranationals | | | |

*1 Issuer categories: ABS, development bank, financial corporate, government-backed entity, loan, local government, non-financial corporate, sovereign*