

29 June 2020

Response to the Public Consultation of "Green Bond Endorsed Project Catalogue (2020 version)" jointly issued by The People's Bank of China, National Development and Reform Commission and China Securities Regulatory Commission

HKEX strongly supports the joint efforts of the three Mainland regulators in the preparation of the *Green Bond Endorsed Project Catalogue (2020 Edition)* (the Catalogue) to harmonise Mainland green definitions and to align with international standards and practices by excluding the utilisation of fossil fuel-based energy in the Catalogue.

As an active and responsible global financial markets leader, HKEX takes its role in promoting the global sustainability agenda very seriously. Our goal is to drive changes that enable the broad transition towards greater sustainability in our business and the communities in which we operate.

As a regulator, we steer companies to adopt more sustainable business practices by making environmental, social and governance (ESG) reporting mandatory for all listed companies, and continue to support listed companies' ESG journey through online training and guidance materials.

As a market operator, HKEX works closely with regulators and stakeholders across the region to grow the sustainable and green finance ecosystem. The result has been encouraging: the size of sustainability, green or social issuance listed in Hong Kong reached a total of HK\$75 billion in 2019, representing a significant increase on the HK\$2.4 billion in 2015.

We believe building the right platform and infrastructure is key to the development of the sustainable and green finance ecosystem in China, as we continue to connect the rapid growing number of green issuers and investors in a world where sustainable finance is becoming mainstream.

By unifying the green taxonomy in different segments of the Mainland bond market, we believe the implementation of the Catalogue will benefit the development of the Mainland onshore and offshore green bond market, attracting both domestic and international investors in the long run.

About HKEX

Hong Kong Exchanges and Clearing Limited (HKEX) is one of the world's major exchange groups, and operates a range of equity, commodity, fixed income and currency markets. HKEX is the world's leading IPO market and as Hong Kong's only securities and derivatives exchange and sole operator of its clearing houses, it is uniquely placed to offer regional and international investors access to Asia's most vibrant markets.

HKEX is also the global leader in metals trading, through its wholly owned subsidiaries, The London Metal Exchange (LME) and LME Clear Limited. This commodity franchise was further enhanced with the launch of Qianhai Mercantile Exchange (QME), in China, in 2018.

HKEX launched the pioneering Shanghai-Hong Kong Stock Connect programme in 2014, further expanded with the launch of Shenzhen Connect in 2016, and the launch of Bond Connect in 2017.

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