

PRESS RELEASE
For immediate release

China Merchants Bank joins LGX with its first Sustainability Bond

Luxembourg 28 September 2020: The Luxembourg Stock Exchange (LuxSE) and China Merchants Bank (CMB) today celebrated the display of CMB's first Sustainability Bond on the exchange's green platform, the Luxembourg Green Exchange (LGX). The USD 300 million Sustainability Bond is the first-of-its-kind to be issued by CMB, in turn making it the first Sustainability Bond ever issued by a Chinese commercial bank.

"Today marks an important step forward in our longstanding relationship with CMB and for the future of commercial banks' sustainability mission in China. Driving a sustainable recovery is a priority for us all and we are proud to facilitate CMB's innovative actions through this listing and further inclusion on LGX," commented Robert Scharfe, CEO of LuxSE.

A more sustainable future

In light of the current climate, LuxSE's traditional Ring the Bell ceremony was partially moved to the virtual sphere with only a limited presence at the exchange to celebrate the listing, including China's Ambassador to Luxembourg, Yang Xiaorong. Pierre Gramegna, Luxembourg Minister of Finance, joined the celebration virtually and highlighted Luxembourg's pioneering role in sustainable finance and the need to ensure a sustainable recovery from the crisis.

The 3-year Sustainability Bond is a first-of-its-kind issuance by China's largest commercial bank and reflects the bank's overall sustainability strategy, which is demonstrated through the publication of CMB's Green, Social and Sustainability Bond Framework in September this year, where a clear exclusion of clean coal was made.

"Luxembourg is an important partner of the Belt & Road Initiative and we are pleased to celebrate the successful listing of our first sustainability bond in Luxembourg. This bond issuance reflects our international ESG strategy, as well as our focus on creating long-term value and contributing to building a green and sustainable future," said Tian Huiyu, CEO of CMB, who attended the ceremony virtually from CMB's headquarters in Shenzhen, China.

Towards harmonisation of standards

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Founded in 1987, CMB was the first joint-stock commercial bank in China and has historically been open in its approach to global issues. CMB's Luxembourg branch was established in 2015, and acts as the bank's European headquarters. It provides a range of financial products and services to corporate and private customers across Europe and in China.

As the leading platform for the display of Green, Social and Sustainable securities, LGX's stringent admission rules - with which CMB's Framework aligns – are testament to the ongoing harmonisation and convergence of standards in the field of sustainable finance.

Continued cooperation

LuxSE and CMB have a longstanding relationship, which has gone from strength to strength over the last number of years. In June 2019, the two institutions joined together to celebrate the listing of CMB's first-ever Euro-denominated bond. In 2016, LuxSE and CMB signed a Memorandum of Understanding and agreed to cooperate on listing and trading activities of securities issued by China Merchants Bank and its clients.

About the Luxembourg Stock Exchange

The Luxembourg Stock Exchange (LuxSE) is the gateway to access international investors. With more than 37,000 listed securities, including 33,000 debt instruments, from 2,000 issuers in 100 countries, LuxSE is one of the world's leading exchanges for the listing of international, financial securities and offers a unique and integrated service offering covering listing, trading and information services.

In 2016, LuxSE launched the Luxembourg Green Exchange (LGX) and became the first exchange in the world to operate a platform dedicated entirely to sustainable securities. LGX has become a meeting place for impact-conscious issuers and investors, and has a leading global market share of listed green, social and sustainability bonds worldwide.

LuxSE also operates a specialist subsidiary, Fundsquare, which provides services to support and standardise cross-border distribution of investment funds.

For more information, visit www.bourse.lu