

PRESS RELEASE
For immediate release

LGX welcomes EUR 800m green bond by China Construction Bank

Luxembourg 7 May 2021: In a virtual Ring the Bell ceremony held today in the presence of Claude Marx, Director General of Luxembourg's financial supervisory authority CSSF, the Luxembourg Stock Exchange (LuxSE) and China Construction Bank (CCB) celebrated the listing of CCB's latest green bond issued through the bank's Luxembourg branch. The EUR 800 million green bond is the first such instrument to be issued by CCB under its updated Green, Social, Sustainability and Sustainability-Linked Bond Framework, and is also the first green bond by a Chinese issuer that is listed and traded on LuxSE in 2021. The bond is displayed on the Luxembourg Green Exchange (LGX), the world's leading platform for sustainable securities.

"It is our pleasure to mark the listing of CCB's new green bond, which is another milestone in our two institutions' close cooperation. We are honoured to serve as CCB's preferred international listing venue for its green bonds and we commend CCB's strong focus on sustainable development. International capital markets need to support the ongoing transition to a greener and more inclusive economy and work together across borders to strengthen the sustainable finance agenda," said Julie Becker, CEO of LuxSE and Founder of LGX.

Financing for water management

The bond is aligned with international standards and China's decarbonisation targets of reaching peak carbon emissions by 2030 and achieving carbon neutrality by 2060. The proceeds of the bond will help finance 23 sustainable water and wastewater management projects located in 10 different provinces throughout China. This includes a river training project located in Yunnan Province and a wastewater treatment project located in Guangdong Province.

"This is the first overseas special bond for water protection and environmental governance issued by a Chinese financial institution, marking another milestone for the increasing green finance cooperation between CCB and LuxSE. Going forward, CCB and relevant institutions in Luxembourg and Europe will have bright prospects for cooperation in areas like green catalogue alignment, green cross-border investment and financing, green financial product innovation and related prospective

studies,” stated Wang Hao, Vice-President of CCB, from the bank’s headquarters in China.

The addition of this EUR 800 million green bond brings the total amount of the international green bonds displayed by CCB on LGX to EUR 1.8 billion. CCB issued its first offshore green bond in 2018, a EUR 500 million bond which was certified by the Climate Bonds Initiative, listed on LuxSE and displayed on LGX.

Accessing China’s Interbank Bond Market

LuxSE and CCB have worked closely together for several years. In 2019, the two institutions signed two different Memoranda of Understanding with the aim of facilitating access to China’s Interbank Bond Market and Chinese domestic securities for the international investor community. The first agreement was signed at LuxSE’s premises and the second in cooperation with Shanghai Clearing House in the financial hub of Shanghai, in the presence of Luxembourg Minister of Finance Pierre Gramegna. Through their close cooperation, LuxSE and CCB are contributing to making China’s Interbank Bond Market more accessible to international investors.

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

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