Press Release

HKMC Publishes Social, Green and Sustainability Financing Framework

The Hong Kong Mortgage Corporation Limited (HKMC) is pleased to announce today (Monday) the publication of its Social, Green and the Sustainability Financing Framework (SGS Framework) and the related Second Party Opinion (as defined below).

The HKMC is committed to operating and carrying on business in a responsible and sustainable manner while applying high standards of corporate governance. The SGS Framework was established as part of an extended effort for the HKMC to expand and implement its sustainability strategy as an integral part of its business strategy. It focuses on the HKMC's sustainable initiatives, and demonstrates how the HKMC and its subsidiaries support, and are aligned with, Hong Kong's long-term sustainability visions.

The HKMC will use the SGS Framework as the basis to structure and issue social, green and/ or sustainability bond(s) and asset-backed securities (Sustainable Financing Instruments). Net proceeds of the Sustainable Financing Instruments will be allocated to support projects falling within one or more of the "Eligible Social Asset Categories" or "Eligible Green Asset Categories" (as defined in the SGS Framework).

The HKMC received an opinion on the SGS Framework from Sustainalytics on 20 September 2022 (Second Party Opinion). Sustainalytics is of the opinion that the HKMC's SGS Framework is credible and impactful and aligns with the Sustainability Bond Guidelines (2021), and Social Bond Principles (2021) and Green Bond Principles (2021) as released by the International Capital Market Association in June 2022. Sustainalytics' assessment was based on the four core components of the SGS Framework including use of proceeds, process for project evaluation and selection, management of proceeds and reporting.

Crédit Agricole Corporate and Investment Bank and The Hongkong and Shanghai Banking Corporation Limited acted as the HKMC's Joint Social, Green and Sustainability Structuring Banks for the establishment of the SGS Framework.

Details of the SGS Framework and the Second Party Opinion are available at https://www.hkmc.com.hk/eng/investor_relations/sustainable_finance.html.

The Hong Kong Mortgage Corporation Limited
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