

**MTR Corporation Issues New Green Bond
under Enhanced Sustainable Finance Framework**

MTR Corporation Limited (the “Corporation”) announced today (12 August 2020) it has successfully issued a new Green Bond under its new Sustainable Finance Framework. The US\$1.2 billion 10-year Green Bond (the “Bond”) was issued under the Corporation’s US\$5.0 billion Debt Issuance Programme.

With sustainability being a major objective of its corporate strategy, the Corporation is one of the pioneers in green finance in Hong Kong. It issued its first Green Bond in 2016 and, together with subsequent green finance arrangements, has raised HK\$16.8 billion so far, funding projects which improve energy efficiency, enhance railway service and conserve nature. These projects included the Kwun Tong Line Extension, South Island Line, replacement of air-cooled chillers in the MTR network, installation of energy storage equipment in a depot and ventilation building as well as conservation of the Lok Ma Chau Wetland which is managed by MTR.

“Railway is the core business of MTR, providing a low-carbon mode of transport for the city. The issuance of the new Green Bond today further reflects our commitment to the environment and sustainable community development. The sustainability journey is a never ending one, but MTR shall continue to explore playing an active role and making further contributions,” said Dr Jacob Kam, Chief Executive Officer of MTR Corporation.

“The issuance of the Green Bond today is an integral part of our financing strategy. We will continue to explore innovative and effective forms of financing to support the Corporation’s sustainable development,” said Mr Herbert Hui, Finance Director of MTR Corporation.

The issuance was well over-subscribed with an order book of over US\$3.75 billion, allowing the final issue price to be tightened by 42 basis points from initial price guidance. Strong demand was seen from a diverse group of institutional investors and green investors in Hong Kong, Asia and Europe. “Being the largest green bond issued from Hong Kong, the success of the issuance indicates that the Corporation’s green strategy has been well endorsed by international investors, who are willing to lend support to the sustainability of our businesses,” added Mr Hui.

The issuance of green bonds, use of proceeds and eligible investments are governed by the Corporation’s Sustainable Finance Framework which was enhanced in 2020 to cover more eligible investments in support of the United Nations Sustainable Development Goals. Details of the Corporation’s Sustainable Finance Framework can be found at http://www.mtr.com.hk/sustainability/2019rpt/en/sustainable-investment.php#s4_2.

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Carrying a coupon rate of 1.625% per annum payable semi-annually with a maturity date of 19 August 2030, the Bond was priced at 98.695% face amount with an overall yield of 1.768%, 108 basis points over the benchmark 10-year US Treasury yield. The Bond is expected to be rated "AA+" and "Aa3" by Standard & Poor's and Moody's Investor Services respectively, both on par with the sovereign ratings of the Hong Kong SAR Government.

HSBC and Goldman Sachs (Asia) L.L.C. acted as the Joint Global Coordinator for the Bond Issuance, with Mizuho Securities, Bank of China (HK), Credit Agricole CIB and Standard Chartered Bank being appointed as Joint Bookrunners and Lead managers for the Bond issue. HSBC was also appointed as the sole sustainability advisor for the issuance.

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About MTR Corporation

Every day, MTR connects people and communities. As a recognised world-class operator of sustainable rail transport services, we are a leader in safety, reliability, customer service and efficiency.

MTR has extensive end-to-end railway expertise with more than 40 years of railway projects experience from design to planning and construction through to commissioning, maintenance and operations. Going beyond railway delivery and operation, MTR also creates and manages dynamic communities around its network through seamless integration of rail, commercial and property development.

With more than 40,000 dedicated staff*, MTR carries over 13 million passenger journeys worldwide every weekday in Hong Kong, the United Kingdom, Sweden, Australia and the Mainland of China. MTR strives to grow and connect communities for a better future.

For more information about MTR Corporation, please visit www.mtr.com.hk.

*includes our subsidiaries and associates in Hong Kong and worldwide