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For immediate release

Hysan announces the first-ever sustainability-linked derivative hedging solution from a Hong Kong company

Hysan Development Company Limited (the “Group”, Hong Kong stock code: 00014) is pleased to announce the first-ever sustainability-linked derivative hedging solution from a Hong Kong company, marking a significant development for the company’s green finance ambitions.

Under the terms of a near-15-year sustainability-linked hedge of USD 125 million, Hysan commits to:

1. Remain as a constituent member of the Hang Seng Corporate Sustainability Benchmark Index, which ranks the top 20% of Hong Kong companies according to their sustainability performance on broad metrics, for the period of 2021 - 2024.
2. Reduce its energy consumption by 20% by December 31, 2024.

If Hysan is not successful in the above ambitions, it agrees to make a contribution to an impact-driven charity approved by the issuing bank, BNP Paribas.

Hysan's Chief Operating Officer, Ricky Lui said: “We recognise the critical role that the real estate sector must play in fighting climate change, given buildings consume around 90% of Hong Kong’s electricity and generate over 60% of all its carbon emissions. These undertakings signal our company’s commitment to continue to contribute to this increasingly important area.”

BNP Paribas’ Head of Global Markets for Asia Pacific, Pascal Fischer, said: “As a bank with a real commitment to financing a sustainable future, we are pleased to bring this innovative derivative solution to Hysan to help it reduce its carbon footprint and improve its overall ESG performance.”

Last year, Hysan established its Green Finance Framework, which provides guidance on the funding of sustainable building development and enhancements through the issuance of green bonds or green loans. BNP Paribas pioneered sustainability-linked FX hedging solutions, with this hedge the first issued from within Greater China.

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About Hysan

Hysan Development Company Limited is a leading property investment, management and development company in Hong Kong with an investment property portfolio of over 4 million square feet of high quality office, retail and residential space. With roots in the district since the 1920s, Hysan is one of the largest commercial landlords in Causeway Bay.

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