

Hong Kong Monetary Authority
“Financial Special Forces: Unleashing New Horizons” Video Series

Episode 4 - Green and Sustainable Finance
The Green Legacy: Investing for a Sustainable Future

Lung: Yoshi, what are you doing?

Yoshi: I'm so excited!
Finally, it's my turn to dress up and work as an intern in Central!

Lung: Like Emily in Par...

Yoshi: No! It's Yoshi in Central!
Bye!

Lung: Was that necessary?

Voice-over: The financial institution Yoshi is going to work with
is not a typical “finance” company

SUPER: Financial Special Forces: Unleashing New Horizons
Episode 4
Green and Sustainable Finance
The Green Legacy: Investing for a Sustainable Future

Yoshi: Hello! I'm the new intern!
My name is Yoshi! Nice to meet you!

Chaoni: Hello, Yoshi
You are quite dressed up today!

SUPER: Chaoni Huang
Head of Sustainable Capital Markets, APAC

Yoshi: Since I'm coming to work at a financial institution today
I wanted to show respect for the occasion

Chaoni: Very good!
By the way, Yoshi

why are you interested in Green and Sustainable Finance (GSF)?

Yoshi: GSF... What's GSF?

Voice-over: Green and Sustainable Finance
Going to work in Central
is all you care about

SUPER: Green and Sustainable Finance

Yoshi: Ah-ha! It's all about environmental protection!
Because I'm very interested in
protecting our planet and care about initiatives
such as reducing paper usage
bringing my own coffee cup and so on!
Sorry, I was in a hurry
and forgot to bring my own cup

Chaoni: The scope of GSF
is much broader than bringing your own coffee cup
With the increasing impact of climate change globally
governments and corporations in different regions
are proactively implementing
Environmental, Social and Governance (ESG) initiatives

Yoshi: Environmental, Social and Governance
In short, ESG initiatives are investment projects
that incorporate environmental and social responsibility elements
and demonstrate good governance practices

SUPER: Environmental
Social
Governance

Chaoni: It seems you are well-prepared!
The most pressing global issue now
is how to achieve net zero emissions by 2050
reducing global greenhouse gas emissions to nearly zero
Green finance refers to the use of financial products
such as loans, bonds, personal and institutional investments
to channel funds raised to various green projects
This target will only be achieved through collaboration
between corporations, governments and investors

SUPER: 2050 Net zero emissions
Reducing global greenhouse gas emissions
Corporations
Governments
Investors

Yoshi: Such a dignified vision!
What are the projects related to green finance?

Chaoni: There are many
for example, financing green energy projects
developing green industries, etc
The most important one is to facilitate
the transition of high carbon emitting industries
such as transportation and construction industries
in order to accelerate our journey towards
net zero emissions by 2050

SUPER: Financing green energy projects
Developing green industries
Facilitating the transition of high carbon emitting industries
2050 Net zero emissions

Yoshi: Got it! We must make it happen by 2050!
I am very willing to offer a helping hand if I can be of any
assistance!

Chaoni: That's the spirit! It's challenge time!

SUPER: Level 1
Market research

Chaoni: To work in the green finance industry
you need to first get yourself familiar with
the products and frameworks of green financing
Next is to conduct thorough research and assessment work

SUPER: Green finance

Yoshi: As a secret agent, searching for information is no sweat!

Chaoni: Electric vehicles (EVs) is a leading sector in low-carbon transition
We are currently working on a green transportation project
financing the transformation of automotive manufacturers

For the first challenge, let's assess your research skills!

SUPER: Green transportation project

Yoshi: How nerve-racking it is
This is like taking a written test for a job application!

Chaoni: Let's start when you are ready!

Yoshi: Sure! Bring it on!

Chaoni: As of 2022, how many EVs are there worldwide?

SUPER: A. Close to 5 million vehicles
B. Close to 11 million vehicles

Yoshi: I know! Close to 11 million vehicles!

Chaoni: Correct!
As of 2022, which country has the largest EV market?

SUPER: A. China
B. The United States of America

Yoshi: China

Chaoni: You're right!
Based on current market developments
when is the sale of EVs expected to surpass
that of traditional cars?

SUPER: A. Within 20 years
B. Within 10 years

Yoshi: Is it within 20 years or 10 years?
I haven't found the answer
Got it! Within 20 years!

Chaoni: Yes!

Yoshi: Wow! That was really challenging!

Chaoni: Both low carbon transition technology and the green finance market
are continuously evolving
With new information constantly coming in
it is important to have an inquisitive mind!

Yoshi: Understood!

Chaoni: Sounds like you are ready for more
Let's make it more exciting and do a pitch session!

SUPER: Level 2
Pitching

Chaoni: Here's a presentation deck, Yoshi
You have 15 minutes to prepare for the pitch
Your task is to invite investors
to fund the development project of an EV company
Do you understand?

Yoshi: Understood!
To attract institutional investors into the project
I have to show them the prospects of the EV market
how the project is aligned with
sustainable development goals
and help them achieve potential investment returns

SUPER: Time's Up

Yoshi: I hope I can help
investors understand the EV market and
uncover the investment potential of the project

SUPER: Green transportation projects
US\$88 billion

Yoshi: What I'm introducing today
is not just a promising investment project
but also part of a global effort
to achieve carbon neutrality by 2050
I hope everyone will participate!

SUPER: Carbon neutrality by 2050

Teammate A: You did a great job
in analysing the latest EV market!

Teammate B: Every investor has different considerations and requirements
and these factors also need to be taken into account

Chaoni: That's right!
Investors are very concerned about how funds are utilised
and whether the project aligns with
the company's existing ESG strategy
Your presentation
will be more comprehensive if you can cover these aspects as well

SUPER: Mission Completed

Chaoni: Good job! Yoshi!
For the first attempt, you did really well

Yoshi: My hands are shaking!

Chaoni: Relax, let's enjoy a cup of coffee!
After today's experience
do you find the work in GSF challenging?

Yoshi: It's very different from
the finance industry that I had imagined!
Is it necessary to study finance-related disciplines
to enter this field?

Chaoni: In fact, many of our colleagues
didn't come from a finance background
Instead, they have knowledge and interest
in environmental and social issues
What's most important is
the passion to develop a career in this industry

Yoshi: This job is undoubtedly professional!
Can you consider hiring me?

Chaoni: I'll consider it!

SUPER: Green and Sustainable Finance

Chaoni: Extreme weather conditions
are worsening by the day
The international community has widely recognised that
combating climate change is an urgent matter
Countries around the world are investing heavily
in carbon reduction and transitioning
making GSF a promising field with immense potential

SUPER: Combating climate change
Carbon reduction and transitioning

Yoshi: Over the next three decades
the Asia region will need some
US\$66 trillion in climate-related investments
so as to meet the requirements of the Paris Agreement
and reduce greenhouse gas emissions
striving to achieve carbon neutrality by 2050

SUPER: Climate-related investments
Reducing greenhouse gas emissions
Carbon neutrality by 2050

Yoshi: As an international financial centre
Hong Kong is undoubtedly capable of
supporting these financing needs
The market is substantial and opportunities abound
If you are interested in being a part of this global effort
come and experience the world of green and sustainable finance!

SUPER: Green and Sustainable Finance
The Green Legacy: Investing for a Sustainable Future

Special thanks



