

The Public Offer (referred to below) is only for investors in Singapore and not elsewhere. See selling restrictions included herein.

INAUGURAL GREEN SGS (INFRASTRUCTURE): AN OVERVIEW

GREEN SGS (INFRASTRUCTURE)



What is Green SGS (Infrastructure)?

- Bonds issued by the Government to finance major, long-term green infrastructure projects.
- Issued under the Significant Infrastructure Government Loan Act 2021 of Singapore (“SINGA”), which contains safeguards to ensure fiscal prudence in Government borrowing for spending on nationally significant infrastructure.
- Singapore Green Bond Framework ensures that proceeds are used for projects that advance Singapore’s sustainability agenda.



Is this product suitable for me?

Carefully consider if this product meets your financial needs. Every investment bears risk and the Bonds may not be suitable for all investors.

- Green SGS (Infrastructure) are issued by the Singapore Government. Singapore is rated “AAA” by all 3 international credit rating agencies.
- However, you may incur a loss if you sell the Bonds before its maturity date, as the market price of the Bonds may rise or fall with changing market conditions.
- Long-tenor bonds are more sensitive to changes in market interest rates than shorter-tenor ones.

PRODUCT INFORMATION

Product	50 year 3.00% fixed rate bonds issued by the Government of Singapore (the “Bonds”)
Coupon	Fixed coupon of 3.00% per year, payable semi-annually until maturity, with the first coupon paid on 1 Feb 2023. <i>*If the first calendar day of the month is not a business day, coupons will be paid on the first business day of the month.</i>
Price	S\$98.976 per \$100 in principal amount of the Bonds (or 1 application unit)
Application size	1 application unit (AU) represents S\$100 in principal amount of the Bonds. Applications must be made for a minimum of 10 AUs, and in multiples of 10 AUs (10 AUs = S\$1,000 in principal amount of the Bonds). Double check the amount of money to be deducted <u>before</u> you press submit.
Issue date	15 August 2022. Bonds will be credited to the CDP accounts of successful applicants on this date.
Maturity Date	1 August 2072. You will receive your final coupon payment and principal amount on this date.

APPLYING UNDER THE PUBLIC OFFER

Application Channels	ATMs	DBS (including POSB), OCBC, UOB
	Internet Banking	DBS (including POSB), OCBC, UOB
	Mobile Banking	DBS and UOB
Application Timelines	5 August 2022 at 9:00am: Applications open	
	10 August 2022 at 12 noon: Applications close	
	11 August 2022 , afternoon: Bonds allocated; unsuccessful applications refunded within 24 hours after allocation of the Bonds	
	15 August 2022 , end of day: Bonds credited to CDP accounts of successful applicants	

IMPORTANT POINTS TO NOTE

	Use the Electronic Securities Application (ESA)/ IPO application , instead of the SGS application.
	Submit one application only. Only one application per individual (across all banks) will be accepted. Multiple applications will be rejected.
	Once an application has been submitted, it cannot be changed or cancelled.

CONTACT HOTLINES FOR APPLICATION QUERIES

DBS: 1800-111-1111
POSB: 1800-339-6666

OCBC: 1800-363-3333
UOB: 1800-222-2121

PRODUCT CHARACTERISTICS

What are Green SGS (Infrastructure)?

Green SGS (Infrastructure) are bonds issued under the Significant Infrastructure Government Loan Act (SINGA) to finance major, long-term green infrastructure projects.

Eligible projects funded by Green SGS (Infrastructure) must qualify as:

- Nationally significant infrastructure expenditure, pursuant to the SINGA; and
- Eligible green expenditures, pursuant to the Singapore Green Bond Framework.

Proceeds of the inaugural Green SGS (Infrastructure) issuance will be used to finance eligible green expenditure under the Singapore Green Bond Framework.

For more information on Green SGS (Infrastructure):



<https://go.gov.sg/greenbonds>

What you will receive

Green SGS (Infrastructure) have similar features as other SGS.

- **Interest payment:** You will receive a fixed coupon of 3.00% per year. The first coupon will be paid on 1 February 2023, and subsequent coupons will be paid semi-annually* on 1 August and 1 February for the life of the Bond.
- **Maturity:** When the Bond matures on 1 August 2072, you will receive your final coupon payment as well as the principal amount of the Bond.

**In the event that the coupon payment date or maturity date falls on a day that the electronic payment system established by the Monetary Authority of Singapore is not in operation, the coupon or principal repayment will be effected on the next business day that such system is in operation. For the avoidance of doubt, Bondholders will not be entitled to further interest or other payment in this respect.*

Key risks

SGS are issued by the Singapore Government. Singapore is rated “AAA” by all 3 international credit rating agencies. Nevertheless, it is important that you are aware of specific risks associated with bond investments, and carefully consider whether these are in line with your investment objectives. In particular:

Interest rate risk

- **The price of a bond will vary during its lifespan.** Bond prices and interest rates move in opposite directions. When interest rates increase, bond prices fall, and vice versa. In addition, long-tenor bonds are more sensitive to interest rate changes than bonds with shorter tenors.
- **With a tenor of 50 years, the Green SGS (Infrastructure) is considered a long-tenor bond, which means that its price is more sensitive to interest rate changes compared to a shorter-tenor bond.** While interest rate risk will not affect the cash payments that you receive if you hold the Bond to maturity, if you sell the Bond before it matures, you may receive less than your original investment.

Liquidity risk

- **The market for the Bonds may not be liquid if there are few interested buyers in the market.** This means that you may not be able to sell the Bonds at the desired price.

For other risk factors, see page 7 of the Offering Circular

For more information on other SGS products, including Singapore Savings Bonds, visit the MAS website:



<https://go.gov.sg/mas-bonds-and-bills>

GREEN SGS (INFRASTRUCTURE) BONDS



Make sure you have considered whether the Bonds are a suitable product for you

Investments in Singapore Government Securities (SGS) bear market risk – If you sell the Bond before it matures, you may receive less than your original investment as a bond's price may rise or fall with changing market conditions.

Please review the offering circular, public and pricing notices and other information before you submit an application:



<https://go.gov.sg/mas-bonds-and-bills>



1 To apply, select the **Electronic Security Application (ESA)** or **Initial Public Offering (IPO)** application



On your ATM screen, internet banking website or mobile banking app, select the ESA or IPO application, followed by the "SGS50Y" security, where 50Y refers to the tenor of the Bonds.



Don't select the SGS application – this is for SGS auctions and Singapore Savings Bonds only.



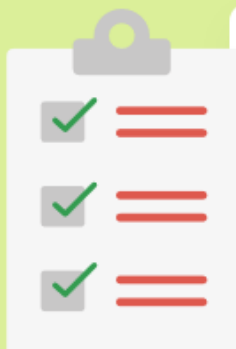
2 Calculate and key in your desired number of application units



Be careful – 1 application unit represents S\$100 in principal amount of the Bonds. For example, if you key in 1,000, it means **1,000 application units = S\$100,000** in principal amount of the Bonds!



The application must be in multiples of **10 application units (10 units = S\$1,000** in principal amount of the Bonds).



3 Check the amount of money to be deducted before you submit the application



Once an application has been submitted, it can't be changed or cancelled!



Submit **ONE** application only. Only one application per individual (across all banks) will be accepted. Multiple applications will be rejected.

HOW TO APPLY

Application Timeline



How to apply

Applications can be made through the following channels:

- ATMs: DBS (including POSB), OCBC and UOB
- Internet banking: DBS (including POSB), OCBC and UOB
- Mobile banking apps: DBS and UOB

A non-refundable administrative fee of S\$2 will be charged at the point of application

Please note the following:

- Use the ESA/IPO application, not the SGS application. On the ATM screen, internet banking website screen or mobile banking app, choose the **Electronic Securities Application (ESA)** or the **IPO application**. Do not apply through the SGS application, which is meant for SGS auctions and Singapore Savings Bonds.
- Submit one application only. Only one application per individual (across all banks) will be accepted. Multiple applications will be rejected.
- You need an individual CDP account. Applications made using joint CDP accounts will be invalid.

For step-by-step guides, refer to Appendix A of the Offering Circular

Application size

Each application unit represents S\$100 in principal amount of the Bonds. The Bonds are priced at S\$98.976 per S\$100 in principal amount of the Bonds (or 1 application unit).

- The minimum application size is 10 application units. Applications must be made in multiples of 10 application units (10 application units = S\$1,000 in principal amount of the Bonds).
- **Please be careful in keying in the number of application units. For example, if you key in 1,000, it means 1,000 application units = \$100,000 in principal amount of the Bonds.**

Check the amount of money to be deducted before you press submit

Source of funds

Only cash applications are accepted for this issue. CPF funds and SRS funds cannot be used for your application.

After the issuance and the listing of the Bonds, prospective investors who wish to purchase the Bonds from the secondary market using CPF funds or SRS funds may consult their relevant banks and/or stockbrokers (as applicable).

Allocation methodology

The Bonds will be allocated to as many individuals as possible, taking into account the distribution of valid applications.

- If the size of the public offer is sufficient to cover all retail applications, all valid applications will be fully allotted. Please do not apply for more Bonds than you wish to receive.
- If there are more valid applications than Bonds on offer, the Bonds will be allocated to as many individuals as possible.

The MAS reserves the right to reject or accept any application in whole or in part, or to scale down or ballot any application, without assigning any reason therefor, and no enquiry and/or correspondence on its decision will be entertained.

Refer to page 42 of the Offering Circular

FREQUENTLY ASKED QUESTIONS

1. How do the Bonds compare with other SGS (Infrastructure) and SGS (Market Development)?

All three categories of bonds are issued by the Singapore Government, and rank pari passu:

- SGS (Market Development) are issued under the Government Securities (Debt Market and Investment) Act 1992 of Singapore to develop the domestic debt market.
- SGS (Infrastructure) are issued under the Significant Infrastructure Government Loan Act 2001 of Singapore (the “SINGA”) to finance nationally significant infrastructure.
- Green SGS (Infrastructure) are issued under the SINGA to finance nationally significant green infrastructure projects.

2. What green infrastructure projects will the Bonds finance?

Bond proceeds will be managed on a portfolio basis, and allocated to green expenditures that meet eligibility criteria set out under the SINGA and the Singapore Green Bond Framework.

- The SINGA contains safeguards on borrowings under the SINGA. There is a high bar for infrastructure projects to qualify for financing under the SINGA. These include criteria on the ownership, capital expenditure, expected useful life and purpose of the infrastructure project.
- The Singapore Green Bond Framework sets out eight categories of eligible green expenditures, including clean transportation and climate change adaptation. For more information on these categories, please refer to <https://go.gov.sg/greenbonds>.

3. Is the repayment of the Bonds linked to cashflow from particular green infrastructure projects?

No. Green SGS (Infrastructure) are not project bonds where bondholders are repaid out of the cashflows from a particular project being financed. They are issued by the Singapore Government.

4. Why does the yield of the Bond differ from its coupon rate? Why does the issue price differ from the principal amount of the Bonds?

The yield to maturity of a bond measures the total return generated from holding a bond to maturity, including the coupon income, returns from reinvesting all coupon payments, and any capital gain or loss.

The coupon rate for a new SGS issued via syndication is the yield determined in the institutional market on pricing day, rounded down to the nearest 0.125%. If the yield is higher than the coupon rate, the issue price would be lower (i.e. the bond is sold at a slight discount to the principal amount) to account for the difference between the yield and the coupon rate.

5. Why are the application processes different from usual SGS auctions?

While SGS are usually issued via auction, the inaugural Green SGS (Infrastructure) is being issued via syndication. Issuing SGS via syndication provides the Government more flexibility over the timing and size of the issuance, and provides retail investors certainty over the yield, price, and coupon of the bond before they decide whether to apply.

As syndication is similar to the corporate bond issuance process, we have opted to utilise the Electronic Securities Applications (ESA) or IPO system, which is commonly used for public offers of corporate bonds and shares.

6. How do I avoid an invalid application?

- Please ensure that you submit only one application per individual, across all banks. Only one application per individual (across all banks) will be accepted. Multiple applications will be rejected.
- Use an individual CDP account. Applications made using joint CDP accounts will be invalid.
- Ensure that your bank and CDP records match. Applications may be invalid if your NRIC/FIN/Passport number differs between bank records and CDP records.

7. Can I apply for the inaugural Green SGS (Infrastructure) using CPF or SRS funds?

No, only cash applications can be accepted for the initial offer of the Bonds.

Investors interested to invest using their CPF funds should consult their relevant banks if they wish to purchase the Bonds from the market after completion of the offer and listing of the Bonds.

Similarly, investors with Supplementary Retirement Scheme (SRS) accounts should consult their stockbrokers and relevant banks in which they hold their SRS accounts if they wish to purchase the Bonds from the market using their SRS funds after the completion of the offer and listing of the Bonds.

8. When will funds be deducted from my account?

The application amount will be payable in full upon application.

9. Can I change or cancel my application after it is submitted?

No. Applications are final once submitted, and cannot be changed or cancelled.

10. How will I know if my application is successful?

One business day after applications close, the Bonds will be allotted to successful applicants. If your application was successful, the Bonds will be credited to you on 15 August 2022 and you may check on the status of your application by logging into the CDP internal portal after 5 p.m. on 15 August 2022.

11. If my application is unsuccessful or partially successful, when will the balance of application funds be returned?

Refunds for partially successful or unsuccessful applications will be paid to your bank account within 24 hours after allocation of the Bonds.

12. Where can I find more information on the Bonds?

You can find the Offering Circular as well as the relevant Public Notice and Pricing Notice for the Bonds at <https://go.gov.sg/mas-bonds-and-bills>.

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