

## MEDIA RELEASE



### **CAPITALAND ASCOTT TRUST IS THE FIRST LODGING TRUST TO SECURE OCBC 1.5°C LOAN**

*The performance targets for the S\$165 million sustainability-linked facility are aligned with greenhouse-gas emissions reduction targets validated by the Science Based Targets initiative*

Singapore, 6 August 2024 – CapitaLand Ascott Trust (CLAS) is the first lodging trust to secure an OCBC 1.5°C loan. With this S\$165 million sustainability-linked multi-currency revolving credit facility, CLAS will receive interest rate reductions upon meeting the agreed annual greenhouse gas (GHG) emissions reduction targets. Proceeds of the facility will be utilised for general corporate purposes.

CLAS' GHG emissions reduction targets are aligned with its sponsor CapitaLand Investment's (CLI) 2030 Sustainability Master Plan. CLI has committed to achieve Net Zero emissions by 2050 for its Scope 1 and 2 GHG emissions, and targets to reduce absolute Scope 1 and 2 GHG emissions by 46% by 2030<sup>1</sup>. These targets have been validated by the internationally recognised Science Based Targets initiative (SBTi) in 2022 to be in line with a 1.5°C trajectory, in alignment with the goals of the Paris Agreement.

The OCBC 1.5°C loan reflects OCBC's longstanding commitment to support its customers on their Net Zero journeys with market-leading transition advisory and innovative financing solutions. There is increasing interest in this financing solution, reflecting the heightened momentum in the global Net Zero movement as well as the Bank's active engagement with clients on their decarbonisation ambitions. As at 30 June 2024,

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<sup>1</sup> Using 2019 as the base year

OCBC's sustainable financing loans had grown 33% from a year ago, and total sustainable financing loan commitments stood at S\$63.3 billion.

Ms Serena Teo, Chief Executive Officer of CapitaLand Ascott Trust Management Limited and CapitaLand Ascott Business Trust Management Pte. Ltd. (the Managers of CLAS), said: "At CLAS, sustainability is a key focus and priority in everything we do. It is integrated throughout our business, including our capital management strategy. Leveraging CLAS' leadership in sustainability, we are able to dovetail our environmental efforts with our financing needs. With this facility, CLAS has secured a total of over S\$700 million in sustainable financing to date. We continue to collaborate with like-minded stakeholders in the banking and finance industry to do good, as we deliver long-term value to our Stapled Securityholders."

Ms Elaine Lam, Head of Global Corporate Banking, OCBC, said: "We are pleased to support CLAS and its decarbonisation ambitions with our OCBC 1.5°C loan. We launched this financing solution last year to incentivise corporates to set and work towards clear carbon emissions reduction targets aligned with internationally recognised, science-based Net Zero decarbonisation pathways for their sectors. Despite macroeconomic challenges, it has been very encouraging to see more companies across various sectors in the region chart out their Net Zero journeys and setting SBTi-aligned decarbonisation targets. For those companies that are not quite as advanced yet, we have been actively engaging them on their transition plans and viable next steps to take. We are committed to support their Net Zero ambitions and the shift to a low-carbon future."

As at May 2024, CLAS has greened 51% of its global portfolio (by gross floor area), higher than its target to green 50% of its portfolio by 2025, and is on track to green 100% of its portfolio by 2030. At the end of 2023, CLAS also made significant progress towards its decarbonisation goals, reducing its absolute Scope 1 and 2 emissions by 15.5% and achieved a 6.9% reduction in energy consumption intensity against its 2019 baseline. CLAS was named the 'Global Sector Leader (Listed – Hotel)' in the 2023 GRESB Real Estate Assessment for the third consecutive year. CLAS

remains steadfast as it progresses towards its sustainability goals as it grows as a trust.

OCBC continues to partner with clients and industry stakeholders to support and accelerate the Net Zero transition for the built environment sector. A recent initiative is the partnership with decarbonisation tech and investment platform Carbonless Asia on the Hong Kong Green Tech Challenge – Green Building Edition. As a Strategic Partner for the Challenge, OCBC will provide financial, technical and regulatory/compliance expertise to the Challenge participants as they develop innovative solutions for the use cases.

OCBC also co-authored the world’s first global practical guide on sustainable finance for the built environment, through the Singapore Green Building Council and with an alliance of leading international Green Building organisations. Titled “Financing Transformation: A Guide to Green Building for Green Bonds and Green Loans,” the guide outlines how various green building certification and rating systems can comply and align with global classification and bond frameworks, aligning with OCBC’s own sustainable financing practices for the sector.

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## **About OCBC**

OCBC is the longest established Singapore bank, formed in 1932 from the merger of three local banks, the oldest of which was founded in 1912. It is one of the world’s most highly-rated banks, with Aa1 by Moody’s and AA- by both Fitch and S&P. Recognised for its financial strength and stability, OCBC is consistently ranked among the World’s Top 50 Safest Banks by Global Finance and has been named Best Managed Bank in Singapore by The Asian Banker.

OCBC is the second largest financial services group in Southeast Asia by assets. The Group offers a broad array of commercial banking, specialist financial and wealth management services, ranging from consumer, corporate, investment, private and transaction banking to treasury, insurance, asset management and stockbroking services.

OCBC's private banking services are provided by its wholly-owned subsidiary Bank of Singapore, which operates on a unique open-architecture product platform to source for the best-in-class products to meet its clients' goals. Its insurance subsidiary, Great Eastern Holdings, is the oldest and most established life insurance group in Singapore and Malaysia. Its asset management subsidiary, Lion Global Investors, is one of the leading asset management companies in Southeast Asia. Its brokerage subsidiary, OCBC Securities, is one of the leading securities firms in Singapore.

The Group's key markets are Singapore, Malaysia, Indonesia and Greater China. It has close to 420 branches and representative offices in 19 countries and regions.

For more information, please visit [www.ocbc.com](http://www.ocbc.com).

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## **About CapitaLand Ascott Trust**

CapitaLand Ascott Trust (CLAS) is the largest lodging trust in Asia Pacific with an asset value of S\$8.5 billion as at 30 June 2024. CLAS' objective is to invest primarily in income-producing real estate and real estate-related assets which are used or predominantly used as serviced residences, rental housing properties, student accommodation and other hospitality assets in any country in the world. CLAS was listed on the Singapore Exchange Securities Trading Limited (SGX-ST) since March 2006, and is a constituent of the FTSE EPRA Nareit Global Real Estate Index Series (Global Developed Index).

CLAS' international portfolio comprises 102 properties with more than 18,000 units in 45 cities across 16 countries in Asia Pacific, Europe and the United States of America as at 30 June 2024.

CLAS' properties are mostly operated under the Ascott, Somerset, Quest and Citadines brands. They are mainly located in key gateway cities such as Barcelona, Berlin, Brussels, Hanoi, Ho Chi Minh City, Jakarta, Kuala Lumpur, London, Manila, Melbourne, Munich, New York, Paris, Perth, Seoul, Singapore, Sydney and Tokyo.

CLAS is a stapled group comprising CapitaLand Ascott Real Estate Investment Trust (CapitaLand Ascott REIT) and CapitaLand Ascott Business Trust (CapitaLand Ascott BT). CLAS is managed by CapitaLand Ascott Trust Management Limited (as manager of CapitaLand Ascott REIT) and CapitaLand Ascott Business Trust Management Pte. Ltd. (as trustee-manager of CapitaLand Ascott BT). The manager and trustee-manager are wholly owned subsidiaries of Singapore-listed CapitaLand Investment Limited, a leading global real asset manager with a strong Asia foothold.

For more information, please visit [www.capitalandascotttrust.com](http://www.capitalandascotttrust.com).

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