



Sunway REIT partners with OCBC Bank for sustainability-linked bonds

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KUALA LUMPUR: SunREIT Unrated Bond Bhd (SUB) has issued the first tranche of Sustainability-Linked Bonds (SLBs) as part of Sunway Real Estate Investment Trust  's (Sunway REIT) inaugural sustainable financing exercise in partnership with OCBC Bank (Malaysia) Bhd.

In a joint statement today, they said the SLBs feature a pricing adjustment mechanism benchmarked against the achievement of predetermined Sustainability Performance Targets (SPTs).

The SPTs measure the improvement in Sunway REIT's sustainability goals, including sourcing energy requirements and achieving and maintaining a minimum Building Energy Intensity (BEI) score.

"Through this sustainable financing exercise, we are able to demonstrate a clear parallel between the achievement of our environmental, social and governance (ESG) target, and the optimisation of our financing cost.

"The success of this SLB issuance represents the next big step for Sunway REIT to integrate ESG practices at the heart of its financing strategy," Sunway REIT Management Sdn Bhd chief executive officer (CEO) Datuk Jeffrey Ng said.

Meanwhile, Tan Ai Chin, OCBC Bank managing director, senior banker, and head of investment banking, said the sustainability-linked bond issuance has solidified the group's position as one of the principal advocates to accelerate sustainable finance development regionally.

"The completion of this landmark transaction represents the first in a string of ESG-compliant funding transactions currently in our pipeline, aimed to proliferate interest in ESG adoption among public-listed companies in Malaysia," she said.

Meantime, Malaysian Rating Corporation Bhd (MARC) said these SPTs were also relevant to supporting national and global decarbonisation goals, in keeping with the government's vision towards achieving carbon neutrality by 2050. - Bernama

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