

# Sunway REIT unit picks OCBC to coordinate RM10b debt note

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Managing director, senior banker client coverage and head of investment banking at OCBC Bank, Tan Ai Chin, said the bank was honoured to have been given the opportunity to helm Sunway REIT's maiden venture into the sphere of sustainable financing.

KUALA LUMPUR: Sunway Real Estate Investment Trust 's (Sunway REIT) unit has mandated OCBC Bank (Malaysia) Bhd to coordinate its RM10bil debt note programme.

SunREIT Unrated Bond Bhd (SUB), which is a special purpose vehicle incorporated for the fundraising on behalf of Sunway REIT, picked OCBC Malaysia as the sustainability structuring coordinator of the unrated medium term notes (MTN) programme.

Sunway REIT is one of the largest diversified real estate investment trusts in Malaysia, with a portfolio of 18 strategically located assets across award-winning integrated townships in key locations within the Klang Valley, Penang and Perak.

Sunway REIT and its sponsor, Sunway Bhd  are strong advocates of The United Nations Sustainable Development Goals (UN-SDG) in advancing the sustainability agenda across the Sunway Group.

According to a joint statement on Thursday, OCBC Bank will review Sunway REIT's overall sustainability agenda, encompassing its environmental, social and governance (ESG) initiatives.

The initiatives will be along sustainable financing principles developed by capital market regulators such as the Asean Capital Markets Forum (ACMF) and the International Capital Market Association (ICMA).

These efforts are to facilitate the issuance of debt securities under the existing programme, which will be benchmarked against internationally-recognised sustainable finance standards.

Managing director, senior banker client coverage and head of investment banking at OCBC Bank, Tan Ai Chin, said the bank was honoured to have been given the opportunity to helm Sunway REIT's maiden venture into the sphere of sustainable financing.

“As a financial institution that places tremendous emphasis on advancing ESG best practices both within our group as well as amongst our business partners, OCBC Bank is honoured to be able to form a strategic partnership with the Sunway Group, who share the same deep-rooted values that we in OCBC Group uphold strongly, ” she said.

Tan said together, they hoped to be able to jointly spearhead further development of the domestic sustainable financing market by introducing market-defining innovative financial instruments such as sustainability-linked bonds.



Sunway REIT Management Sdn Bhd chief executive officer Datuk Jeffrey Ng (pic) said sustainability is ingrained into Sunway REIT's business practices long before sustainable development rose to its current prominence in Malaysia.

“Sustainability practices have since been in Sunway REIT's DNA, conscientiously embedded in our value creation journey to all our stakeholders, supported by our sustainability framework in accordance to the 17 United Nations Sustainable Development Goals.

“Sunway REIT has once again demonstrated an exemplary capital management track record through the initiation of a proposed sustainability-linked bond (SLB) issuance with the strategic partnership alongside OCBC Bank, ” he said.

Sunway REIT is the first Malaysian REIT to integrate ESG factors into its capital management strategy and this is expected to further strengthen Sunway REIT's ability to access to diverse sources of funds while contributing positively to the development of sustainable finance in the domestic capital market.

The formalisation of the mandate between OCBC Bank and Sunway REIT marks yet another milestone in the Malaysian capital market towards enhancing the effort to mainstream sustainable finance by harmonising corporate ESG initiatives with corresponding sustainable finance principles.

