

Frasers Property Group secures A\$300 million sustainability-linked loan in Australia

- ◆ Sustainable financing is key to the Group's commitment as a purpose-driven business
- ◆ Pricing mechanism provides interest cost reduction and incentivises sustainable practices pegged to global benchmark
- ◆ Facility marks the fifteenth green or sustainability linked financing for the Group

SINGAPORE, 19 APRIL 2021

Frasers Property Limited ("Frasers Property", and together with its subsidiaries, the "Group") today announced that its subsidiaries, Frasers Property AHL Limited ("FPAHL"), a subsidiary of Frasers Property Australia Pty Ltd ("FPA"), and Frasers Property Industrial Australia Pty Limited ("FPIA") have jointly secured an A\$300 million five-year syndicated sustainability linked loan ("SLL") with an accordion option of A\$25 million under the LMA/APLMA Sustainability Linked Loan Principles (2019)¹.

To incentivise sustainable practices, the SLL builds in a reducing pricing structure with interest cost reduction from the second year onwards if both FPA and FPIA maintain a four-star rating or above in each of their Global Real Estate Sustainability Benchmark ("GRESB") Development report and GRESB Standing Investments report.

Mr Loo Choo Leong, Group Chief Financial Officer of Frasers Property, commented, "Becoming a more purpose-driven business is important for Frasers Property. We want to be an enduring and progressive organisation, which incorporates sustainability into every aspect of our business, and financing is no exception. The Clean Energy Finance Corporation's ("CEFC") participation in this syndication is an important recognition of the Group's sustainability credentials in Australia."

The CEFC was established under the Clean Energy Finance Corporation Act 2012 and invests on behalf of the Australian Government to reduce emissions across the economy. The CEFC has confirmed its participation with A\$75 million in the SLL. This will help deploy clean energy technologies in two Australian industrial projects that will reduce embodied carbon, cut operating emissions and deliver zero carbon energy electricity for tenants at no additional cost.

Innovative distributed energy generation models will be installed at Rubix Connect Estate in Victoria and The Horsley Park Estate in New South Wales to deliver carbon neutral electricity through onsite solar, battery storage and a biodiesel generator. Frasers Property energy retailer Real Utilities will provide Climate Active certified carbon neutral electricity to the properties' common areas and its tenants.

Mr Ian Learmonth, CEFC CEO, said, "Frasers Property and Real Utilities' carbon neutral distributed energy solution unlocks the value of on-site solar, batteries, biodiesel and metering technologies, allowing them to take a long term, strategic and active role in the management of their tenants' energy needs. This new model has the potential to revolutionise energy use in industrial property."

Real Utilities, which is part of FPA, is a licensed Australian energy retailer that owns and manages energy infrastructure within some of FPA's and FPIA's communities providing carbon neutral energy to all customers at no additional cost. This is the first SLL issued under the Sustainable Finance Framework that was set up by FPA and FPIA in January 2020 ("the Framework") ([Link](#)). In pioneering innovation within the sustainable

¹ <https://www.icmagroup.org/assets/documents/Regulatory/Green-Bonds/LMASustainabilityLinkedLoanPrinciples-270919.pdf>

lending space, this Framework was the first to define an entire portfolio as sustainable assets using GRESB ratings, and also the first of its kind from a real estate company in Asia Pacific for sustainability-linked bonds and loans. Under the Framework, SLL proceeds can be used to finance eligible sustainable projects as well as for general corporate purpose.

The SLL is Frasers Property’s fifteenth green and sustainability linked financing since Frasers Property raised the Group’s first green loan in September 2018. As at 31 December 2020, the Group had secured green and sustainability linked financing totalling S\$4 billion.

To further its aspirations in sustainability for the real estate space, Frasers Property has set a target to finance the majority of its new green and sustainable asset portfolio with green and sustainable financing by 2024. This is one of five new goals announced in January 2021 and detailed in its FY2020 sustainability report, which includes its Group-wide commitment to be a net-zero carbon organisation by 2050.

Specific to its Australian business, Frasers Property’s operations are certified carbon neutral under the Australian Government’s Climate Active Carbon Neutral Standard. FPA and FPIA have set net-zero carbon target in development and operation by 2028 and 2030 respectively, of which both plans are approved Science-Based Targets². For its new developments in Australia, Frasers Property is aiming to achieve a five-star GRESB rating, with at least a four-star rating for its existing portfolio.

The SLL was underwritten by a syndicate of three banks:

Mandated Lead Arrangers, Underwriters and Bookrunners	Barclays Bank PLC (as Underwriter) and Barclays Capital Asia Limited (as Mandated Lead Arranger and Bookrunner); Mizuho Bank, Ltd.; and United Overseas Bank Limited
Sustainability Linked Coordinator	Barclays Capital Asia Limited

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About Frasers Property Limited

Frasers Property Limited (“Frasers Property” and together with its subsidiaries, the “Frasers Property Group” or the “Group”), is a multi-national developer-owner-operator of real estate products and services across the property value chain. Listed on the Main Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”) and headquartered in Singapore, the Group has total assets of approximately S\$38.7 billion as at 30 September 2020.

Frasers Property’s multi-national businesses operate across five asset classes, namely, residential, retail, commercial & business parks, industrial & logistics as well as hospitality. The Group has businesses in Southeast Asia, Australia, Europe and China, and its well-established hospitality business owns and/or operates serviced apartments and hotels in over 70 cities and 20 countries across Asia, Australia, Europe, the Middle East and Africa.

Frasers Property is also the sponsor of two real estate investment trusts (“REITs”) and one stapled trust listed on the SGX-ST. Frasers Centrepoint Trust and Frasers Logistics & Commercial Trust are focused on retail, and industrial & commercial properties, respectively. Frasers Hospitality Trust (comprising Frasers Hospitality Real Estate Investment Trust and Frasers Hospitality Business Trust) is a stapled trust focused on hospitality properties. In addition, the Group has two REITs listed on the Stock Exchange of Thailand. Frasers Property (Thailand) Public Company Limited is the sponsor of Frasers Property Thailand Industrial Freehold & Leasehold REIT, which is focused on industrial & logistics properties in Thailand, and Golden Ventures Leasehold Real Estate Investment Trust, which is focused on commercial properties.

The Group is committed to inspiring experiences and creating places for good for its stakeholders. By acting progressively, producing and consuming responsibly, and focusing on people, Frasers Property aspires to raise

² <https://sciencebasedtargets.org/how-it-works>

sustainability ideals across its value chain, and build a more resilient business. It has committed to be a net-zero carbon corporation by 2050. Building on its heritage as well as leveraging its knowledge and capabilities, the Group aims to create lasting shared value for its people, the businesses and communities it serves. Frasers Property believes in the diversity of its people and is invested in promoting a progressive, collaborative and respectful culture.

For more information on Frasers Property, please visit frasersproperty.com or follow us on [LinkedIn](#).

About Frasers Property Australia

Since 1924, Frasers Property Australia has created stronger, smarter, happier neighbourhoods. We are one of Australia's leading diversified property groups and an Australian division of Frasers Property Limited.

We develop residential land, housing, and apartments and have delivered over 140,000 homes during our legacy; and develop build-to-rent, commercial, retail and mixed-use properties. Our activities also encompass the ownership and management of investment property, incorporating property and asset management services.

We work sustainably to ensure the places we create leave a positive environmental legacy and enhance the way people live life together. Frasers Property in Australia has certified over 3.4 million square metres of Green Star space across our communities, and our commitment to reduce carbon has been approved by the global Science-Based Targets initiative. We are also certified by the Australian Government's Climate Active initiative. Frasers Property Australia owns Real Utilities, a licensed Australian energy retailer that owns and manages energy infrastructure within some of our communities with the mission to be greener, cheaper and simpler.

We value diversity and firmly believe that together, we are better. We employ over 500 people nationally and are recognised as an Employer of Choice for Gender Equality by the Australian Government's Workplace Gender Equality Agency.

To find out more about Frasers Property Australia, visit frasersproperty.com.au or follow us on [LinkedIn](#).

About Frasers Property Industrial

Frasers Property Industrial is a strategic business unit of SGX-listed Frasers Property Limited (together with its subsidiaries, the "Group"), a multi-national company that owns, develops, and manages a diverse and integrated property portfolio with total assets of approximately S\$38.7 billion as at 30 September 2020.

Frasers Property Industrial owns and manages industrial and logistics properties in Australia and Europe, and its portfolio includes logistics facilities, warehouses and production facilities in strategic locations. Frasers Property Industrial has approximately S\$8.7 billion of assets under management as at 30 September 2020 with integrated development, asset management and third-party capital management capabilities across the Group's industrial and logistics markets in Australia, Germany, the Netherlands and Austria.

In addition, Frasers Property Industrial provides property management services to Frasers Logistics & Commercial Trust ("FLCT"), a SGX-listed REIT sponsored by the Group and managed by Frasers Logistics & Commercial Asset Management Pte. Ltd. Frasers Property Industrial provides property management services to a portfolio of logistics and industrial properties owned by FLCT, concentrated within major industrial and logistics markets in Australia, Germany and the Netherlands.

For more information on Frasers Property Industrial, please visit FrasersPropertyIndustrial.com or follow us on [LinkedIn](#).

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