

## **Frasers Centrepoint Trust taps OCBC's green financing solution to accelerate Tampines 1 mall's move towards carbon-neutrality**

- ◆ Frasers Centrepoint Trust is first in Singapore to collaborate with OCBC on its green loan offering with carbon credits, which together with its other decarbonisation efforts will enable Tampines 1 to make progress towards carbon-neutral status encompassing all energy-related emissions

### **SINGAPORE, 6 JULY 2023**

Frasers Centrepoint Asset Management Ltd. ("FCAM"), as the manager of Frasers Centrepoint Trust ("FCT") (the "Manager"), is pleased to announce the partnership with OCBC on Singapore's first green financing solution that comprises a green loan and carbon credits.

Under the green financing solution, proceeds from the S\$419 million green loan will be used for the refinancing of a maturing facility, asset enhancement initiatives, decarbonisation projects such as procurement of energy efficient technology for Tampines 1 and other general corporate purposes. The carbon credits, sourced through OCBC's Emissions Trading Desk, will go towards investing in Verra or Gold standard certified carbon reduction nature-based projects. The amount of carbon reduced will be equivalent to the financed emissions<sup>1</sup> associated with the green loan. FCT will further purchase additional carbon credits to account for the residual and unavoidable Scopes 1 and 2 as well as energy-related Scope 3 emissions<sup>2</sup> of the mall's carbon footprint.

There is a real need for greater industry focus to retrofit existing real estate in the journey towards net-zero emissions, which is considerably more challenging and costly than for new-builds. Real estate account for as much as 70% of a city's carbon emissions, and two-thirds of existing buildings will still be standing in 2050.<sup>3</sup> In addition, real estate is one of six priority sectors OCBC has identified in its decarbonisation roadmap to achieve net-zero for financed emissions arising from its corporate and commercial banking lending portfolio by 2050.

The introduction of this financing solution comes at an opportune time when carbon credits are increasingly considered by corporates to offset residual and unavoidable emissions after taking the necessary steps to reduce their carbon footprint as much as possible. According to Boston Consulting Group<sup>4</sup>, the voluntary carbon market grew at a record pace in 2021, reaching four times its value in 2020. It expects the market to reach between US\$10 billion and US\$40 billion by 2030.

Mr Richard Ng, Chief Executive Officer of FCAM, said, "In line with Frasers Property Group's goal to be a net-zero carbon company by 2050 across Scopes 1, 2 and 3 emissions, FCT continues to explore innovative ways to push forward with our sustainability efforts and reduce our portfolio's carbon footprint. We are pleased to collaborate with OCBC on this innovative green financing solution that enables us to make further progress in our sustainability journey, particularly as we tackle energy-related Scope 3 emissions, hand-in-hand with our tenants, shoppers and suppliers."

Ms Elaine Lam, Head of Global Corporate Banking, OCBC, said: "We are committed to developing innovative financing solutions to help our customers realise their sustainability goals, and we are proud to contribute to FCT's Tampines 1 mall progressing towards carbon-neutrality. This new financing solution will pave the way for us to support green buildings, while directing more capital towards carbon credit generating projects. Through working with FCT and its sponsor Frasers Property Group, we have also

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<sup>1</sup> Financed emissions is determined by the proportion of the loan to the asset value against the total emissions that the asset emits.

<sup>2</sup> Scope 3: All energy-related emissions for landlord and tenant controlled-area consumption including categories 3 and 13.

<sup>3</sup> <https://www.bloomberg.com/sponsors/ill/seven-ways-to-retrofit/index.html>

<sup>4</sup> <https://www.bcg.com/publications/2023/why-the-voluntary-carbon-market-is-thriving>

achieved a deeper understanding of the sustainability ambitions and needs of our real estate clients, which will allow us to support them better in future.”

### **Tampines 1 – Making progress towards carbon neutrality**

The seven-storey Tampines 1 retail mall with a total net lettable area of 268,514 square feet (as at 31 March 2023) in the eastern region of Singapore has been recertified with the Building and Construction Authority (BCA) Green Mark Gold<sup>PLUS</sup> status.

The mall’s existing energy efficient features include a chiller plant system that operates under an Energy Performance Contracting framework; motion sensors for lighting in staircases and toilets; rooftop greenery to improve energy efficiency of its chillers; and carbon dioxide sensors to monitor indoor air quality level. In addition, as part of the Frasers Property Group’s initiative, Tampines 1 has installed charging points at designated electric and hybrid vehicle parking lots to support Singapore’s push towards EV adoption.

Active steps at Tampines 1 to further reduce carbon emissions include the installation of solar panels on its roof in the fourth quarter of 2023 to supplement its energy usage with renewable energy. In 2024, the sustainability initiatives will focus on enhancing efficiency throughout the mall through Air-Conditioning and Mechanical Ventilation (ACMV) airside optimisation. The aim is to maintain the highest standards in line with ISO 14001 for resource and waste management and ISO 50001 for energy performance indicators. These efforts will not only contribute to a more sustainable environment but also ensure that the mall operates in an environmentally responsible manner.

Scheduled to be completed and operational by the first half of 2025, Tampines 1, and another FCT mall, Century Square, are part of Singapore’s first brownfield Distributed District Cooling (the “DDC”) network<sup>5</sup>. This pilot project involving 14 buildings aligns with the Singapore Government’s plans to transform Tampines into Singapore’s first eco-town. According to a white paper by Temasek Group and SP Group, the entire DDC is projected to reduce energy consumption by 17% and carbon emissions by 18% cumulatively across all participating buildings, which will create a more sustainable living environment for the community in the Tampines precinct.

FCT is committed to the Science Based Targets initiative (SBTi) and is in the process of developing science-based targets for submission later this year. The aim is to offset greenhouse gas emissions from the REIT’s operations aligned with the Paris Agreement to limit global temperature rise to 1.5°C.

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### **About Frasers Centrepoint Trust**

Frasers Centrepoint Trust (“FCT”) is a leading developer-sponsored retail real estate investment trust (“REIT”) and one of the largest suburban retail mall owners in Singapore with assets under management of approximately S\$6.9 billion. FCT’s current property portfolio comprises 10 retail malls and an office building located in the suburban regions of Singapore, near homes and within minutes to transportation amenities. The retail portfolio has approximately 2.9 million square feet of net lettable area with over 1,800 leases with a strong focus on providing for necessity spending, food & beverage and essential services.

The portfolio comprises Causeway Point, Century Square, Changi City Point, Hougang Mall, NEX (effective 25.50%-interest), Northpoint City North Wing (including Yishun 10 Retail Podium), Tampines 1, Tiong Bahru Plaza, Waterway Point (50.00%-interest), White Sands and an office property (Central Plaza). FCT’s malls enjoy stable and recurring shopper footfall supported by commuter traffic and residential population in the catchment areas.

FCT also holds a 30.97% stake in Hektar Real Estate Investment Trust, a retail-focused REIT in Malaysia listed on the Main Market of Bursa Malaysia Securities Berhad.

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<sup>5</sup> <https://www.frasersproperty.com/the-library/sq/2022/april/century-square-and-tampines-1-to-be-injection-nodes>

FCT is index constituent of several benchmark indices including the FTSE EPRA/NAREIT Global Real Estate Index Series (Global Developed Index), FTSE ST Real Estate Investment Trust Index, MSCI Singapore Small Cap Index and SGX iEdge S-REIT Leaders Index.

Listed on the Main Board of the Singapore Exchange Securities Trading Limited since 5 July 2006, FCT is managed by Frasers Centrepoint Asset Management Ltd. ("FCAM"), a real estate management company and a wholly-owned subsidiary of Frasers Property Limited.

### **About Frasers Property Limited**

Frasers Property Limited ("Frasers Property" and together with its subsidiaries, the "Frasers Property Group" or the "Group"), is a multinational investor-developer-manager 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\$40.1 billion as at 31 March 2023.

Frasers Property's multinational 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 20 countries and more than 70 cities 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 its people, Frasers Property aspires to raise sustainability ideals across its value chain, and build a more resilient business. It is 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](https://frasersproperty.com) or follow us on [LinkedIn](#).

### **About OCBC Bank**

OCBC Bank 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 now the second largest financial services group in Southeast Asia by assets and 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 Bank 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 Bank and its subsidiaries offer 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 Bank's key markets are Singapore, Malaysia, Indonesia and Greater China. It has more than 420 branches and representative offices in 19 countries and regions. These include over 200 branches and offices in Indonesia under subsidiary Bank OCBC NISP, and over 60 branches and offices in Mainland China, Hong Kong SAR and Macau SAR under OCBC Wing Hang.

OCBC Bank'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.

OCBC Bank's 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 largest private sector asset management companies in Southeast Asia.

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

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