

ChampionREIT

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Champion REIT Secures First Sustainability-Linked Loan

Driving ESG performance in alignment with 2030 targets

(Hong Kong, June 8, 2021) – **Champion Real Estate Investment Trust** (“Champion REIT” or “Trust”) (Stock Code: 2778), owner of Three Garden Road and Langham Place, has signed its first five-year HK\$3.0 billion unsecured sustainability-linked term and revolving credit facilities. The loan proceeds will be used for refinancing and general corporate funding purposes. The loan is backed by:

- DBS Bank Ltd. (as Sustainability Advisor)
- Bank of China (Hong Kong) Limited
- Industrial and Commercial Bank of China (Asia) Limited
- Hang Seng Bank Limited
- The Bank of East Asia, Limited
- Oversea-Chinese Banking Corporation Limited
- Citigroup Global Markets Asia Limited
- United Overseas Bank Limited

Based on the facilities agreement, Champion REIT will receive a discount on the loan’s interest rate once the Trust has achieved the pre-determined sustainability-linked performance targets. The sustainability-linked performance targets are based on the aspects of Environmental, Social and Governance (“ESG”):

- Champion REIT achieves reduction of carbon intensity;
- Champion REIT attains WELL Building Standard; and
- Champion REIT retains its listing on the Hang Seng Corporate Sustainability Benchmark index.

The targets are aligned with the Trust’s 2030 ESG plan, established in 2019, which set the reduction of carbon intensity by 42% as one of the key performance indicators. With the financial incentive, this partnership will reinforce the Trust’s commitment to embracing sustainability in every facet of its operations.

Over the years, Champion REIT's commitment to sustainability excellence has gained local and international recognition. This includes the WELL Core Certification at Platinum level under the WELL Building Standard by the International WELL Building Institute™ being awarded to Three Garden Road, making it the first existing building in Hong Kong to score at the highest level of WELL certification. Moreover, the Trust was chosen as a constituent of the Hang Seng Corporate Sustainability Benchmark Index for the fifth consecutive year and was included in the Hang Seng ESG 50 Index in 2020.

Ms. Ada Wong, Chief Executive Officer of Champion REIT, said, “Today’s announcement marks an important milestone in our sustainability journey and reinforces our commitment to driving ESG’s performance over the past several years. This partnership demonstrates well how we have achieved financial value and business benefits by embracing sustainability. In the future, we will continue to explore other possibilities in sustainable financing to drive the Trust strategy forward and bring positive change to society. We are glad to have our relationship banks to support us along this journey and we look forward to building our partnerships together.”

About Champion REIT (Stock Code: 2778)

Champion Real Estate Investment Trust is a trust formed to own and invest in income producing office and retail properties. The Trust focuses on Grade-A commercial properties in prime locations. It currently offers investors direct exposure to nearly 3 million sq. ft. of prime office and retail floor area. These included two Hong Kong landmark properties, Three Garden Road and Langham Place, as well as joint venture stake in 66 Shoe Lane in Central London. Since 2015, the Trust has been included in the Constituent of Hang Seng Corporate Sustainability Benchmark Index of Hang Seng Indexes.

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