



**ESR announces HK\$4 billion Sustainability-Linked Loan,
with option to upsize to HK\$7 billion**

Further strengthens ESR's leadership in sustainable financing with a total of approximately US\$3 billion in Sustainability-Linked Loans closed to date

HONG KONG, 5 September 2022 – ESR Group Limited (“ESR” or the “Company”, together with its subsidiaries as the “Group”; SEHK Stock Code: 1821), APAC’s largest real asset manager powered by the New Economy, announced today the closing of an approximately HK\$4 billion Sustainability-Linked Loan (“SLL”) with an option to upsize it to HK\$7 billion.

This is the fifth SLL the ESR Group has closed within the past 12 months, reinforcing the Group’s leadership in sustainable financing and operations. To date, it has closed a total of approximately US\$3 billion in SLLs as it continues to integrate ESG into its financial management, operations and future planning.

In support of ESR’s efforts to further strengthen its Environmental, Social and Governance (“ESG”) commitments, the Hongkong and Shanghai Banking Corporation Limited (Singapore Branch) (“HSBC”), Mizuho Bank, LTD (“Mizuho”) and MUFG Bank, LTD (“MUFG”) acted as Sustainability Advisors, Mandated Lead Arrangers and Bookrunners.

The five-year unsecured, committed facility, at Hibor + 1.8%, has a tiered incentive mechanism where ESR will be entitled to an interest reduction when the Group’s sustainability targets are achieved. The proceeds will be used to fund the Group’s refinancing of existing borrowings, investments, working capital and general corporate purposes.

Jeffrey Perlman, Chairman of ESR, said: “As the leading real asset manager and largest New Economy real estate platform in APAC, ESR is committed to integrating sustainability into every facet of our business. I am proud of the great strides ESR continues to make as we seek to deliver on our ESG 2025 Roadmap, including sustainable financing, green building certifications, increasing its renewable energy generation, the promotion of diversity and inclusion and broader community engagement. ESR is now a signatory to the United Nations-supported Principles for Responsible Investment (“UNPRI”), reinforcing the Group’s commitment to adopting and promoting responsible investment practices. We will continue to accelerate best-in-class ESG practices to achieve positive social and environmental impact while creating sustainable value for our stakeholders.”

Jeffrey Shen and Stuart Gibson, Co-founders and Co-CEOs of ESR, said: “We thank HSBC, Mizuho and MUFG for their support of ESR’s commitment to responsible growth. Our latest SLL underpins our ESG efforts, marking yet another step towards our sustainability and financial goals. ESR remains focused on striving to not only enhance the performance of our assets and operations, but also to lead and set the standard for the sustainable development of our industry.”

ESR is committed to leveraging its strengths and resources to constantly enhance its ESG performance to create long-term value for stakeholders. ESR has retained its MSCI ESG Rating of “A”, in recognition of its outstanding performance in ESG best practices and Sustainalytics - a global leader in ESG research, ratings, and data has placed ESR in the “Low Risk” category of experiencing material financial impacts from ESG factors.

To learn more about the ESG initiatives and targets of ESR, please visit:

<https://www.esr.com/en/esg/overview/>

About ESR

ESR is APAC’s largest real asset manager powered by the New Economy and the third largest listed real estate investment manager globally. With over US\$140 billion in total assets under management (AUM), our fully integrated development and investment management platform extends across key APAC markets, including China, Japan, South Korea, Australia, Singapore, India, New Zealand and Southeast Asia, representing over 95% of GDP in APAC, and also includes an expanding presence in Europe and the U.S. We provide a diverse range of real asset investment solutions and New Economy real estate development opportunities across our private funds business, which allow capital partners and customers to capitalise on the most significant secular trends in APAC. ESR is the largest sponsor and manager of REITs in APAC with a total AUM of US\$45 billion. Our purpose – *Space and Investment Solutions for a Sustainable Future* – drives us to manage sustainably and impactfully and we consider the environment and the communities in which we operate as key stakeholders of our business. Listed on the Main Board of The Stock Exchange of Hong Kong, ESR is a constituent of the FTSE Global Equity Index Series (Large Cap), Hang Seng Composite Index and MSCI Hong Kong Index. More information is available at www.esr.com.

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