



THE HONGKONG AND SHANGHAI HOTELS, LIMITED  
香港上海大酒店有限公司

To: All Finance/Business/Real Estate/Travel Editors

**FOR IMMEDIATE RELEASE**

**9 November 2021**

**THE HONGKONG AND SHANGHAI HOTELS ANNOUNCES FIRST SUSTAINABILITY-LINKED LOANS**

*Hong Kong, 9 November 2021* - The Hongkong and Shanghai Hotels, Limited (HSH) is delighted to announce the signing of sustainability-linked loans totalling HK\$1.25bn (USD\$160.3m) in September 2021. This consists of agreements with HSBC to convert HK\$450 million (USD\$57.7m) of existing revolving credit facilities into sustainability-linked loans and HK\$800m (US\$102.6m) of a new revolving credit facility with MUFG as a sustainability-linked loan.

The sustainability linked loans are directly linked to HSH's Environmental, Social and Governance (ESG) targets. These targets include demonstrating continuous improvements in waste diversion rate, carbon intensity, energy intensity, as well as achieving certain EarthCheck certification levels for key hotels within HSH's Peninsula hotel portfolio around the world. The goals are in line with the company's overall corporate responsibility and sustainability strategy, known as *Sustainable Luxury Vision 2030*. HSH will be eligible to receive a tiered discount on the interest rate of loans if ESG targets are achieved.

The proceeds of the loans will be used for general working capital and corporate funding purposes, including funding ongoing sustainability-related capex and initiatives.

These sustainability-linked loans represent an important step for HSH in further integrating sustainability into HSH's overall business strategy and transitioning to a low carbon economy, showing a continuous commitment to find sustainable solutions with other stakeholders.

Mr Clement Kwok, Managing Director and Chief Executive Officer, HSH commented, "Sustainability is a very important part of HSH's business strategy. I am pleased with the progress we have made over the years with our strategy, and now we are looking to the future with *Sustainable Luxury Vision 2030*. These sustainability-linked loans are an important milestone as we seek to integrate sustainability in all aspects of our business, and to improve the lives of our people, our guests and the communities in which we operate. We look forward to continuing to work together with our banking partners to explore ways to create more sustainable finance and create long-term value for our stakeholders."

Mr Jonathan Drew, Managing Director, ESG Solutions, Global Banking at HSBC, said, "HSBC is delighted to be the first bank to work closely with HSH in structuring sustainability-linked targets and financing in support of HSH's progress on its sustainability journey. Sustainability-linked loans are a smart and effective way to incentivise positive change. It is encouraging to see HSH set out ambitious targets relating to key impact metrics for their global business and take leadership to support the development of green and sustainable finance markets in Hong Kong."

Mr Tony Lee, Managing Director and Head of Global Corporate Banking, East Asia of MUFG Bank said, "We are pleased to partner with HSH to conclude its sustainability-linked loan facility which underscores the group's commitment in doing the right thing for the environment. As a global market leader in ESG financing, MUFG is deeply focused in aligning our sustainability vision with clients who share the same purpose. We look forward to further collaborating with HSH to build for a brighter future for our communities."

#### **About The Hongkong and Shanghai Hotels, Limited**

Incorporated in 1866 and listed on The Stock Exchange of Hong Kong (00045), HSH is the holding company of a Group which is engaged in the ownership, development and management of prestigious hotel, commercial and residential properties in key locations in Asia, the United States and Europe, as well as the provision of tourism and leisure, club management and other services. The Peninsula Hotels portfolio comprises The Peninsula Hong Kong, The Peninsula Shanghai, The Peninsula Beijing, The Peninsula Tokyo, The Peninsula New York, The Peninsula Chicago, The Peninsula Beverly Hills, The Peninsula Paris, The Peninsula Bangkok, and The Peninsula Manila. Projects under development include The Peninsula London and The Peninsula Istanbul. The property portfolio of the Group includes The Repulse Bay Complex, The Peak Tower and St. John's Building in Hong Kong; The Landmark in Ho Chi Minh City, Vietnam; and 21 avenue Kléber in Paris, France. The clubs and services portfolio of the Group includes The Peak Tram in Hong Kong; Quail Lodge & Golf Club in Carmel, California; Peninsula Clubs and Consultancy Services, Peninsula Merchandising, and Tai Pan Laundry in Hong Kong.

#### **About The Hongkong and Shanghai Banking Corporation Limited**

The Hongkong and Shanghai Banking Corporation Limited is the founding member of the HSBC Group. HSBC serves customers worldwide from offices in 64 countries and territories in its geographical regions: Europe, Asia, North America, Latin America, and Middle East and North Africa. With assets of \$2,969bn at 30 September 2021, HSBC is one of the world's largest banking and financial services organisations. For more information, please visit <https://www.hsbc.com.hk/>.

#### **About MUFG**

Mitsubishi UFJ Financial Group, Inc. (MUFG) is one of the world's leading financial groups. Headquartered in Tokyo and with over 360 years of history, MUFG has a global network with approximately 2,500 locations in more than 50 markets. The Group has about 170,000 employees and offers services including commercial banking, trust banking, securities, credit cards, consumer finance, asset management, and leasing.

The Group aims to "be the world's most trusted financial group" through close collaboration among our operating companies and flexibly respond to all of the financial needs of our customers, serving society, and fostering shared and sustainable growth for a better world. MUFG's shares trade on the Tokyo, Nagoya, and New York stock exchanges.

MUFG Bank, Ltd. is Japan's premier bank, with a global network spanning more than 50 markets. Outside of Japan, the bank offers an extensive scope of commercial and investment banking products and services to businesses, governments and individuals worldwide.

In Asia Pacific, MUFG has a presence across 20 markets – Australia, Bangladesh, Cambodia, China, Hong Kong, Indonesia, India, South Korea, Laos, Malaysia, Mongolia, Myanmar, New Zealand, Pakistan, Philippines, Singapore, Sri Lanka, Taiwan, Thailand and Vietnam.

It has also formed strategic partnerships with some of the most prominent banks in Southeast Asia, further augmenting its unrivalled network across the region – VietinBank in Vietnam, Krungsri in Thailand, Security Bank in the Philippines and Bank Danamon in Indonesia.

For more information, visit <https://www.mufg.jp/english>.

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