

Singtel, Wilmar, SP Group and Razer in green finance push on Earth Day

🕒 THU, APR 22, 2021 - 4:34 PM

S PRIYASHINI ✉️ spriya@sph.com.sg

SINGAPORE companies on Thursday committed to clean and green financing projects, coinciding with the global observance of Earth Day.

Singapore Telecommunications (Singtel), Wilmar International and SP Group made separate announcements indicating their moves to amp up the provision of green financing and sustainability-linked loans.

These loans aim to support and finance projects that are aligned with environmental, social and governance (ESG) standards and clean sectors.

SINGTEL

The telco's wholly-owned subsidiary launched its first sustainability-linked revolving credit facility of S\$750 million, the largest Singapore-dollar denominated sustainability-linked loan to date, the company said in an exchange filing on Thursday.

This marks the group's foray into sustainable financing under its new programme Olives, which is linked to sustainability targets. DBS, OCBC and UOB have teamed up to provide this credit facility.

The three-year loan encompasses interest rate discounts pegged to pre-determined ESG targets in areas such as climate risk, carbon management and workplace health and safety metrics. The loan is guaranteed by Singtel and will be used for general corporate purposes.

SP GROUP

Singapore's national utility has launched a green financing framework and obtained its maiden green loan facilities amounting to S\$100 million from DBS, OCBC and UOB on a bilateral basis in a move that seeks to deepen the integration of sustainability into its financing strategy.

Under this framework, the company and its subsidiaries will issue green financing instruments to finance or re-finance eligible green projects along verticals such as clean transportation, energy efficiency, renewable energy and green buildings.

In a joint press statement, the group highlighted that the framework enables investors and lenders to have greater visibility of the use of the proceeds and the environmental impact of the projects funded by the instruments handed out.

WILMAR INTERNATIONAL

The agri-business company announced the closure of a two-year US\$100 million sustainability-linked facility together with financial services company Credit Agricole CIB.

The company added that the margin of the facility will be dependent on Wilmar's performance of sustainability-linked key performance indicators (KPIs).

Additionally, the facility incorporates a tiered discount mechanism where the achievement of each KPI is given a specified discount and the margin will be reduced by the aggregate of the discounts applicable for the KPI(s) achieved. Some of these KPIs include Wilmar's continued inclusion in the Dow Jones Sustainability Index (DJSI) Asia Pacific, achievements or improvements in benchmark rating by independent organisations and traceability targets.

RAZER

Hong Kong-listed gaming firm Razer also launched a US\$50 million fund to invest in startups working in the environmental and sustainability space on Thursday. It looks to invest in seed and Series A funding rounds globally, ranging from US\$100,000 to US\$1 million.