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CLP Power Supports Far East Consortium to Secure its First Sustainability-Linked Loan to Fund Energy-Saving Hotel Project

With the support of CLP Power Hong Kong Limited (CLP Power), Far East Consortium International Limited (FEC) has secured its first five-year sustainability-linked loan (SLL) issued by the Hong Kong Branch of Bank of Communications Company Limited (BoCom Hong Kong Branch) to further promote the sustainable development of its Hong Kong hotel business by improving its energy conservation and carbon emissions reduction performance.

With the resumption of international travel and the gradual recovery of Hong Kong's economy, the local hotel business of FEC has grown steadily and occupancy rate has rallied. CLP Power collaborated with FEC to develop energy management solutions to improve the operational and energy efficiency of its hotels, promoting long-term business development and helping FEC achieve its environmental, social and governance (ESG) objectives.

CLP Power conducted an energy audit at the Silka Seaview Hotel owned by FEC and advised the hotel to switch to a more energy-efficient smart lighting system and central air-conditioning system, replace the existing gas water heating system with an electric heat pump water heating system, which can reduce about 20% of energy consumption, and install smart air conditioning devices in all guest rooms to monitor and adjust wind speed and indoor temperature to achieve a better energy-saving result. After all the measures have been implemented, it is estimated that the hotel will save about 1 gigawatt hour (GWh) of electricity a year. CLP Power also offers FEC the CLP Eco Building Fund to subsidise eligible improvement works, thereby shortening the investment payback period.

The energy-saving solutions recommended in CLP Power's energy audit report were accepted as the sustainability performance targets (SPTs) for a SLL between FEC and

BoCom Hong Kong Branch. When the SPTs are met, FEC will be able to enjoy a favourable loan interest rate to continue to promote its low-carbon business transformation.

To meet the SPTs, FEC is developing a five-year energy conservation and emission reduction plan, aiming to reduce the energy intensity of the hotel building by 3-5% per year. In addition to energy savings, FEC and BoCom Hong Kong Branch have set SPTs related to the company's long-term corporate social capital investment, including enhancing employee well-being and setting training hour targets to support employees' career development, in order to achieve FEC's ESG goals. The Hong Kong Quality Assurance Agency (HKQAA), an independent body, will assess the SPT performance of FEC.

Executive Director of FEC and President and Executive Director of Dorsett Hospitality International Ms Winnie Chiu, JP, said, "FEC's vision is to be a role model inspiring new generations to create a more sustainable world. We strongly believe collaboration with expert teams can achieve win-win outcomes quickly and efficiently. Thanks to CLP Power and BoCom Hong Kong Branch, FEC and Dorsett Hospitality International were able to obtain professional advice and secure FEC's first sustainability-linked loan to promote sustainable living with Silka Seaview Hotel as a pilot. We are actively looking for ways to lower our carbon emissions as much as possible. We have always been committed to contributing to the Hong Kong community and giving back to society."

CLP Power Senior Director of Customer Success and Experience Ms Lena Low remarked, "CLP Power is committed to helping customers improve their energy efficiency, and we are delighted to have helped FEC obtain its first sustainability-linked loan, which will open up more new opportunities for energy conservation and carbon emissions reduction. We will continue to draw on our energy expertise to provide more diversified energy management solutions to support the development of the green finance ecosystem, and accelerate the long-term low-carbon transformation of the hotel industry in order to support Hong Kong's goal of achieving carbon neutrality by 2050."

Deputy Chief Executive of Bank of Communications Company Limited Hong Kong Branch and Bank of Communications (Hong Kong) Limited Mr Bin Zhu said, "We are committed to promoting green and sustainable financial services, actively fulfilling our financial corporate social responsibility, supporting all businesses in taking the path of sustainable development, and collaborating with all sectors of society to create a better and more low-carbon environment. This cooperation strategy strengthens the cornerstone of our integrated green and sustainable development services. In the future, the Bank of Communications will continue to leverage the advantages of green and sustainable

finance, support the green transformation of enterprises, and help Hong Kong become a green international financial centre.”

HKQAA Deputy Chief Executive Officer Mr P C Chan said, “As an independent external reviewer, the HKQAA will provide second party opinion on the sustainability-linked loan of a subsidiary of FEC, regarding its alignment with the Sustainability-Linked Loan Principles. It is delightful that FEC is striving to contribute to a better environment.”

About CLP Power Hong Kong Limited

CLP Power Hong Kong Limited (CLP Power) is the Hong Kong utility subsidiary wholly owned by CLP Holdings Limited, a company listed on the Hong Kong Stock Exchange and one of the largest investor-owned power businesses in Asia. CLP Power operates a vertically integrated electricity supply business in Hong Kong, and provides a highly reliable supply of electricity and excellent customer services to more than six million people in its supply area.

About Far East Consortium International Limited

Far East Consortium International Limited (“FEC”, together with its subsidiaries, the “FEC Group”) has been listed on the Hong Kong Stock Exchange since 1972 (HKEx Stock code: 35.HK). The FEC Group is mainly engaged in property development and investment, hotel development and management, car park operations and facilities management, gaming and related operations, securities and financial product investments and provision of mortgage services. The FEC Group adopts the diversified regional strategy and the “Asian Wallet” strategy with business covering Hong Kong, Mainland China, Australia, New Zealand, Malaysia, Singapore, the United Kingdom and other European countries.

About Bank of Communications Co., Ltd.

Founded in 1908, Bank of Communications Co., Ltd. (“BOCOM”) is one of the banks with the longest history and one of the first note-issuing banks in China. On 1 April 1987, BOCOM reopened after reorganization and the head office was located in Shanghai. BOCOM was listed on the Hong Kong Stock Exchange in June 2005 and the Shanghai Stock Exchange in May 2007. In 2023, the Bank ranked 9th among global banks in terms of tier-1 capital.

Leveraging on the Group’s profound financial expertise and expansive network both in Hong Kong and in the Mainland, Bank of Communications Co., Ltd. Hong Kong Branch

offers professional, quality financial products and services in attempts to become the best corporate financing in “cross-border, cross-industry, cross-market”.

About Bank of Communications (Hong Kong) Limited

Established in January 2018, Bank of Communications (Hong Kong) Limited (“BOCOM (HK)”) is a wholly owned subsidiary of Bank of Communications Co., Ltd. (“BOCOM”) (Stock codes: A shares 601328, H shares 03328). BOCOM (HK) has touchpoints all over Hong Kong, offering both corporate and personal banking customers a comprehensive corporate financial and wealth management services through its 44 outlets, among which are 37 BComBEST Services Centres, a Private Banking Centre and 7 Business Services Centres in Hong Kong.

Photo Caption:



With the support of CLP Power, FEC was granted the first sustainability-linked loan issued by BoCom Hong Kong Branch to improve the energy conservation and carbon emissions reduction performance of its Hong Kong hotel business.

(From left) Deputy Chief Executive of Bank of Communications Company Limited Hong Kong Branch and Bank of Communications (Hong Kong) Limited Mr Bin Zhu, Executive Director of Far East Consortium International Limited and President and Executive Director of Dorsett Hospitality International Ms Winnie Chiu, JP, and CLP Power Senior Director of Customer Success and Experience Ms Lena Low.

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