

— CITY DEVELOPMENTS LIMITED —
INTEGRATED SUSTAINABILITY REPORT 2019

CHANGING THE CLIMATE

TOWARDS FUTURE VALUE 2030 GOALS

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ALIGNED TO GLOBAL STANDARDS & GOALS



INTEGRATED REPORTING <IR>



CHANGING THE CLIMATE

Climate change is no longer a distant threat. Climate scientists have ascertained that extreme weather is a clear signal of global warming¹ and regard climate change as an immense threat to humanity. In 2018, the cost of natural disasters is estimated to be US\$155 billion².

Drastic actions must be taken to avert climate disasters that will render much of the world uninhabitable.

What can we do to transform our societies fast enough to remain below 1.5°C of global temperature rise?

How are businesses adapting to the risks of a climate crisis?

Who will be the winners and losers in the new climate economy?

For over two decades, CDL has been managing our business with the triple bottom line in mind – People, Planet and Profits, which are intricately linked for our long-term viability and growth. Besides upholding CDL's track record in ESG integration, we continually innovate, invest and improve our six capitals to be future-ready.

Today, the urgency for decisive leadership, strong collaboration and financing to enable climate action is clear. At CDL, we are strongly committed to be a catalyst of change to achieve the UN Global Goals for sustainability. 2019 will be a year that sees further acceleration of our goals and initiatives for a sustainable future, as we pursue CDL's vision of Building Value for Tomorrow, Today.

¹ The Summary for Policymakers of Intergovernmental Panel on Climate Change (IPCC) Special Report on Global Warming of 1.5°C

² News Release by Swiss Re, 18 December 2018

**Introduction
and
Leadership
Statements****Integrated
Strategy
for Value
Creation****Building
Sustainable
Cities and
Communities****Reducing
Environmental
Impact****Shaping a
Fair, Safe
and Inclusive
Workplace****Creating
Shared
Economic
and Social
Value****Assurance
Statements
and GRI
Content Index**

2018 AT A GLANCE

Enhanced Carbon
Emissions Intensity
Reduction Target of

59%

validated by
**SCIENCE BASED
TARGETS INITIATIVE**

32%

reduction in
**CARBON EMISSIONS
INTENSITY**
from 2007 levels

27%

reduction in
**ENERGY USE
INTENSITY**
from 2007 levels

32%

reduction in
**WATER USE
INTENSITY**
from 2007 levels

100%

TENANT PARTICIPATION
in CDL Green Lease
Partnership Programme

100

**GREEN MARK
DEVELOPMENTS AND
OFFICE INTERIORS**

awarded by the Building and
Construction Authority

* Includes subsidiaries and associated
companies

24 YEARS

of **SUSTAINABILITY
INTEGRATION**
into business strategy
and operations

Listed among

Global 100

**MOST SUSTAINABLE
COMPANIES**

for 9 consecutive years
(2010-2018)

\$4.2 BILLION
RECORD REVENUE
for CDL Group

More than
\$24 MILLION
SAVINGS
from energy-efficient
retrofitting and initiatives
implemented for eight
commercial buildings
from 2012 to 2018

\$100 MILLION
**GREEN BOND
FULLY-ALLOCATED**

50%
DEPARTMENT HEADS
in CDL Corporate Office
are Females

Listed on
**12 LEADING
GLOBAL SUSTAINABILITY INDICES**



MEMBER OF
**Dow Jones
Sustainability Indices**

In Collaboration with RobecoSAM



MSCI 2019 Constituent
MSCI ESG
Leaders Indexes



ABOUT CDL

Introduction and Leadership Statements

Integrated Strategy for Value Creation

Building Sustainable Cities and Communities

Reducing Environmental Impact

Shaping a Fair, Safe and Inclusive Workplace

Creating Shared Economic and Social Value

Assurance Statements and GRI Content Index

City Developments Limited (CDL) is a leading global real estate operating company with a network spanning 103 locations in 29 countries and regions. Listed on the Singapore Exchange, the Group is one of the largest companies by market capitalisation. Our income-stable and geographically-diverse portfolio comprises residences, offices, hotels, serviced apartments, integrated developments and shopping malls.

With a proven track record of over 55 years in real estate development, investment and management, CDL has developed over 43,000 homes and owns

over 18 million square feet of lettable floor area globally. CDL's diversified global land bank offers 4.1 million square feet of developable gross floor area. The Group's London-listed subsidiary, Millennium & Copthorne Hotels plc (M&C), is one of the world's largest hotel chains, with 135 hotels worldwide, many in key gateway cities.

Leveraging our deep expertise in developing and managing a diversified asset base, the Group is focused on enhancing the performance of our portfolio and strengthening our recurring income streams to deliver long-term sustainable value to shareholders.

The Group is also developing a fund management business and targets to achieve US\$5 billion in Assets Under Management (AUM) by 2023.

VISION, MISSION AND VALUES

Since the 1990s, sustainability has been integrated into CDL's corporate vision and mission to create enhanced value for our business and stakeholders. Our sustainability vision and mission support CDL's business objectives and growth strategy as we evolve into the global real estate conglomerate of today.

CORPORATE VISION

Building Value for Tomorrow, Today

Sustainability Vision

CDL Future Value 2.0:
Creating Future Value

Sustainability Mission

Harnessing our capitals – Financial, Organisational, Manufactured, Natural, Human, and Social and Relationship – to create enhanced value for stakeholders, now and in the future

CORPORATE MISSION

As a trusted property pioneer and a global hotelier, CDL builds value everywhere we go.

- We build quality and innovative spaces to house desirable homes, competitive businesses and secure investments
- We build sustainable profitability while conserving the environment
- We build partnerships to achieve better results
- We build engaging careers so staff can grow with the company
- We build bonds with the community by supporting worthy causes

At CDL, we believe the future is ours to build.

CORPORATE VALUES

- Committed to positive results
- Competitive in setting standards and beating the competition
- Caring towards the people we work with, products we create, and the environment we operate in

EXECUTIVE CHAIRMAN STATEMENT



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These milestones not only reflect CDL's conviction to develop sustainable cities and communities, but also demonstrate CDL's ability to create tangible benefits for our stakeholders via the strategic integration of sustainability into our business.

”

Dear Stakeholders,

Throughout 2018, the litany of super storms, rising sea levels, deep freezes and harsh droughts has made the global climate crisis a reality that cannot be dismissed. Extreme weather is now the new normal and the greatest threat to the survival of humanity. The financial toll of natural disasters in 2018 was estimated to cost US\$155 billion¹.

In the race against global warming, Singapore has been proactively fulfilling its pledge under the Paris Agreement. As a small, low-lying country, the threats of climate change to our daily lives are very real. If sea levels in our geographical region keep rising, our island nation will become smaller². For land-scarce Singapore, this can indeed be a big national security issue.

We are glad to see greater international cooperation in mitigating the immense threats of climate change. At the recent COP24 in Poland, almost 200 countries agreed to adopt the rulebook for implementing the Paris Agreement. Nevertheless, to achieve the world's climate goals, greater and more active cross-sector partnership and collaboration at both national and global levels will be required.

Besides political leaders, businesses can play a strong role in climate action. Our CDL Sustainability Report this year is titled "*Changing the Climate: Towards Future Value 2030 Goals*". This theme reflects CDL's continued commitment to being an agent of change that catalyses the progression of the building industry and corporates towards best practices in sustainability. It also reinforces CDL's pioneering and steadfast efforts to contribute towards the United Nations Sustainable Development Goals (UN SDGs) and Sustainable Singapore Blueprint.

As a leading real estate developer with a global presence, CDL has always been mindful about the exposure of our business to climate risk. Our buildings are vulnerable to extreme weather events and warmer temperatures imply the need for more optimal cooling systems for building occupants. CDL has thus increased the adoption of innovative and adaptive technologies that will keep our business and assets climate-resilient.

Based on the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD), CDL became the first Singapore real estate company to embark on a Climate Change Scenario Planning Study. The study aims to raise CDL's business resilience and readiness for potential climate-related risks. Commenced in Q1 2018, Phase 1 of the study was completed at the end of the year. It covered our corporate headquarters in Singapore and core business operations in selected

¹ News release by Swiss Re, 18 December 2018

² Singapore Deputy Prime Minister Mr Teo Chee Hean's speech at the Global Compact Network Singapore Summit 2018

key overseas markets. In July 2018, CDL also became the pioneering Singapore real estate company to have our carbon reduction targets validated by the Science Based Targets initiative. These efforts will not only help us improve our carbon performance but also future-proof our business for sustained growth.

Today, investors and consumers are increasingly expecting socially responsible brands and products, marking a profound shift in consumer preference with this emerging sustainability revolution. Globally, there is an increasingly strong business case for green buildings as they improve occupants' health, productivity and well-being. With CDL's strong track record as a pioneer in green buildings and extensive partnerships across the value chain, these emerging trends can offer many opportunities for us to incorporate innovative designs, intelligent building technologies and health-enhancement factors in our product offerings.

Reflecting our leadership commitment towards integrating sustainability into our operations, since February 2018, CDL's Sustainability function reports directly to the Board Sustainability Committee. The Committee comprises three Independent Non-Executive Directors and CDL's Group CEO.

In June 2018, Ms Tan Yee Peng, an Independent Non-Executive female Director of CDL, was appointed as the first female Chairperson of this dedicated Board Sustainability Committee. She is also a member of CDL's Audit & Risk Committee (ARC) and Nominating Committee (NC). At the same time, Ms Jenny Lim, CDL's second female Independent Non-Executive Director, was also appointed to the Board as Lead Independent Director and the Chairperson of the ARC and the Remuneration Committee. She is also a member of the Board Committee and the NC. These appointments reflect CDL's continuing support for increased board diversity. Female representation on our Board has increased from 14% to 29%, surpassing the Nominating Committee's target of 20% female representation by 2020.

I am pleased to note that the progress we made in embracing sustainability internally and across our value chain has earned CDL global recognition on 12 prestigious sustainability benchmarks. Announced at the World Economic Forum at Davos in January this year, CDL was once again recognised among the Global 100 Most Sustainable Corporations in the World, ranking 25th. This is the 10th consecutive year that CDL is listed on the Global 100 index – the first and only Singapore company with this accomplishment.

These milestones not only reflect CDL's conviction to develop sustainable cities and communities, but also demonstrate our ability to create tangible benefits for our stakeholders via the strategic integration of sustainability into our business.

Creating positive social and economic impact aligned with the UN SDGs will remain a key focus for our business. Amidst the acceleration of global efforts to mitigate climate change risks, the Board will continue to support CDL management's efforts to drive change through innovation, building on our legacy as a sustainability leader.

KWEK LENG BENG
Executive Chairman

March 2019

GROUP CEO STATEMENT



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The strategic goals and long-term ESG targets set under the CDL Future Value 2030 sustainability blueprint established in 2017 have given us a clear direction to mitigate climate-related risks and map out adaptation strategies for the future.

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Dear Stakeholders,

We are in an era where climate change has become a mainstream political, business and social issue. Nearly every region on the planet felt the impact of extreme weather and natural disasters in 2018.

According to the World Meteorological Organization, 2015 to 2018 were the four hottest years on record¹. Greenhouse gas levels in the atmosphere have also reached a new record high in 2018². Unless emissions are curbed, the World Bank predicts the number of people who would be displaced from their homes due to climate change could surge to 140 million by 2050³.

On a positive note, 2018 was also a significant year in which sustainable investing gained momentum globally. More sovereign wealth funds, pension funds and investors recognise the need to consider the non-financial and long-term impact of a company's operations in their fiduciary duty as stewards of capital. Over 25% of the world's assets under management, valued at US\$23 trillion by the Global Sustainable Investment Alliance, now incorporates a sustainable-investing mandate, with about US\$48.7 trillion of that in the United States, US\$12 trillion in Europe and the rest of \$31.3 trillion shared by other regions⁴. Financiers are also increasingly pegging lending rates to the ESG (Environmental, Social and Governance) performance of corporate borrowers. In addition, the global green bond market is estimated to reach US\$250 billion in 2019, up from US\$167.3 billion in 2018⁵.

VALUE CREATION THROUGH STRATEGIC SUSTAINABILITY INTEGRATION

In line with CDL's ethos of "Conserving as We Construct", our ESG-centric vision has not only built CDL's strong reputation as a responsible developer but also guided us to future-proof our business.

The strategic goals and long-term ESG targets of our CDL Future Value 2030 sustainability blueprint established in 2017 have given us a clear direction to mitigate climate-related risks and map out adaptation strategies for the future.

1 Analysis report by the World Meteorological Organization (WMO), 6 February 2019

2 WMO Greenhouse Gas Bulletin, November 2018

3 "Climate migration to surge by 2050" on Reuters.com, 20 March 2018

4 "Sustainable Signals: Asset Owners Embrace Sustainability", Morgan Stanley Investment Management and Morgan Stanley Institute for Sustainable Investing, June 2018

5 Estimates by Climate Bonds Initiative

Based on the International Integrated Reporting Council (IIRC) framework, we have continued to harness our six capitals – financial, organisational, natural, manufactured, human, social and relationships – in executing our ESG strategies. This approach has also guided us in our articulation of how our sustainability strategy and efforts have generated tangible and enduring value for our stakeholders.

CHAMPIONING GREEN BUILDINGS FOR A SUSTAINABLE FUTURE

Buildings play a major part in the global movement towards a low carbon economy, given their tremendous impact on the environment. The World Green Building Council has set net zero carbon targets for new buildings by 2030, and for all buildings by 2050⁶. Sharing the same vision, Singapore's Green Building Masterplan by the Building and Construction Authority (BCA) targets to green 80% of all buildings in Singapore by 2030.

CDL started our green building journey since the early 2000s. For all new developments, we made the commitment to invest 2% to 5% of the construction cost in green design and sustainable features.

As at December 2018, CDL has accumulated a total of 100 BCA Green Mark developments and office interiors awards, the highest among private sector real estate companies in Singapore. We are also honoured to be the first and only private sector developer to receive the BCA Built Environment Leadership Platinum Star Award.

Raising Energy Efficiency and Adoption of Solar Energy

Energy efficiency has been our top priority in the way we develop and manage our properties. Through energy-efficient retrofitting, CDL achieved more than \$24 million in savings from 2012 to 2018 for eight commercial buildings that we own and manage.

Advancing our sourcing strategy for renewable energy in 2018, we became one of the two pioneer buyers of Renewable Energy Certificates (RECs) in Singapore using a blockchain-enabled platform that offers convenient, seamless and secure digital transactions. By procuring locally-sourced RECs, 100% of electricity consumed by the operations of CDL's headquarters in 2018 can be attributed to renewable sources.

In climate-stressed Singapore, the development of "Super Low Energy" (SLE) buildings⁷ is the way forward and CDL was among the first developers and building owners to pledge our commitment in 2018 to achieve at least one SLE project in the next five years.

To achieve SLE status, buildings must attain at least 60% energy savings based on the 2005 building code by adopting energy-efficient measures and onsite renewable energy.

Pioneer in Green Financing

CDL launched our maiden \$100-million green bond issuance in 2017, a first by a listed Singapore real estate company. Proceeds from the bond refinanced the cost of upgrading and retrofitting our flagship Republic Plaza, maintaining it at the Green Mark Platinum level.

For spearheading green bonds in Singapore, CDL was awarded under the 'New Countries Taking Green Bonds Global' category at Climate Bonds Initiative's prestigious Green Bond Pioneer Awards 2018.

Going Green Together with Tenants and Occupants

As occupants' activities can account for some 50% of a building's electricity consumption, CDL proactively engages our commercial tenants to adopt low-carbon practices. Our CDL Green Lease Partnership Program has garnered support from 100% of our tenants since end 2017. We also organised "go-green" initiatives for our tenants, such as talks, movie screenings and workshops on environment-related issues.

⁶ The Net Zero Carbon Buildings Commitment challenges companies, cities, states and regions to reach Net Zero operating emissions in their portfolios by 2030, and to advocate for all buildings to be Net Zero in operation by 2050

⁷ News Release by Building and Construction Authority, 5 September 2018

In support of the SDGs and Singapore's focus on promoting green spaces that also benefit occupants' health and well-being, CDL held the inaugural SDG City Challenge at South Beach last year. We thank BCA, HPB and Sport Singapore (Sport SG) for supporting this 3P (Public, Private and People) initiative which attracted close to 1,000 participants.

REDUCING ENVIRONMENTAL IMPACT AND RISKS

To minimise buildings' environmental impact, asset owners must persist in their ESG efforts and track performance for continued improvement. Being the first private sector property developer in Singapore to achieve the ISO 14001 Environmental Management System and ISO 50001 Energy Management System certifications in 2003 and 2014 respectively, we have integrated key ISO management systems to maintain high resource and energy-efficiency at our buildings.

As part of our low carbon strategy, we voluntarily validated our carbon emissions intensity reduction targets under the Science Based Targets initiative (SBTi), a collaboration between CDP, the United Nations Global Compact, World Resources Institute and World Wide Fund for Nature. Under the CDL Future Value 2030 sustainability blueprint, we have increased our carbon emissions reduction target from

38% to 59% (from baseline year of 2007) and aim to reduce embodied carbon in building materials by 24% compared to their conventional equivalents. Millennium & Copthorne Hotels plc (M&C), the major listed subsidiary of the CDL Group, has also committed to set science-based targets by 2025.

As at December 2018, we have made steady progress – energy usage intensity decreased by 27% from 2007 levels, against our 2030 target of 35%, and water usage decreased by 32% from 2007 levels, meeting our 2018 target.

INCREASING VALUE THROUGH SUSTAINED GROWTH

In spite of challenging market conditions, CDL Group posted record revenue for FY 2018, crossing \$4 billion for the first time in history. Profit after tax and minority interests (PATMI) increased (Restated FY 2017: \$522.2 million) to \$557.3 million in FY 2018. Earnings before interest, tax, depreciation and amortisation (EBITDA) increased 12.4% to \$1.2 billion in FY 2018, bolstered by the strong recognition of profits from the property development segment.

Our property development division continued to be the lead contributor making up 71% of FY 2018 pre-tax profits. Our strong performance was underpinned by several local and overseas projects. In Singapore,

New Futura, Gramercy Park, The Tapestry and The Criterion Executive Condominium (EC) projects were key contributors to profit. We also benefitted from our overseas diversification strategy with profit recognition primarily from Hong Leong City Center in Suzhou and Park Court Aoyama The Tower in Tokyo. CDL also remained as one of Singapore's top-selling developers. Together with our JV associates, we sold 1,113 residential units, including ECs, with a total sales value of \$2.2 billion. Our wholly-owned subsidiary CDL China Limited, together with its JV associates, sold 259 residential units and 18 villas in China in 2018, achieving a total sales value of RMB 1.32 billion (approximately \$269 million).

In 2018, we embarked on our G-E-T strategy - focusing on Growth, Enhancement and Transformation, and continued to replenish our land bank of development projects, both locally and overseas, while also actively growing our recurring income streams to provide a stronger base for the Group. To drive performance, we will enhance, reposition or redevelop our existing commercial properties while also striving to attain higher operational efficiency. To renew and reposition our business model for the future, we continue to forge new partnerships and invest strategically in new economy and technology ventures, as well as sizable game-changing platforms, that will transform our product offerings and enhance our value propositions.

SHAPING A FAIR, SAFE AND INCLUSIVE WORKPLACE

At CDL, we believe in diversity across genders, age groups, cultures and geographies. In 2018, we were the only real estate management and development company in the world to be listed in the inaugural sector-neutral Bloomberg Gender-Equality Index (GEI) and we are honoured to be included in the Index for the second consecutive year in 2019.

We have also expanded our initiatives to promote women diversity and empowerment to the community. Through CDL's Women4Green Network launched in 2017, we have reached out to women executives from diverse industries and engaged them to drive the green agenda.

For our efforts to promote workplace safety, CDL was one of the five long-serving BizSAFE Mentors to receive the special recognition award at the 10th BizSAFE Convention in 2018. We also became the only developer in Singapore to win the Workplace Safety and Health Award for 11 consecutive years.

In 2018, CDL's corporate office in Singapore employed 400 staff and we invested over \$130,000 in training and developing our employees to be a future-ready and engaged workforce. To enhance employees' well-being, we have an Employee Assistance Program to provide support for any issues concerning work, family matters and interpersonal relationships.

We are honoured to be recognised as the Top Employer Brand for our sector at the 2018 Influential Brands awards.

MULTIPLYING IMPACT THROUGH COLLABORATION

Launched in June 2017, the Singapore Sustainability Academy (SSA) has grown in a short span of time into a vibrant knowledge and networking hub on sustainability. As of December 2018, the SSA has reached out to more than 8,800 international and local stakeholders from the 3P sectors, including many high-profile diplomats, politicians and business leaders.

More than 210 sustainability-themed events including 89 training courses have been held in this zero-energy facility at City Square Mall, Singapore's first eco-mall. We are confident that the SSA's extensive and diverse outreach will continue to advance CDL's leadership in advocating sustainability and stakeholder engagement.

We also rolled out a number of notable community outreach initiatives:

- **Singapore Series of UN Environment's #BeatPlasticPollution Campaign**

To mark Singapore's Year of Climate Action, CDL and Global Initiatives rallied 30 like-minded partners from the 3P sectors to launch this initiative on World Environment Day. Three impressive art installations were created from some 40,000 recycled plastic bottles, raising awareness about the scourge of single-use plastic waste.

- **EcoBank**

This annual 3P initiative promotes responsible consumption and waste disposal in Singapore. A record 18.5 tonnes of pre-loved goods was collected over five weeks and about 800 volunteers lent their support to this good cause.

- **Youth4Climate Festival**

The first-ever Youth4Climate festival was held in partnership with National Parks Board and National Environment Agency (NEA) to offer youths a platform to express their concern for climate change and rally Singaporeans towards a greener and more eco-conscious future.

- **Space4Good@Distrii**

Launched in conjunction with the opening of Distrii, the next-generation technology-driven co-working facility at Republic Plaza, international non-governmental organisations (NGOs) that advocate sustainable development and responsible practices can enjoy complimentary use of spaces at Distrii's outlets in Singapore and China.

Through City Sunshine Club, CDL's employee volunteering platform, our employees have also been actively volunteering their time and effort to support various community projects, achieving a participation rate of over 93% and about 2,900 volunteer hours.

As a sustainability pioneer, CDL has continued to share our insights and best practices at various local and international industry summits, conferences and panel discussions to advocate for a sustainable future. We are proud that our Chief Sustainability Officer, Ms Esther An, became the first person from Singapore to be named one of the UN Global Compact SDG Pioneers in 2018. The accolade recognises individuals from around the world who champion the SDGs through their companies and inspire others to join the movement.

THE JOURNEY AHEAD

Looking ahead, the benefits of climate action are greater than before, while the costs of inaction continue to mount.

Our ESG-centric strategy ahead will be aligned with the insights of the Global Commission on Climate Change and Economy⁸.

We believe this forward-looking approach will continue to unlock opportunities in a resilient, equitable and inclusive future economy, enabling us to achieve the goals and targets of our Future Value 2030 sustainability blueprint.

Innovation and Sharing Economy Business Model

- Adopting sustainability-linked innovations**

With 2019 designated as Singapore's Year Towards Zero Waste, we will enhance our waste reduction intensity and recycling performance through adopting sustainability-linked innovations.

Gush!, a paint innovation start-up, is involved in a pilot programme at our Nouvel 18 project to test

out their mould-prevention solution for buildings while another start-up, UglyGood, has partnered our subsidiary, CBM Pte Ltd, to implement a trial for their environmentally-safe, enzyme-based cleaning solutions.

CDL has also stepped up our internal and external engagement for waste reduction at our corporate office and managed properties. We embarked on a food waste treatment system pilot test at Le Grove Serviced Residences with support from NEA in late 2018. If proven feasible, this initiative will be expanded to more properties.

- Harnessing our innovative capabilities to tackle global warming**

Satellite data from NASA revealed the alarming fact that Singapore is heating up twice as fast as the rest of the globe, at 0.25°C per decade. We are almost one degree hotter than we were in the 1950s, according to data from the Centre for Climate Research Singapore⁹.

If the current rate of carbon emissions continues to rise, Singapore's daily temperatures could reach 35 to 37°C by the turn of the century. Compounded by rising humidity, our bodies will struggle to cope with the heat.

In response to this risk, CDL is tapping our collaborations with academics and researchers in search of solutions to raise the comfort and thermal levels of homes. We are glad to see progress on pilot projects at the NUS-CDL Tropical Technologies (T²) Lab which started operations in early 2018. In January 2019, we celebrated the official opening of Singapore's first new-build net-zero energy building, the School of Design and Environment Building 4 where the NUS-CDL Smart Green Home is located. The collaboration is set to develop better cooling technologies and green building solutions which may open new sustainability-related economic opportunities for our business.

- Green guidelines and policies across the value chain**

CDL has regularly reviewed and upgraded our green procurement guidelines established since 2008. Aligned with our corporate EHS Policy, the guidelines encourage the use of eco-friendly and sustainable building materials. An example is the use of non-toxic materials like low volatile organic compounds paint. All our builders, suppliers and vendors of new development and investment properties are all subject to this set of guidelines.

⁸ Paper on "The New Climate Economy" by the Global Commission on Climate Change and Economy

⁹ "Killer Heat: Why It Matters", Channel News Asia, 28 December 2018

With clear guidelines and active engagement of suppliers, we aim to create tangible environmental, social, and business benefits for our stakeholders and the environment at large.

- **Contributing to Singapore's green building targets**

In support of Singapore's Green Building Masterplan and the BCA Green Mark scheme, CDL will capitalise on our green building know-how and experience to raise the bar for smart building management solutions and green features in our new developments and asset enhancement initiatives.

Given the close link between green infrastructure and the physical well-being and work productivity of occupants, CDL will continue our partnership with BCA, HPB and Sport Singapore to raise public awareness of these benefits.

- **Supporting vulnerable communities beyond our shores**

Climate-related disasters threaten the habitats and livelihoods of communities that lack the financial means to prevent or cope in such situations. Many countries are facing the urgent need to plug the gaps in their social and infrastructural needs.

CDL is exploring the possibility of providing support to vulnerable communities beyond Singapore's shores. We can extend our construction know-how, expertise in green buildings and co-working spaces, as well as our experience in green financing to address the needs of these overseas communities. As a force for good and an advocate for the SDGs, CDL believes that such potential ventures will pave the way for a more equitable and sustainable world.

Low Carbon and Renewable Energy Strategy

Our climate change scenario planning exercise, started in early 2018, has helped us to examine how a two- and four-degree-warmer global situation may impact our business continuity. With the commencement of carbon tax in Singapore this year and other parts of the world we operate in, CDL has conducted an internal carbon pricing exercise to progressively reduce emissions and mitigate climate-related risks as well as the financial exposure of our global operations. In November 2018, the Singapore chapter of the Carbon Pricing Leadership Coalition was co-launched by the World Bank Group and Global Compact Network Singapore. As a member of this coalition, CDL is committed to identifying synergies, sharing knowledge and exploring collaborations with industry players and government on the use of internal carbon pricing as a mechanism to reduce emissions.

As the world moves towards a low-carbon economy, the transition to electric vehicles (EV) is also accelerating. In support of Singapore's push for greater use of EVs, CDL will increase the number of EV charging points and shared EV lots at our properties.

In support of the drive towards "Net Zero" by the World Green Building Council, we will continue to closely track the effectiveness of carbon management at our buildings using the ISO 16745 standard. By reporting the carbon intensity disclosure for our flagship Republic Plaza, CDL became the first company in Singapore to have attained ISO 16745 in 2018.

From July 2019, the water tariff in Singapore will increase by 30% from 2016 price levels, to an average of \$2.50/m³. The potential impact of a water price hike is especially significant for Singapore, as a study by the World Resources Institute showed that our island nation is one of the most likely countries to be water-stressed in 2040.

For our operations in Singapore, CDL is well on track to reduce our water consumption intensity by 38% in 2030, from our baseline year of 2007.

Unlocking Financial Value with ESG Integration

Complementing the global agenda to fight climate change is the rapid growth of ESG investing. Our proven track record for ESG integration in our business has helped us achieve good ratings on notable global sustainability rankings and benchmarks. Building on the momentum from our green bond issue, CDL will continue to explore opportunities for green financing.

Concurrently, to tackle the threats posed by climate-related risks, we are seeking out green technologies and smart building solutions that will enhance our business resilience.

By playing an active role in global networks and initiatives on responsible investment, such as the UN Environment Programme's Finance Initiative and Sustainable Stock Exchanges' Green Finance Advisory Group, we are in a position to tap the insights and expectations of global investors and financial institutions.

We are heartened by the strong interest from the green investment community in CDL's integrated sustainability strategy and ESG management. We look forward to attracting and engaging with more like-minded investors and financiers in the years ahead.

Propelling Change through Thought Leadership and Collaboration

Our SSA is an exemplary case study in support of SDG 17: Partnerships for the goals. As a hub that draws passionate green advocates and strong collaborators, the impact of the SSA's outreach is amplified. The SSA will continue to spur close engagement between regulators, businesses, NGOs and the community at large.

We recognise that risks associated with climate, human resource and technology cannot be fully eliminated. What will steer us ahead is having the right mindset – being proactive, willing to take bold actions

and working together as one with other stakeholders within the larger ecosystem. With the collective efforts of global green-minded businesses, we can create a sea of change. Through our commitment to drive transformations aligned to the SDGs, CDL will continue to forge strategic collaborations and breakthroughs in ideas and technology. Building on our strong legacy and new capabilities, we will forge ahead in the new climate economy by building sustainable communities and cities.

SHERMAN KWEK

Group Chief Executive Officer

INTEGRATED STRATEGY FOR VALUE CREATION



INTEGRATED STRATEGY FOR VALUE CREATION

INTEGRATED STRATEGY FOR VALUE CREATION |

Climate change is the defining issue of our time. From a very early stage, City Developments Limited (CDL) has recognised the importance of Environmental, Social and Governance (ESG) integration into our business. The value created for CDL's stakeholders from our ESG-centric strategy and initiatives over the past two decades has proven the business case of this consistent approach. Today, we continue to press on in this journey, at an even faster pace, to drive the transformative actions needed to curb our fast-warming planet, and create a sustainable future for all.

STRONG LEADERSHIP COMMITMENT TO SUSTAINABILITY

Reflective of our leadership commitment to integrate sustainability into our operations, CDL implemented in February 2018 the unique structure of having the Sustainability function report directly to the Board Sustainability Committee (BSC). The BSC, comprising three independent directors and CDL's Group CEO, has direct advisory supervision on CDL's sustainability strategy, workplans and performance targets to advance our ESG leadership. The BSC meets at least twice a year to review CDL's sustainability plans.

While remaining independent, the Sustainability function led by the Chief Sustainability Officer (CSO) works closely with all business and operational units to maintain CDL's strategic ESG integration and best

practices. The CSO also chairs the Sustainability Committee, which cuts across all departments and operational units in CDL. Line managers are held accountable for their ESG performances, which are linked to their remuneration and appraisal.

On a quarterly basis, CDL publishes an online Sustainability Report on our microsite at www.cdlustainability.com. This voluntary initiative that started in July 2017 sets benchmarks for the transparency and timeliness of ESG disclosures to investors and stakeholders.

SUSTAINABILITY GOVERNANCE STRUCTURE



BOARD SUSTAINABILITY COMMITTEE (BSC)



TAN YEE PENG, 45
*NON-EXECUTIVE AND
INDEPENDENT DIRECTOR*

Appointed a Director of CDL on 7 May 2014, Ms Tan was last re-elected on 25 April 2017. She is also the Chairman of the BSC, a member of the Board Committee, the Audit and Risk Committee and the Nominating Committee (NC) of CDL.

Ms Tan graduated with First Class Honours degree in Accountancy from Nanyang Technology University (NTU) and has more than 18 years of accounting and auditing experience, and previously served as an audit partner with KPMG LLP ("KPMG") from 2003 to 2010. As an audit and advisory partner, she was closely involved in providing accounting and advisory services to clients in both the private and public sectors. Ms Tan also acted as the Reporting Accountant and

auditor for several companies listed on the Singapore Exchange, but was not involved in any KPMG audit engagement with the CDL Group.

Since her retirement as a practicing accountant, Ms Tan, at the request of KPMG, served as principal advisor from 2010 to 2011 on matters related to the healthcare industry, and assisted the firm in establishing the AsPAC Healthcare network. Ms Tan was an Adjunct Associate Professor of the Nanyang Business School, NTU, till 2018. Besides academia, she has also been contributing actively to the non-profit sector and is a member of the Medifund Committee of Vanguard Healthcare. Ms Tan was formerly a member of the Audit Committee (non-board position) of Jurong Health Services Pte. Ltd.

Ms Tan is a Fellow of the Institute of Singapore Chartered Accountants and a member of the Singapore Institute of Directors.



PHILIP YEO LIAT KOK, 72
*NON-EXECUTIVE AND
INDEPENDENT DIRECTOR*

Appointed a Director of CDL on 11 May 2009, Mr Yeo was last re-elected as a Director on 25 April 2017. He is also the Chairman of the NC and a member of the Remuneration Committee and the BSC of CDL. Mr Yeo will be seeking re-election as a Director at the 2019 AGM.

Mr Yeo is Chairman of Economic Development Innovations Singapore Pte Ltd (EDIS) which provides strategic advice and undertakes the development and management of integrated industrial and urban areas with an emphasis on job creation and industrial cluster development.

Mr Yeo is an independent Director of Baiterek National Managing Holding and Kerry Logistics Network Limited and the Chairman

of Accuron Technologies Limited, Hexagon Development Advisors Pte. Ltd. and MTIC Holdings Pte. Ltd.

Mr Yeo holds a Bachelor of Applied Science (Industrial Engineering), an honorary Doctorate in Engineering from the University of Toronto, Canada, an honorary Doctorate in Medicine from the Karolinska Institutet, Sweden, a Master of Science (Systems Engineering) from the University of Singapore, a Master of Business Administration from Harvard University, USA, a Doctor of Science from Imperial College, London, an honorary Doctor of Letters from National University of Singapore and an honorary Doctor of Law from Monash University of Australia. He also received the Order of the Rising Sun, Gold and Silver Star from the Government of Japan (2007) and the Distinguished Service (Star) award from the Singapore Labour Movement, National Trade Union Congress (2008).

**TAN POAY SENG, 52***NON-EXECUTIVE AND
INDEPENDENT DIRECTOR*

Appointed a Director of CDL on 2 February 2012, Mr Tan was last re-elected as a Director on 25 April 2017. He also sits on the BSC of CDL. Mr Tan will be seeking re-election as a Director at the 2019 AGM.

Mr Tan is the Managing Director of Magni-Tech Industries Berhad, an investment holding company

listed on the Main Market of Bursa Securities Malaysia Berhad, and Coronation Springs (M) Sdn. Bhd., a niche property development company. He has been named as one of the best CEOs of companies listed in nine sectors on Bursa Malaysia in 2016.

Mr Tan holds a diploma in Hotel Management, Switzerland and has more than 20 years of experience in various business sectors which include manufacturing, housing development, marketing, retailing and healthcare services.

**SHERMAN KWEK, 42***GROUP CHIEF EXECUTIVE OFFICER*

Mr Sherman Kwek assumed his current role as CDL's Group Chief Executive Officer (CEO) in January 2018. Since April 2016, he has also held the position of Executive Chairman of CDL China. He was previously the Deputy CEO and Chief Investment Officer of CDL. He has been spearheading the Group's expansion in China, Japan and Australia for almost a decade and in recent years has also broadened the Group's presence in Singapore and the UK.

Throughout his career, Mr Kwek has held various senior management roles including serving as the CEO of Hong Kong-listed City e-Solutions Limited and the Chief Operating Officer of Singapore-listed Thakral Corporation Ltd. He also

worked at RECAP Investments Limited, a real estate private equity fund. He started his career in New York in venture capital and investment banking before eventually joining the US division of Millennium & Copthorne Hotels plc. He has experience in the areas of investments, mergers and acquisitions, real estate, hospitality and technology, and has worked in New York, Hong Kong, Shanghai and Singapore.

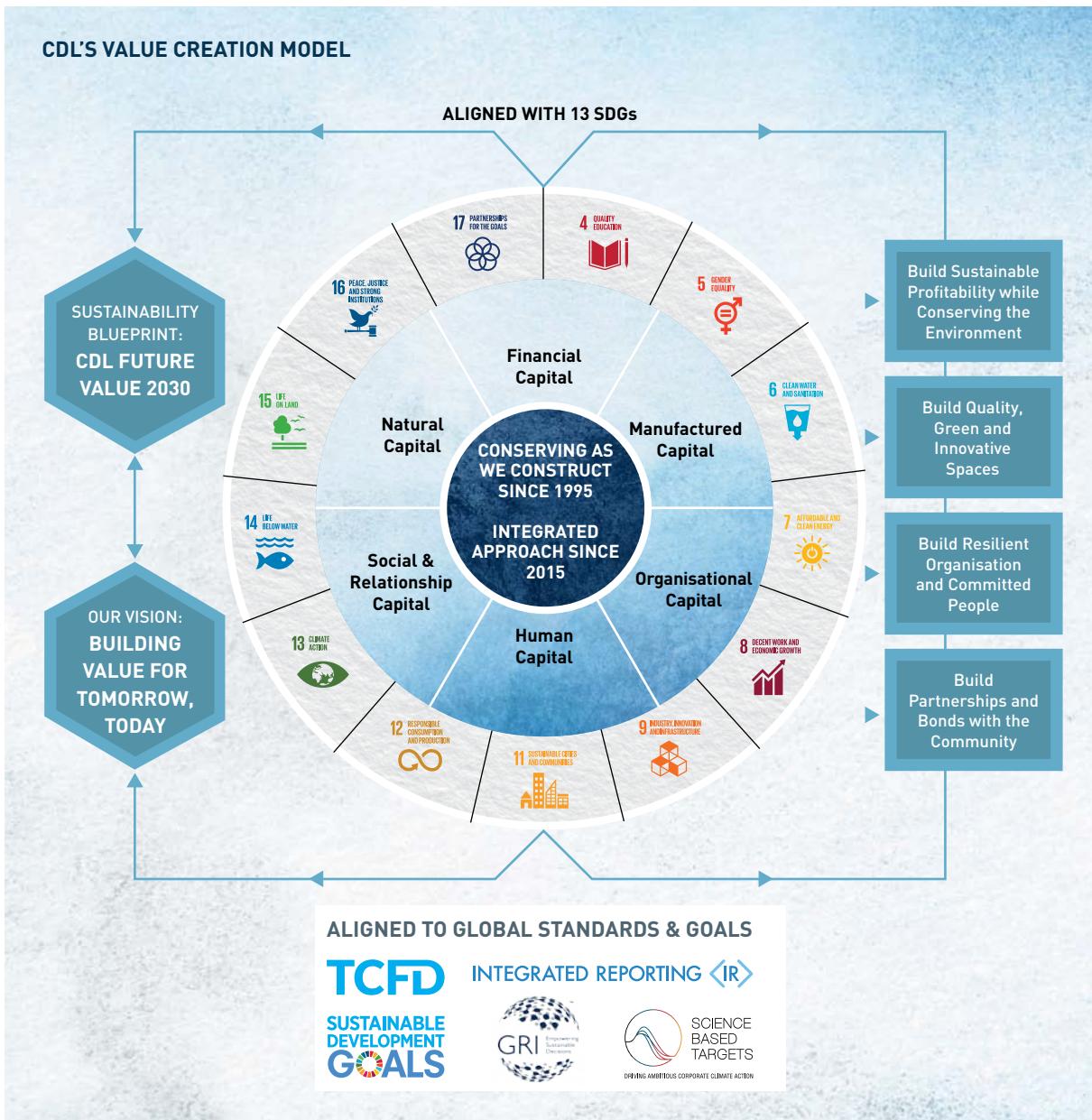
Mr Kwek is currently a Council Member of the Singapore Chinese Chamber of Commerce and Industry (SCCCI), and is also a member of the Council for Board Diversity, formerly known as the Diversity Action Committee initiated by the Singapore Exchange Limited, to promote greater gender diversity on the boards of listed companies.

CDL'S VALUE CREATION BUSINESS MODEL

At the core of the CDL value-creation business model is our ethos of "Conserving as We Construct" established since 1995. The model has evolved over the years to address the fast-changing environmental and business landscape. It embraces the framework by the *International Integrated Reporting Council (IIRC)* to make business and financial sense of ESG performance. The model has strengthened our ESG policies and practices, and is aligned to global best standards including the UN Sustainable Development Goals (SDGs) and Task Force on Climate-related Financial Disclosures (TCFD) framework. Today, CDL's unique ESG integration model, which entails our role as a developer, an asset owner and a corporate citizen, continues to create sustained value for our business and stakeholders.

CDL Future Value 2030 Sustainability Blueprint

Building on our firm foundation in ESG management, we established the CDL Future Value 2030 sustainability blueprint in 2017. It forms an integral part of our integrated sustainability strategy which continues to harness our six capitals – financial, organisational, natural, manufactured, human as well as social and relationship – to realise our corporate vision of 'Building Value For Tomorrow, Today'.



A forward-looking action plan, the sustainability blueprint sets out three long-term ESG goals and targets towards 2030 – a milestone year for global sustainable development, climate agreement and green building movement. The targets are clearly defined to contribute towards the SDGs as well as Paris Agreement, and address ESG issues that are material to our business and stakeholders.

Quarterly Update on Key Goals of Future Value 2030

On a quarterly basis, CDL publishes an online Sustainability Report that tracks, measures and updates stakeholders of our progress towards key goals and targets set under the CDL Future Value 2030 sustainability blueprint. Available on our sustainability microsite (www.cdlustainability.com), this voluntary

initiative that started in July 2017 sets benchmarks for the transparency and timeliness of ESG disclosures to investors and stakeholders.

CDL FUTURE VALUE 2030 GOALS, TARGETS AND PROGRESS

Legend: Progress Tracking



Meet interim targets, maintain performance towards meeting 2030 targets



Fall short of interim target for one year; review current practices



Fall short of interim target for more than two consecutive years; review and revise targets (if necessary)

FUTURE VALUE 2030 GOALS	2030 TARGETS [EFFECTIVE FROM 2018]	INTERIM ANNUAL TARGETS FOR 2018	FY2018 PERFORMANCE
Goal 1: Building Sustainable Cities and Communities	Achieve Green Mark certification for 80% of CDL owned and/or managed buildings	≥75%	75% achieved
	Maintain 100% tenant participation in CDL Green Lease Partnership Programme	Achieve 100%	100% maintained
	Double our commitment to adopt innovations and technology of green buildings	Average of two innovations or new technology adoptions per year	 1. Adoption of solutions by two sustainability-linked local start-ups, Gush! and UglyGood. 2. Implementation of a food waste treatment system at Le Grove Serviced Residences.
	Double resources devoted to advocacy of sustainability practices, stakeholder engagement and capacity building	≥100 training programmes and events held in the SSA per year	146 comprising 60 trainings and 86 events.



Legend:
Progress Tracking


Meet interim targets, maintain performance towards meeting 2030 targets



Fall short of interim target for one year; review current practices



Fall short of interim target for more than two consecutive years; review and revise targets (if necessary)

FUTURE VALUE 2030 GOALS	2030 TARGETS (EFFECTIVE FROM 2018)	INTERIM ANNUAL TARGETS FOR 2018	FY2018 PERFORMANCE
Goal 2: Reducing Environmental Impact 	Achieve science-based target of reducing carbon emissions intensity by 59% ¹ from 2007 levels.	40% reduction	32% reduction The lower-than-expected reduction was due to the refrigerant systems approaching end-of-life. Systems will be progressively replaced in due course.
	<u>For Corporate Office & Asset Management</u> ² : Reduce energy usage intensity ³ by 35% from 2007 levels. <u>For Property Development</u> : Achieve an energy usage intensity of 95 kWh/m ² .	29% reduction Property Development: ≤105 kWh/m ²	27% reduction Performance in this area will be closely monitored, as performance has fallen short of interim target by a small margin.
	<u>For Corporate Office & Asset Management</u> ² : Reduce water usage intensity by 38% from 2007 levels. <u>For Property Development</u> : Achieve a water usage intensity of 0.60 m ³ /m ² .	32% reduction Property Development: ≤1.75 m ³ /m ²	32% reduction Property Development: 0.65 m ³ /m ²
	<u>For Corporate Office & Asset Management</u> ² : Reduce total waste intensity by 7% from 2016 levels. <u>For Property Development</u> : Achieve a waste intensity of 30 kg/m ² .	0.7% reduction Property Development: ≤50 kg/m ²	2.7% increase There was an improvement in waste reduction with a 5% absolute reduction of waste disposed. However, total waste intensity increased due to reduced leased area. An inter-departmental waste minimisation taskforce has been set up to review current practices and targets.
	Ensure that 100% of appointed suppliers are certified by recognised EHS standards	<u>For Asset Management</u> : ≥30% of suppliers appointed <u>For Property Development</u> : 100% of main contractors and ≥30% of consultants appointed	70% of suppliers appointed by Asset Management Division. 100% of main contractors and 75% of consultants appointed by Property Development Division.
	Reduce embodied carbon of building materials by 24% compared to other conventional equivalents ⁴	≥7% reduction for new projects awarded from 2018 onwards	Data to be reported at the end of 2020

1 To align with CDL's newly validated science-based target, this intensity only includes emissions from Scope 1 and 2 and excludes the emissions from construction activities by CDL's construction contractors reported under Scope 3 emissions. Separate targets have been set to address our Scope 3 emissions for capital goods and investment, including the reduction of embodied carbon of building materials. For more information on CDL's science-based target, please visit www.sciencebasedtargets.org.

2 Scope of the environmental targets has been revised to align with the sector classification of GRI Business Activity Group Descriptions as recommended by the SBTi. Through this revision, the current scope includes only the corporate office and asset management divisions. Targets and performance for property development are tracked separately.

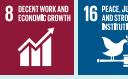
3 Energy usage intensity indicated here is for purchased electricity, as base year levels were calculated using purchased electricity only.

4 Based on the life-cycle of our property development projects, embodied carbon data for building materials are only available 2 years after a project has been awarded. This target replaces the previous construction materials derived from recycled content, low carbon sources or certified by recognised environmental organisations as this new target provides a more direct measure on the carbon emissions reduction which is in line with the newly validated science-based target.

Legend:
Progress Tracking
 Meet interim targets, maintain performance towards meeting 2030 targets

 Fall short of interim target for one year; review current practices

 Fall short of interim target for more than two consecutive years; review and revise targets (if necessary)

FUTURE VALUE 2030 GOALS	2030 TARGETS (EFFECTIVE FROM 2018)	INTERIM ANNUAL TARGETS FOR 2018	FY2018 PERFORMANCE
Goal 3: Ensuring Fair, Safe and Inclusive Workplace  	Maintain Zero corruption and fraud incident across CDL's core operations	Zero	 Zero corruption and fraud incident
	Maintain Zero fatality across CDL's operations and direct suppliers in Singapore	Zero	 Zero fatality
	Maintain Zero occupational disease across CDL's operations and direct suppliers in Singapore	Zero	 Zero occupational disease
	Maintain Zero Accident Frequency Rate (AFR) ⁵ for our employees within CDL premises	≤1.9 ⁶	 1.3 One reportable incident⁷
	Maintain AFR of 1 or less for direct suppliers at CDL construction sites	≤1	 0.4 One reportable incident⁷
	Maintain AFR of 1 or less for direct suppliers at CDL managed properties	≤1.9 ⁶	 0.9 One reportable incident⁷

STRATEGIC MANAGEMENT OF MATERIAL ESG ISSUES

There is an increased blending of materiality between financial and ESG (formerly referred as non-financial) performance globally. The principle of materiality is becoming the essential filter to determine which ESG indicators will be most significant to reporters and their stakeholders. In late 2014, CDL embarked on materiality assessments with a comprehensive study

conducted amongst key stakeholders to identify what matters most to our business and investors. In early 2016, a condensed materiality review was conducted to validate the key issues. Both studies covered online survey and one-on-one stakeholder interviews.

In November 2017, CDL conducted a second comprehensive materiality study amongst our stakeholders for updated insights of their expectations in the fast-changing business landscape. After a

review by CDL's Senior Management, the 13 critical and highly material issues were presented to the BSC for resolution. This not only provided strategic business insights and focus for CDL's reporting initiatives, but also helped to enhance stakeholders' confidence in CDL. This year's report continues to use the issues identified through this recent materiality assessment, with the most critical ESG issues prioritised by more than 160 key stakeholders.

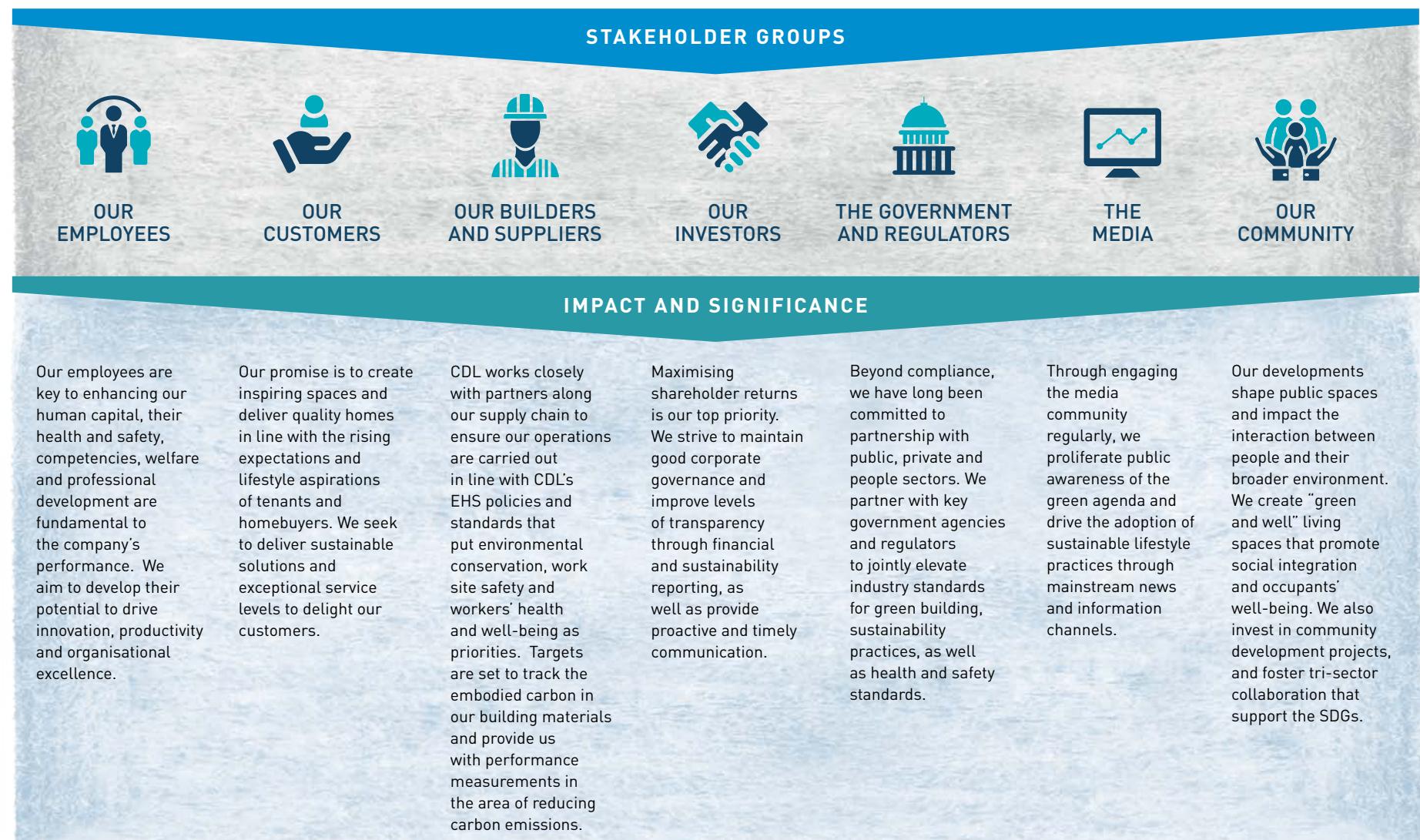
⁵ Accident Frequency Rate (AFR) refers to the number of workplace accidents per million manhours worked.

⁶ Based on the 2017 Real Estate Services Industry AFR published in the Workplace Safety and Health Report 2017 by the MOM and WSH Institute.

⁷ Reportable incident refers to work-related accident, workplace accident, dangerous occurrence and occupational disease that require statutory reporting to the MOM, as mandated by the Singapore WSH Act.

CDL'S STAKEHOLDERS

We define our stakeholders as groups whom our business has a significant impact on, and those with a vested interest in our operations. By assessing the significance and impact of their interest on CDL's business, we have identified seven key stakeholder groups.



STAKEHOLDER-DRIVEN MATERIAL ESG ISSUES

CDL'S MATERIAL ESG ISSUES	BOUNDARY AND IMPACT	GRI STANDARDS DISCLOSURES	ADDRESSED IN THIS REPORT
1. Innovation	All stakeholders across our value chain	<ul style="list-style-type: none"> Construction and Real Estate Sector (CRES): Sustainability certification, rating and labelling 	Chapter 2: Building Sustainable Cities and Communities
2. Energy Efficiency and Renewable Energy	Customers, builders and suppliers, government and regulators, investors, community, and media	<ul style="list-style-type: none"> Energy CRES: Building energy intensity 	Chapter 3: Reducing Environmental Impact
3. Product Quality and Responsibility	Customers, builders and suppliers, government and regulators, investors, community, and media	<ul style="list-style-type: none"> Marketing and labelling CRES: Sustainability certification, rating and labelling 	Chapter 2: Building Sustainable Cities and Communities
4. Occupational Health, Safety and Well-being	All stakeholders across our value chain	<ul style="list-style-type: none"> Occupational health and safety 	Chapter 4: Shaping a Fair, Safe and Inclusive Workplace
5. Anti-Corruption	All stakeholders across our value chain	<ul style="list-style-type: none"> Anti-corruption 	Chapter 4: Shaping a Fair, Safe and Inclusive Workplace
6. Business Ethics and Compliance	All stakeholders across our value chain	<ul style="list-style-type: none"> Anti-competitive behaviour Environmental compliance Socioeconomic compliance 	Chapter 4: Shaping a Fair, Safe and Inclusive Workplace
7. Climate Change	Customers, builders and suppliers, government and regulators, investors, community, and media	<ul style="list-style-type: none"> Emissions CRES: Building greenhouse gas emissions intensity 	Chapter 3: Reducing Environmental Impact
8. Cyber Security and Data Governance	Customers, employees, government and regulators, investors, and media	<ul style="list-style-type: none"> Customer privacy 	Chapter 4: Shaping a Fair, Safe and Inclusive Workplace
9. Economic Contribution to Society	All stakeholders across our value chain	<ul style="list-style-type: none"> Economic performance Market presence Indirect economic impacts 	Chapter 5: Creating Shared Economic and Social Value
10. Product Safety and Customer Well-being	Customers, community, government and regulators, investors, and media	<ul style="list-style-type: none"> Customer health and safety 	Chapter 2: Building Sustainable Cities and Communities Chapter 4: Shaping a Fair, Safe and Inclusive Workplace
11. Responsible Supply Chain and Sourcing	Builders and suppliers, community, government and regulators, investors, and media	<ul style="list-style-type: none"> Materials Suppliers environmental assessment Suppliers social assessment 	Chapter 3: Reducing Environmental Impact Chapter 4: Shaping a Fair, Safe and Inclusive Workplace
12. Talent Attraction, Retention and Development	Employees, government and regulators, and investors	<ul style="list-style-type: none"> Training and education Employment Labour/ management relations 	Chapter 4: Shaping a Fair, Safe and Inclusive Workplace Chapter 5: Creating Shared Economic and Social Value
13. Water Management and Efficiency	Customers, builders and suppliers, government and regulators, investors, community, and media	<ul style="list-style-type: none"> Water CRES: Building water intensity 	Chapter 3: Reducing Environmental Impact

RISKS AND OPPORTUNITIES OF KEY MATERIAL ESG ISSUES

Surrounding these material issues, we have mapped the risks and opportunities to 13 relevant SDGs and the four pillars under the TCFD framework (Governance, Strategy, Risk Management, Metrics & Targets). These ESG risks and opportunities also complement the company's Enterprise Risk Management (ERM) framework. More information can be found in the Risk Management Report in [CDL's Annual Report 2018](#).

CDL'S MATERIAL ESG ISSUES	RISKS	OPPORTUNITIES	SUSTAINABLE DEVELOPMENT GOALS	TCFD PILLARS
Innovation	Services and products of conventional business models can be displaced by the advent of disruptive technology and by market innovators.	<p>Identified as the top material issue since 2017, innovation is deemed key to driving CDL's business to the next level and enables us to raise the level of sustainable practices and ESG performance.</p> <p>Through an Enterprise Innovation Committee formed in early 2018, company-wide initiatives are carried out at CDL to spur creative thinking and promote a culture of innovation among employees.</p> <p>Solutions from sustainability-linked startups or vendors, where feasible, are piloted in CDL's building projects or operations to test the viability of emerging technologies and innovative solutions.</p> <p>In partnership with NUS, the Tropical Technologies Lab (T² Lab) was opened in early 2018 to develop innovative, green building technologies.</p>	  	Strategy Risk Management
Energy Efficiency and Renewable Energy	<p>Carbon tax and subsequent hikes will impact the cost of electricity and business operational costs.</p> <p>Globally, more countries are also expected to capture the external costs of carbon emissions. In CDL's key overseas markets – China, UK / Europe, Japan and Australia, carbon pricing is currently set at the range from US\$1 to US\$46 per tonne of carbon emissions, subject to changes in global pricing.</p>	<p>CDL has a strong track record as well as expertise in green buildings and solar energy to raise energy efficiency through a building's life-cycle. It can maximise in-built and natural efficiencies, minimise embodied carbon, and increase renewable energy consumption in both new developments and asset enhancement.</p> <p>Beyond brick and mortar, CDL can influence our supply chain and building users to adopt sustainable practices, solutions and lifestyles. 100% of CDL's commercial tenants have subscribed to our green lease and more EV charging stations are being installed at our buildings.</p> <p>Price of renewable energy has been falling in tandem with technological advancements and increased market access to renewable energy. When Singapore's blockchain-enabled marketplace for renewable energy certificates (REC) was launched in end 2018, CDL was one of the first two corporate purchasers in Singapore to adopt this digital platform.</p>	   	Governance Strategy Risk Management Metrics & Targets

CDL'S MATERIAL ESG ISSUES	RISKS	OPPORTUNITIES	SUSTAINABLE DEVELOPMENT GOALS	TCFD PILLARS
Product Quality and Responsibility	Failure to deliver on quality and responsibility affects corporate reputation and sales.	<p>CDL's stringent quality assurance processes e.g. voluntary subscription to the Construction Quality Assessment System (CONQUAS) by BCA, has produced projects of superb quality. CDL was the first and only private sector developer to be conferred the inaugural Built Environment Leadership Platinum Star Award by BCA in 2018. We were also the only developer to win BCA's Quality Excellence Award – Quality Champion Platinum for six consecutive years.</p> <p>CDL's developments have consistently excelled under the CONQUAS scheme, entrenching our reputation as one of the highest scoring CONQUAS developers. This has differentiated CDL's branding, products and enhanced stakeholders' confidence in our properties.</p>	   	Strategy Risk Management
Occupational Health, Safety and Well-being	<p>The safety, health and wellness of employees and contractors' workers may affect work performance and productivity.</p> <p>As most activities at construction sites and managed buildings are carried out by appointed contractors, developers and landlords are exposed to safety and health risks if their management of contractors is not sufficiently stringent.</p>	<p>CDL established our first EHS policy and 5-Star EHS Assessment System since the early 2000s. These were enhanced in scope and standard over the years. CDL is committed to providing a safe, healthy and conducive work environment for our employees, workers of contractors and users of our buildings.</p> <p>In 2017, CDL integrated our various ISO 14001 and OHSAS 18001 EHS Management System across all our key operations in Singapore, to effectively manage the safety, health and well-being of our employees and workers, directly or indirectly hired.</p>	 	Strategy Risk Management
Anti-Corruption	Bribery and corruption are amongst the highest risks for businesses that could lead to financial and reputational losses. Such criminal cases and scandals have threatened the survival of many corporations globally.	<p>CDL's zero-tolerance on any non-compliance to policies towards fraud, bribery and corruption provide assurance to all our stakeholders including investors and customers. Currently, CDL has benchmarked our practices with the voluntary SS ISO37001 Anti-bribery Management Systems to ensure that gaps, if any, are narrowed and in accordance to globally-recognised best practices.</p> <p>Continued training and reinforcement of the anti-corruption practices are provided to employees to ensure clear understanding of CDL's commitment to anti-corruption.</p>		Governance Risk Management
Business Ethics and Compliance	Non-compliance to any legislation may result in fines and non-financial sanctions which will disrupt operations and affect business reputation. Failure to comply with local and international laws will also threaten a company's license to operate.	CDL has in place clear policies and Risk Management systems to continuously monitor and validate business processes and benchmarks them against industry best practices. Within our robust EHS management system, the applicable legal requirements are regularly monitored and evaluated for compliance. Incentives and penalties have also been implemented to improve and tighten contractors' site management. Such good practices and track records have enhanced CDL's branding and gained continued confidence in the company from all stakeholders, including investors.		Governance Risk Management

CDL'S MATERIAL ESG ISSUES	RISKS	OPPORTUNITIES	SUSTAINABLE DEVELOPMENT GOALS	TCFD PILLARS
Climate Change	<p>The building sector has strong environmental impact and is heavily reliant on natural resources for its operations.</p> <p>Building material cost is expected to increase with depleting natural resources globally. Climate-related litigation, new policies and more stringent regulations such as carbon pricing, water tariffs hike and stricter building standards are expected. Rising energy cost and carbon pricing will pose challenges to maintain profitability and sustained growth.</p>	<p>CDL's voluntary target to achieve Green Mark Gold^{PLUS} for all new developments, two levels above legal compliance, has driven us to adopt design and features that raise energy efficiency. Early adoption of solar power has helped CDL lower our carbon footprint.</p> <p>Apart from building two zero-energy developments in Singapore, namely the Green Gallery @ SBG and the Singapore Sustainability Academy, CDL also boasts a strong track record in the early use of solar energy in both commercial and residential developments, e.g. South Beach and D'Nest. Adopting prefabricated construction technology and sustainable building materials such as cross-laminated timber not only raised productivity and EHS performance, but also helped CDL to reinforce our leadership and expertise in best practices.</p>	  	Governance Strategy Risk Management Metrics & Targets
Cyber Security and Data Governance	<p>Malicious cyber-attacks can inflict serious disruptions to businesses and affect the reputation of and stakeholders' trust in a company.</p> <p>Businesses also need to be mindful of compliance requirements for international and local data privacy protection laws.</p>	Besides having holistic IT governance structures, robust detection and mitigation measures in place to protect our critical business systems and data, CDL's IT response plans are tested by independent external and internal auditors and benchmarked against best industry practices.		Governance Risk Management
Economic Contribution to Society	CDL's financial performance impacts the vested interests of our shareholders, employees and vendors.	CDL gives back to society through our community outreach for youth development, supporting the arts, helping the less fortunate and environmental conservation. Our Singapore Sustainability Academy also contributes to capacity building, training and development of the green industry. We provide free use of this dedicated space to stakeholders for the promotion of the SDGs and climate action.	    	Strategy Governance

CDL'S MATERIAL ESG ISSUES	RISKS	OPPORTUNITIES	SUSTAINABLE DEVELOPMENT GOALS	TCFD PILLARS
Product Safety and Customer Well-being	Failure to meet legal obligation and contractual responsibility to ensure the safety of the occupants at the residential, office, commercial and industrial developments could lead to reputational and financial losses.	To ensure compliance and prevent latent defects, CDL has in place a robust policy to identify design risks and assess the severity of EHS impacts throughout the construction stages of our developments. Beyond product safety, CDL encourages our employees and tenants to go green and stay healthy. CDL is one of the first six companies to participate in the BCA-HPB Green Mark for Healthier Workplaces when the scheme was launched in October 2018. We also encourage participation in this scheme among our tenants.	 	Strategy Risk Management
Responsible Supply Chain and Sourcing	Natural resources are finite, and the availability and rising costs of these resources have significant impact on a developer's bottom line and financial performance. Selection and procurement of building materials has an impact on CDL's ESG performance, such as carbon reduction, worksite health and safety.	CDL has a strong track record in supply chain management by engaging contractors and consultants that abide to our ethos of 'Conserving as we Construct' since 1995. We have built a supply chain that shares CDL's firm commitment to EHS through the CDL 5-Star EHS assessment. The CDL Green Procurement Guidelines within the EHS Management System has given clear guidance to suppliers. Suppliers' support has helped CDL to adapt effectively to challenges posed by climate change or shortage of resources, for long-term business sustainability.	     	Governance Strategy Risk Management Metrics & Targets
Talent Attraction, Retention and Development	The outflow of talent will impact on CDL's human capital, operational efficiency and sustained growth.	As an employer committed to fair and equal opportunity for our employees, CDL promotes diversity at the workplace and strives to be an employer of choice. Our focus on staff development and innovative culture has helped to attract and retain talents as well as strengthen our positive standing.	  	Strategy Risk Management
Water Management and Efficiency	Singapore was ranked 'most at risk of facing high water stress' by the World Resource Institute in 2015. Water price went up by 30% between 2017 and 2018. Developers and landlords face the challenge of securing long-term reliable supplies of clean water at a reasonable cost.	CDL has a strong track record in adopting technologies to raise water efficiency and minimise wastage such as rainwater harvesting at residential and commercial developments. Our developments are designed with a strong focus on water sustainability throughout the lifecycle of the asset. As the water market grows and emerging technologies become more accessible and affordable, CDL will continue to further enhance our water management by adopting new technologies and solutions to reduce fresh water consumption, increase our reuse and recycling of wastewater, and improve the quality of treated wastewater.	  	Governance Strategy Risk Management Metrics & Targets

ENGAGING THE VALUE CHAIN TO EMBRACE UN SDGs, TCFD AND IIRC

The CDL value chain management model encapsulates how CDL embraces relevant SDGs and harnesses the six capitals based on the International Integrated Reporting Council (IIRC) framework – Financial, Manufactured, Human, Natural, Organisational and Social and Relationship. The activities, performance and value created through this integrated approach are connected and disclosed according to the four pillars under the TCFD recommendations.

Drawing reference from the “SDG Compass: The Guide for Business Action on the SDGs”, jointly developed by Global Reporting Initiative (GRI), United Nations Global Compact (UNGC) and World Building Council for Sustainable Development (WBCSD), CDL has identified key areas along our value chain where we can create social and environmental impact aligning with the SDGs.

Leveraging our sphere of influence amongst stakeholders, we apply our core competencies, invest in innovations and engage our network to promote and contribute to the relevant SDGs (see diagram on the right). Underlying this process is the continuous and close engagement with internal and external stakeholders through the lifecycle of asset development and management.



ALIGNMENT WITH THE RECOMMENDATIONS OF THE TCFD

Recognising that material ESG issues have impending impact on our business performance, CDL has been an early adopter of the IIRC's integrated reporting approach in assessing our ESG impact through a financial lens since 2015. In

the same light, we support the call for more effective climate-related financial disclosures to inform longer term investment decisions, by becoming one of the four pioneering Singapore companies to pledge our support for the Recommendations of the TCFD launched in June 2017. In this Report, we voluntarily disclose our climate-related financial disclosures in four key pillars as recommended by the TCFD.



KEY PILLAR AND RECOMMENDED DISCLOSURE	CDL'S APPROACH	ADDRESSED IN THIS REPORT
Governance CDL's governance around climate-related risks and opportunities	<ul style="list-style-type: none"> CDL's board-level BSC has oversight of climate-related risks and opportunities and meets at least twice a year to review emerging climate-related issues and our low-carbon strategy and initiatives in managing them. CDL has in place stringent climate-related policies and guidelines. Clear goals and targets are set under the CDL Future Value 2030 Blueprint. ESG performance is tracked regularly and reported online quarterly in addition to the annual sustainability report. CDL's Chief Sustainability Officer leads the Sustainability department and reports directly to the BSC and Group CEO on all sustainability matters, including global and local climate-related issues. 	Chapter 1: page 14 Chapter 1: page 14 Chapter 1: page 14
Strategy Proactive approach to identify and pre-empt potential impact of climate-related risks by setting ESG targets and practices to help business units to be future-ready for such risks. Strive to stay abreast of trends and highlight potential opportunities that may be unlocked by ESG best practices e.g. green financing, innovative solutions to lower carbon footprint.	<ul style="list-style-type: none"> Mitigation: Our internal risk assessments have identified a list of material climate change risks and opportunities, which informed our sustainability strategy and forward-looking CDL Future Value 2030 sustainability blueprint. Materiality Analysis: In end 2017, we conducted a comprehensive materiality assessment with feedback from 160 stakeholders and advice from an expert panel, to prioritise our material ESG issues. We adopted the top material issue – Innovation – extensively into our business and have stepped up aggressively to scout for innovative solutions. To address climate change as one of the 13 most material ESG issues, CDL continued to finetune our sustainability strategy and raised our ESG targets to future-proof our business against climate risks. Climate Change Scenario Planning: In 2018, we completed Phase 1 of a Climate Change Scenario Analysis to assess the financial impact of climate-related risks and opportunities to CDL's core business operations in key markets including Singapore, China and United Kingdom. The study takes into consideration of a 2°C and a business-as-usual 4°C scenario. Financial impacts from identified climate-related risks and opportunities provide basis for us to stress-test and enhance the resilience of our strategy and risk management approaches. Low Carbon Economy: Raising the use of renewable energy has been a priority to lower the company's carbon footprint. In Q4 2018, CDL became a pioneering procurer of REC from a new blockchain-powered online marketplace with a view to raise our use of renewable energy. 	Chapter 1: page 23-26 Chapter 3: page 52 Chapter 1: page 20-22 Chapter 3: page 52 Chapter 3: page 52 Chapter 3: page 58

KEY PILLAR AND RECOMMENDED DISCLOSURE	CDL'S APPROACH	ADDRESSED IN THIS REPORT
Risk Management The processes used by CDL to identify, assess, and manage climate-related risks	<ul style="list-style-type: none"> Climate change risks and related regulatory and raw material supply risks are identified as strategic business risks and managed under CDL's ERM framework. Our stakeholder-driven materiality assessment complements our ERM framework in identifying and assessing material ESG risks and opportunities. The assessment considered voluntary and regulatory requirements, including the Singapore Government's pledge for the Paris Agreement and the imposed carbon taxation in 2019. Beyond managing climate-related risks and opportunities under the ERM framework, we also manage operational issues pertaining to climate change, energy, water and raw material supply through the ISO 14001 Environmental Management System and ISO 50001 Energy Management System. 	Chapter 3: page 52 Risk Management Report in CDL's Annual Report 2018 Chapter 1: page 20-22 Chapter 3: page 52 Chapter 3: page 57, 63
Metrics and Targets The metrics and targets used to assess and manage climate-related risks and opportunities which are material to CDL's business	<ul style="list-style-type: none"> Since 2008, we have adopted UNGC's ten principles and GRI framework for our sustainability report, which was not mandatory in Singapore till 2017. In 2015, the IIRC Framework was adopted for sustainability reporting to connect ESG with financial and business performance. In 2016, CDL became the first real estate company in Singapore to embrace UN SDGs in our sustainability reporting. In 2017, CDL embraced the TCFD approach for our integrated sustainability reporting. In addition to CDL's core operations, we have been disclosing Scopes 1, 2 and 3 of greenhouse gas (GHG) emissions of CDL's six key subsidiaries since 2015. Our environmental performance metrics are prepared in accordance to global standards including GHG Protocol and ISO 14064 for the quantification and reporting of GHG emissions and ISO 16745 for the disclosure of Republic Plaza's carbon footprint. In 2018, we became the first real estate company in Singapore to have its carbon reduction targets assessed and validated by the Science Based Targets initiative (SBTi). With that, CDL raised our targets, committing to reduce our carbon emission intensity across its Singapore operations by 59% by 2030 from base-year 2007. This aligns us with the agenda of keeping global temperature increase to less than 2°C, enhancing CDL's set of robust, long-term targets for energy, water and waste reduction, as well as sustainable material use under our CDL Future Value 2030 sustainability blueprint. 	Chapter 1: page 30-32 Chapter 3: page 53-67 Chapter 3: page 69-70 Chapter 1: page 18-20

REPORT PERIOD AND SCOPE

This is CDL's 12th Sustainability Report. It replaces the CDL Integrated Sustainability Report 2018 as our latest annual publication dedicated to providing information on financial, governance, social and environmental performance that are material to CDL's business and stakeholders.

This Report contains a full year's data from 1 January to 31 December 2018 and focuses primarily on operations owned and managed by CDL's Singapore headquarters, excluding that of our subsidiaries. The scope covers our principal business as a real estate management and development company, comprising operational functions such as asset management of commercial and industrial developments, our corporate headquarters in Singapore as well as project development. In 2018, property development was the main contributor to CDL's pre-tax profit.

Following the inclusion of carbon emissions data from our key subsidiaries since 2015, we expanded the reporting scope to include their energy and water usage data. These six subsidiaries are:

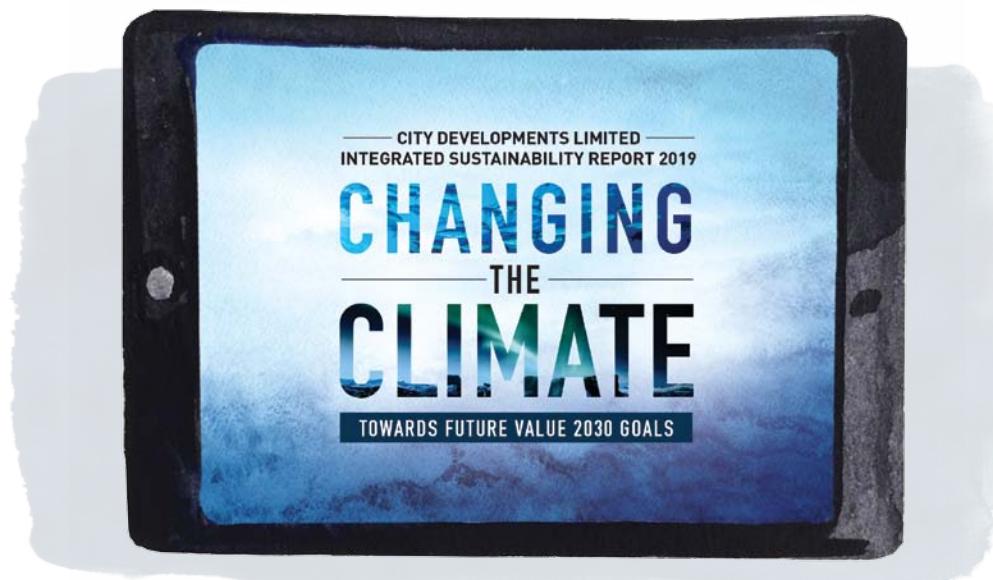
- CBM Pte Ltd
- CDL Hospitality Trusts
- City Serviced Offices
- Le Grove Serviced Residences
- The Tower Club Singapore
- Hotels owned and managed by M&C

As at 31 December 2018, M&C's global portfolio comprises 139 hotels with over 40,000 rooms. It has a global pipeline of 26 hotels with around 10,800 rooms. While CDL has a 65% interest in M&C, the latter has its own Board of Directors that oversees its policies and operations.

The Board has adopted a number of policies, collectively referred to as Responsible Hospitality, which are designed to recognise M&C's wider impact on the communities in which it operates. M&C's Corporate Responsibility activities and full year carbon footprint are included in its Annual Report available at www.millenniumhotels.com.

Monetary values in this Report are presented in Singapore dollars, which is CDL's functional currency. Where possible, we have provided up to five years of historical data for comparison. CDL voluntarily discloses the information as we believe in upholding the principles of corporate transparency, disclosure, and communication with our stakeholders.

Any variance in data from the CDL Annual Report 2018 is due to updates following the external assurance of this Report. For additional information on our comprehensive initiatives on sustainability, please refer to our sustainability microsite: www.cdlustainability.com.



Report Content

In each reporting cycle, CDL's Sustainability Committee reviews the content of the Report to determine its relevance to our business. Efforts are also made to ensure that current and emerging material issues pertaining to sustainability and the interests of our stakeholders are addressed.

Other operational committees oversee existing management systems and certifications such as the ISO 14001 Environmental Management System, ISO 50001 Energy Management System, OHSAS 18001 Occupational Health and Safety Assessment System and Singapore Quality Class. Relevant targets and key performance indicators are established, tracked, and disclosed within this Integrated Sustainability Report. In line with our steadfast commitment to align CDL's environmental practices with international best practices, CDL became the first Singapore developer in 2016 to validate our GHG emissions data against the stringent ISO 14064 for GHG verification. In addition, CDL has released the carbon intensity disclosure report for our flagship building Republic Plaza, in which the carbon metric calculations have been externally assured to have been performed in accordance with ISO 16745-1 requirements.

Our Report continues to integrate ISO 26000:2010 Guidance on social responsibility, and the Company actively promotes compliance with internationally adopted standards and regulations in the fields of occupational standards, environmental protection, and the fight against corruption.

Reporting Boundaries and Standards

This report has been prepared in accordance with the GRI Standards: Comprehensive option. Its Reporting Principles for defining reporting content are:

- **Stakeholder Inclusiveness:** Beyond identifying our stakeholders and responding to their expectations and interests, we engage our builders and suppliers in the rigorous reporting process in line with the new GRI Standards. This helps to raise accountability of stakeholders along our supply chain.
- **Sustainability Context:** Presenting performance in the wider context of sustainability;
- **Materiality:** Focusing on issues that impact business growth and of utmost importance to our stakeholders;
- **Completeness:** Including full coverage of material topics and boundaries that are of significant economic, environmental, and social impact to enable stakeholders to assess CDL's performance in the reporting period

The Report is also aligned with the Construction & Real Estate Sector Supplement and has undergone **GRI SDG Mapping Service** to ensure that the SDGs, based on the SDG Compass Annex: Linking the SDGs and GRI Standards, are correctly mapped against the relevant GRI disclosures, and that these disclosures are easily traceable in the report via the GRI Content Index. The GRI Content Index can be found on [pages 124 to 130](#).

This Report also adopts the International Integrated Reporting Council's (IIRC) Integrated Reporting Framework by connecting ESG performance with

business and financial impact for a more meaningful and all-rounded corporate reporting. Centered around six capitals – Financial, Organisational, Natural, Manufactured, Human, and Social and Relationship – this approach aims to present a holistic picture to our investors and stakeholders on how the interrelation between our business and sustainability performance leads to value creation in the long-term. CDL's value creation model is outlined on [page 17](#).

Since 2005, CDL has been a signatory to the UNGC and we are committed to its 10 principles. This Report also serves as our Communication on Progress (COP) addressing the areas of human rights, labour, environment and anti-corruption. Our COP is available at www.unglobalcompact.org.

Our carbon footprint is calculated in accordance with the World Business Council for Sustainable Development and World Resources Institute's (WBCSD/WRI) Greenhouse Gas (GHG) Protocol, a corporate accounting and reporting standard. This protocol is considered the current best practice for corporate or organisational emissions reporting, and we measure our emissions in three 'scopes':

- Scope 1 — Direct GHG emissions from sources that are owned, such as company-owned vehicles and refrigerants
- Scope 2 — Indirect emissions from purchased electricity using the location-based and market-based methods
- Scope 3 — Indirect emissions such as our business travel, staff commute, and outsourced services

In addition to the GHG Protocol, our carbon emissions are also calculated based on The CarbonNeutral® Protocol, a set of guidelines to meet the global standard for managing our offset-inclusive programmes. The Protocol includes requirements for GHG assessments, emissions reduction planning, carbon credit eligibility, management of carbon credits through registration and retirement, and communication of CarbonNeutral® programmes.

We use an operational consolidation approach to determine organisational boundaries. For example, our carbon and energy data include only the distribution impacts. Data is consolidated from a number of sources, including our project sites and fuel use information, and is analysed centrally. Our baseline year is 2007 and our emissions are independent of any GHG trades.

In addition, the climate-related disclosures in this Report follow the recommendations of the TCFD launched in June 2017.

External Assurance

This Report continues to be externally assured to validate the accuracy and reliability of its content. Ernst & Young LLP (EY) was engaged to provide independent limited assurance of this Report against the latest GRI Standards for sustainability

reporting and the Construction & Real Estate Sector Supplement. The assurance covered figures and statements found in this Report that are related to the subject matters approved by CDL's Chief Sustainability Officer and agreed as per the Assurance Statement. EY reviewed the underlying systems and processes that support the subject matters in this Report. The assurance is in accordance with ISAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information. The assurance, including the scope of work and conclusions, can be found in the Assurance Statement on [pages 114 to 123](#).

In line with our steadfast commitment to align CDL's environmental practices with international best practices, CDL's 2018 GHG emissions data continue to be verified against ISO 14064 by Lloyd's Register Quality Assurance Ltd. (LRQA) in accordance with the requirements of ISO 14064-1. LRQA's Assurance Statement, which is for the internal GHG report prepared by CDL, can be found on [pages 111 to 113](#).

In addition, CDL has released the carbon intensity disclosure report for its flagship building Republic Plaza, in which the carbon metric calculations have been externally assured to have been performed in accordance with ISO 16745-1 requirements. To request for CDL's GHG report, please write in to our feedback channel.

Accessibility

This Report is only available in digital version. Current and previous editions are available at www.cdlustainability.com.

Feedback Channel

Feedback from our stakeholders is vital for us to continually improve our reporting and sustainability practices. We welcome your views, comments or feedback, which may be directed to:

Ms Esther An
Chief Sustainability Officer
City Developments Limited
9 Raffles Place, #36-00 Republic Plaza,
Singapore 048619
Email: csrenquiries@cdl.com.sg



SUSTAINABLE DEVELOPMENT GOALS



BUILDING SUSTAINABLE CITIES AND COMMUNITIES

8 DECENT WORK AND
ECONOMIC GROWTH



9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



11 SUSTAINABLE CITIES
AND COMMUNITIES



17 PARTNERSHIPS
FOR THE GOALS



BUILDING SUSTAINABLE CITIES AND COMMUNITIES

Introduction and Leadership Statements

Integrated Strategy for Value Creation

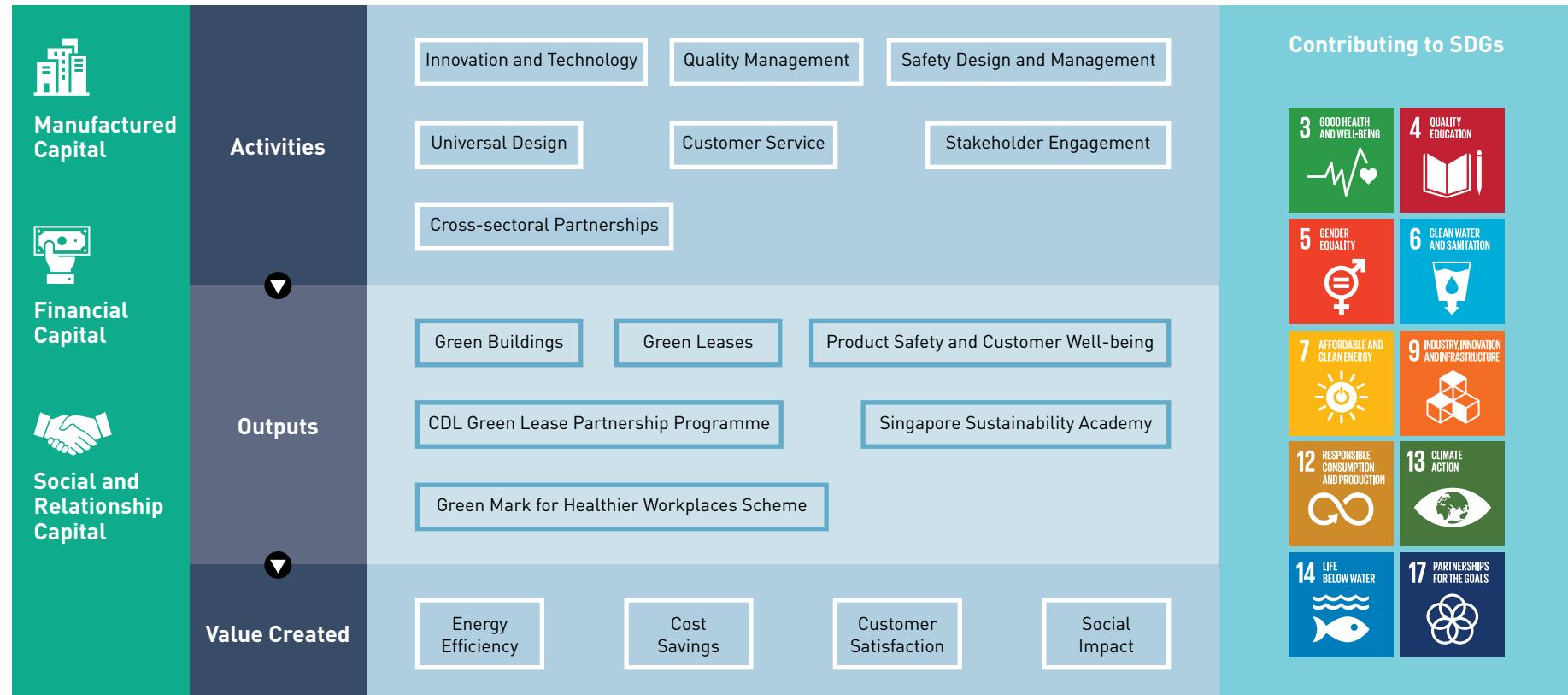
Building Sustainable Cities and Communities

Reducing Environmental Impact

Shaping a Fair, Safe and Inclusive Workplace

Creating Shared Economic and Social Value

Assurance Statements and GRI Content Index



PUTTING PEOPLE AT THE HEART OF WHAT WE BUILD

The adoption of safe, low-carbon and green features in construction and building management have come into the spotlight in recent years with the growing attention on the effect of buildings on occupants' health. This new wave towards the integration of wellness into building designs has started to fan out in Singapore, propelled by the introduction of the Green Mark for Healthier Workplaces scheme in 2018. This initiative is in line with the global trend of measuring, certifying and monitoring how features of the built environment impact human health through air, water, nourishment, light, fitness, comfort and mind.

Sharing the same commitment to build and manage buildings with people's health and wellness in mind, we have championed innovation and invested in green building technologies. For over two decades, we have

been delivering the highest construction quality standards in the market and placing high priority on environment, safety and health concerns in our development projects.

HARNESSING TECHNOLOGY TO DELIVER QUALITY

R&D and technology are fundamental to improving the quality of the built environment, and raising the standards of building performance and construction methods.

Collaboration with Academia for R&D

To drive innovation for climate-resilient buildings, CDL invested in the NUS-CDL Smart Green Home, a R&D collaboration with the National University of Singapore (NUS). This test laboratory set up like a two-bedroom apartment will run trials for new building solutions, such as energy-efficient ways to cool the interior

The NUS-CDL T² lab has intensified its research into the application of building integrated photovoltaics (BIPVs) to replace conventional materials of a building's envelope. Apart from BIPV integration solutions, it also explores the incorporation of solar panels, solar shading devices and food production on building façades, in line with the move towards self-sufficient buildings. This paves the way for the development of more inclusive and holistic buildings that will contribute to Singapore's vision of becoming a biophilic city.



Minister for Finance Mr Heng Swee Keat graced the official opening of SDE4 and toured the NUS-CDL Smart Green Home, accompanied by NUS President Professor Tan Eng Chye and Dean of NUS SDE Professor Lam Khee Poh.

(Photo credit: National University of Singapore)

BUILDING SUSTAINABLE CITIES AND COMMUNITIES

of homes, improve indoor air quality and the comfort level of sustainable homes of the future. The flexible configuration within the Smart Green Home allows ease of setup for experiments to be conducted. It is located at the School of Design and Environment Building (named SDE4) which was officially opened by Mr Heng Swee Keat, Singapore's Minister for Finance on 31 January 2019.

Investing in Human-Centric Tropical Technologies

The NUS-CDL Tropical Technologies Laboratory (T² Lab), operational since early 2018, is another collaboration between CDL and the SDE. The 107m² laboratory aims to enable researchers to examine integrated technology solutions for people-centric, climate-responsive buildings of the future, particularly for intensified, compact urban environments like Singapore.



SDE's R&D team, led by Professor Lam Khee Poh, hosted a visit to the NUS-CDL T² Laboratory for CDL's Enterprise Innovation Committee and management representatives, led by Group CEO Sherman Kwek in August 2018.

Supporting Singapore's Goal of Becoming a Car-Lite Nation

CDL supports Singapore's goals of becoming a car-lite nation by making sustainable modes of transportation more prevalent. We have partnered with BlueSG and Greenlots in electric vehicle (EV) sharing programmes by providing carpark lots with charging stations at the following buildings:

- Republic Plaza
- Central Mall
- City Square Mall

We are actively planning the provision of more EV lots and charging stations at our buildings to facilitate wider use of these greener transportation modes and to address urban mobility issues. Additionally, in partnership with Buzzvox, a Singapore-based company, CDL provided e-scooter docks at our commercial buildings:

- City Square Mall
- Quayside Isle
- Fuji Xerox Towers

Boosting Productivity through Innovative Construction

Leveraging our expertise in prefabricated construction since the early 2000s, CDL became the first developer

in Asia to adopt the advanced concrete Prefabricated, Prefinished Volumetric Construction (PPVC) technology for a large scale condominium. The Brownstone, our 638-unit Executive Condominium (EC) completed in 2017, was also the world's largest application of concrete PPVC for a large-scale private residential development.

The PPVC method yields significantly higher productivity and enhances construction quality, while improving worksite safety and reducing waste. As prefabrication takes place offsite, fewer workers are required onsite, leading to minimised accidents and less downtime, as well as cleaner worksites and less construction waste.

In the case of The Brownstone EC, the use of PPVC raised construction productivity by over 40%, saved 55,000 man days, and resulted in waste generation that was significantly below CDL's stringent internal waste targets. In recognition of our efforts to raise construction productivity through innovative technology, CDL was conferred the Platinum accolade by the Building and Construction Authority (BCA) in the 2017 BCA Construction Productivity Awards¹.

For CDL's current developments Boulevard 88 and The Singapore EDITION, we adopted the use of virtual



design and construction technology during the design development phase. Using an architectural 3D model, CDL was able to optimise the building orientation and make informed decisions for the façade shading, site ventilation and building layout. Productivity gain is expected to be approximately 50%, while heat gain is expected to be 20% less for these developments.

Building Smart while Building Well

CDL has long been committed to adopting technology-based home and office solutions in our residential, commercial and retail developments. Some of the more recent initiatives include:

DEVELOPMENT PROJECTS	INITIATIVE	FEATURES AND BENEFITS
Whistler Grand (Under development, TOP 2022)	Wireless SMART Home System in all units	<ul style="list-style-type: none"> • Smart Voice Assistant controls smart home devices, provides news information and calendar reminders, and plays music via voice control • Smart Digital Lockset locks and unlocks doors remotely • Smart Lighting Control and Air Conditioner Control automates lights and air-conditioning remotely • Smart Door Sensor monitors the opening of doors for added security • Smart Home Gateway with Pan and Tilt Camera allows residents to conduct remote surveillance and trigger a siren during unauthorised door openings
Boulevard 88 (Under development, TOP 2021)	Wireless SMART Home System in all units	<ul style="list-style-type: none"> • Audio Video Telephony System allows connection and communication with Guard House and Visitor Call Panels through residents' personal devices • Smart Voice Assistant controls smart home devices, provides news information and calendar reminders, and plays music via voice control • Smart Digital Lockset locks and unlocks doors remotely • Smart Lighting Control and Air Conditioner Control automates lights and air-conditioning remotely • Smart Door Sensor monitors the opening of doors for added security

¹ Build Smart magazine (August/September 2017 issue), BCA.

DEVELOPMENT PROJECTS	INITIATIVE	FEATURES AND BENEFITS
The Tapestry (Under development, TOP 2021)	Wireless SMART Home System in all units	<ul style="list-style-type: none"> • Smart Voice Assistant controls smart home devices, provides news information and calendar reminders, and plays music via voice control • Smart Digital Lockset locks and unlocks doors remotely • Smart Lighting Control and Air Conditioner Control automates lights and air-conditioning remotely • Smart Door Sensor monitors the opening of doors for added security • Smart Home Gateway with Pan and Tilt Camera allows residents to conduct remote surveillance and trigger a siren during unauthorised door openings
Forest Woods (Under development, TOP 2020)	Smart Home Technology in all units	<ul style="list-style-type: none"> • Smart Home Centre (Lite) controls smart devices and sensors installed easily • Smart Door Sensor monitors the opening of doors for added security • Smart IP Camera monitors what is happening at home when residents are away • Smart Lighting Control and Air Conditioner Control automates lights and air-conditioning remotely
Eling Palace, Chongqing, China (Completed in 2017)	Smart Home Energy Management System	<ul style="list-style-type: none"> • Track and manage power usage of various home devices on a single platform, enabling users to save energy in real-time • Lighting control system allows users to customise different lighting settings for their homes, and can be remotely controlled • Keyless access system allows the simultaneous activation of music, lighting and air-conditioning upon entry • Energy-efficient air conditioners with integrated timer function and sensor, coupled with automated windows reduce energy consumption • Motorised windows and curtains ensure adequate ambient lighting, good ventilation, and comfortable indoor temperatures at all times
Echelon (Completed in 2016)	Home Energy Monitoring Systems (HEMS) – first-of-its-kind smart home solution prototyped in collaboration with Daiwa House from Japan	<ul style="list-style-type: none"> • Monitors home energy usage • Controls air-conditioners and lighting usage via hand-held smart devices like iPads • Home users can set alerts to themselves via email or SMS if their energy usage exceeds a pre-determined limit • Offers greater convenience and proactive energy management

BUILDING MANAGEMENT	INITIATIVE	FEATURES AND BENEFITS
Republic Plaza	CDL Smart Building Mobile Apps	<ul style="list-style-type: none"> • Adopts the latest Internet of Things technology for intelligent parking systems and mobile facilities booking systems • Increases tenant productivity while enhancing ease and convenience
City House City Square Mall Central Mall Office Tower Fuji Xerox Towers King's Centre Palais Renaissance Republic Plaza	Chiller Plant Optimisation System	<ul style="list-style-type: none"> • Tracks performance and makes adjustments automatically according to the parameters • Ensures optimal efficiency at all times
Central Mall Office Tower City House City Square Mall Fuji Xerox Towers Republic Plaza	Web-based Remote Monitoring System for Chiller Plant Performance	<ul style="list-style-type: none"> • Operators can remotely receive and monitor first-hand information of chiller system performance • System enables proper actions to be taken when deviation is detected • Drawing from our experience, we have embarked on an extended pilot with BCA for a chiller efficiency smart portal. Progressively, more buildings will be added to this pilot project
Central Mall Office Tower City Square Mall Fuji Xerox Towers King's Centre Palais Renaissance Republic Plaza Tagore 23	Carpark Lighting Motion Sensors	<ul style="list-style-type: none"> • Auto dimming of carpark lighting to 30% during low usage • Lights will turn up to 100% when sensors detect movements

Driving Innovation – Enterprise Innovation Committee

To inculcate a culture that challenges the status quo and push boundaries, the Enterprise Innovation Committee (EIC) was formed by CDL Group Chief Executive Officer Mr Sherman Kwek in 2018 to foster entrepreneurial thinking, greater creativity and an innovative spirit among employees. Chaired by CDL Group Chief Strategy Officer Mr Kwek Eik Sheng, the Committee comprises intrapreneurs from various departments who embrace “Think Big” and go beyond the status quo. It is an anchor platform for multidisciplinary teams to collaborate, seek latest ideas and best practices to drive innovation and business transformation in CDL. The Committee constantly identifies and reviews new ideas, projects and technologies focussing on enhancing customer experiences, productivity, sustainability, data analytics, Artificial Intelligence, block chain and any other solutions that will future-fit CDL’s business.

The EIC convenes on a regular basis to assess gaps and share best practices. Its formation ensures that CDL will continue to stay true to our roots of achieving high standards for our products and customer experience.

In addition, the EIC shares bite-sized information about the latest building innovation, global trends and inspirational reads via its fortnightly e-newsletter. It acts as an innovation stimulant that puts forth business challenges and employees across the company can contribute ideas. This crowdsourcing of ideas enables EIC to tap the collective intelligence of various departments.

EIC also conducts Customer Journey Mapping (CJM) workshops to break down silo mentality and foster stronger cross-functional collaboration. Departments involved in selective customer journeys gather to visually map out different customer journeys based on processes, and interaction touch points with the company and sentiments. This valuable tool provides insightful outside-in and inside-out information for all levels across any department to better understand the path and channels that customers take. It also enables the team to identify pain points and co-ideate solutions to enhance customer experience.

Ideas generated by any CDL staff, be it via the e-newsletter, CJM workshops or any other avenues, are captured in EIC’s Central Ideas Repository and assessed based on relevance and their value creation potential for CDL’s stakeholders. Taking the intrapreneurial mode to the next level, idea owners are given the opportunity to pitch their ideas to CDL’s Senior Management and the Committee. Promising cases move on to the piloting stage, where idea owners can rally other staff and self-organise small but agile cross-functional project squads to work on these innovation projects. Successful pilots that become proof-of-concept and proof-of-value will be scaled up for further deployment.

Adoption of Solutions by Innovative, Sustainability-linked Companies

In addition, EIC looks beyond CDL to tap invaluable expertise and new perspectives on a trend or innovation that can impact CDL. Emerging start-ups, investors and other innovative companies that are synergistic with CDL’s business operations are invited to speak at EIC Fireside Chats. Open to all CDL staff,

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this series of informal knowledge-sharing sessions generates organic cross-departmental and inter-company discussions, opening doors for collaboration. Gush!, a start-up founded in 2015, was involved in a pilot programme at Nouvel 18 to test out their mould-prevention solution for buildings, and reaped positive results on how paints of the future can and should do more for building occupants. Such a collaboration is testament to CDL’s continued commitment to promote and encourage innovation in all aspects of their business. In particular, the use of building materials that are not only aesthetically pleasing and durable but also functional, sustainable and non-toxic is a key indicator of CDL’s continued success.

We also enabled another start-up, UglyGood, winners of the inaugural Create4Good initiative created by CDL’s late Deputy Chairman Mr Kwek Leng Joo, to trial their environmentally-safe, enzyme-based cleaning solution in the facilities and building management operations of CDL’s subsidiary, CBM Pte Ltd, CDL’s subsidiary specialising in facilities and building management. In one year, UglyGood diverted over 50,000 kg of organic waste from Singapore’s landfill, transforming them into products such as animal feed and natural cleaners using cost-efficient biotechnological processes that are not only as effective as current industry cleaning agents, but are also non-toxic and safe for users.

QUALITY EXCELLENCE

We recognise that each property purchase is a significant investment for our customers, and we make it a priority to deliver on innovative green designs, high standards of workmanship, and buildability, without compromising on functionality or affordability.

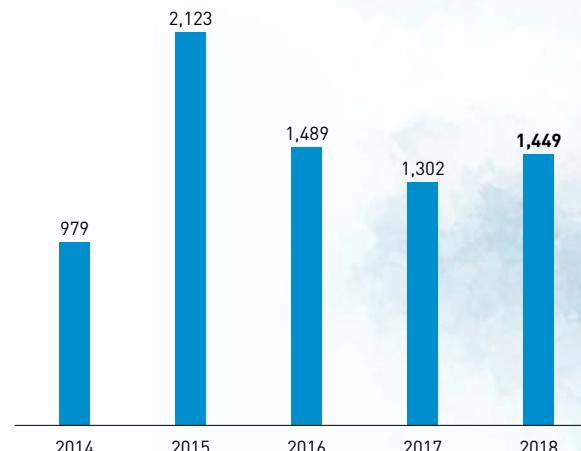
Established in 1989, the BCA Construction Quality Assessment (CONQUAS)² is the industry benchmark for quality and workmanship standards of construction projects in Singapore. Although it is not mandatory for private sector projects to subscribe to CONQUAS, CDL has consistently pushed for all our projects to be assessed since the assessment system was introduced. In 2018, our developments achieved an average CONQUAS score of 97.2. All five of our completed developments have achieved CONQUAS scores of above 90, four of which – The Criterion, Coco Palms, New Futura and The Brownstone – have attained the highest tier CONQUAS STAR³ rating.

Testament to our steadfast commitment to deliver quality green homes and commercial spaces, CDL became the first and only private sector property developer to be conferred the inaugural Built Environment Leadership Platinum Star Award in 2018. This pinnacle Award is accorded to organisations that have held the Built Environment Leadership (Platinum) award for at least five years. It recognises their excellence and leadership in shaping a safe, high quality, sustainable and friendly built environment in Singapore. CDL was also the only developer to win the

Quality Excellence Award – Quality Champion Platinum for six consecutive years.

To uphold good workmanship and meet the rising expectations of homeowners, CDL has been submitting all residential developments for the BCA Quality Mark assessment since this was introduced in 2002. A voluntary scheme for developers, the Quality Mark measures the quality of workmanship in each newly completed residential unit, covering all internal finishes such as flooring, wall and ceiling finishes, architectural components and fittings, and mechanical and electrical (M&E) fittings and switches. 1,449 residential units from developments which had achieved TOP in 2018, received the BCA Quality Mark certification.

TOTAL UNITS CERTIFIED BY BCA QUALITY MARK SCHEME



Quality Management

We take homebuyers' feedback on defects seriously, extending our quality commitments to prompt and stringent defect management. We have in place an electronic system and well-established procedures to monitor and attend to defects, targeting to rectify any legitimate defects within 30 days. We also have internal targets for defect reduction, which are reviewed periodically. Our obligations to homebuyers with regards to product quality are expressed in the Sales & Purchase Agreement.

Across CDL, we established and implemented procedures to report and investigate hazards and incidents. All our appointed builders are required to set up and manage phone hotlines for all construction sites. We have a dedicated Operations Manager assigned to every commercial building we manage, to oversee the building's daily operations as well as to address any safety and security concerns. For our homebuyers, we set up hotlines and site offices to address any feedback and concerns. We also conduct post-TOP customer satisfaction surveys to measure their experience across various touch points and to solicit feedback and suggestions for continual improvement. For all the feedback and reports received, we follow up with the affected person(s) and relevant stakeholder(s), and implement corrective actions promptly. More details on our customer service can be found on [pages 45-46](#).

² BCA CONQUAS is the de facto national standard assessment system on the quality of buildings based on three areas of Structural Works, Architectural Works and M&E Works.

³ BCA CONQUAS STAR is accorded to a project that has attained a CONQUAS score of at least 95 points.

Service Delivery

Since 2007, we have aligned our service delivery at CDL-managed properties with the standards of the ISO 9001 Quality Management System. In addition, we have established a Property and Facilities Management (Investment Properties) Policy for our commercial tenants since 2007, which details our commitment to excelling in service delivery through supporting the purchase of safe and energy efficient products, technologies, services and design, amongst other efforts. We set internal key performance indicators for critical safety services, for example, response time to attend to people trapped in lifts, number of breakdowns of essential services such as fire protection system. We track and monitor the performance of these indicators on an on-going basis.

SAFETY DESIGN AND MANAGEMENT

As a developer and manager of spaces in which people live and work in, it is our utmost responsibility to ensure the safety and well-being of our homebuyers, tenants, shoppers, and even the community in the vicinity of our buildings.

Understanding that building defects are mostly latent in nature, CDL works closely with our architects, professional consultants and builders in the construction and design phase, to identify risks and assess the severity of environmental, health and safety (EHS) impacts. We ensure that we not only comply with the Workplace Safety and Health (WSH) (Design for Safety) Regulations and Universal Design Guidelines, but also mitigate safety risks in the design of our building and construction process, to prevent latent defects. This is in line with our commitment to promote easy-to-build and safe design and construction practices as stated in our Project Management EHS Policy, established since 2003.

In 2018, there was no incident of non-compliance with health and safety voluntary codes and standards such as OHSAS 18001 at CDL's developments or managed properties.

Safe Design and Construction

CDL places great emphasis on the structural stability of our buildings, fire and emergency safety compliance, as well as the integrity of building materials. Qualified professionals such as resident engineers and technical supervisory staff are engaged to monitor construction to ensure they are built in

accordance with building regulations and codes. Our builders are expected to meet CDL's high standards in terms of the quality, safety and sustainability of our developments.

As part of CDL's EHS Management System, we have put in place a process to ensure all health and safety hazards at various parts of a development's lifecycle are assessed and adequately managed, with actions identified and implemented to safeguard onsite workers and members of the public from potential risks during the life-cycle of a development.

CONCEPT DESIGN PHASE

- Significant environmental impacts, health and safety hazards are identified on site
- Risks identified are addressed by the designers at concept development stage

DESIGN PHASE

- Environmental impacts are further reviewed and mitigation measures are identified
- Designs are checked for compliance with the relevant authorities' EHS requirements
- Risks identified are communicated to the builders for mitigation at construction stage

CONSTRUCTION PHASE

- Risk assessments are conducted by builders before construction commences
- Builders and contractors work together to address EHS risks and minimise environmental impacts, as well as ensure health and safety of workers and the community

Product Safety and Customer Well-being

As a responsible facility manager, CDL actively identifies the significant hazards and manages the risks in all CDL-managed commercial buildings. To ensure the safety and security of our commercial tenants and the public, every building is under the care of an Operation Manager who oversees its daily operations with a team of full-time service providers, and a range of safety and security measures.

On top of day-to-day cleaning services, as well as the maintenance of good sanitation and indoor air quality, CDL also takes care of the health and well-being of our tenants and their employees through a series of health-related activities and programmes jointly organised with the Health Promotion Board (HPB).

SOCIAL INCLUSION THROUGH UNIVERSAL DESIGN

In line with our commitment to put users' needs as a priority in the spaces we build, CDL instituted a company-wide Universal Design Policy since 2011. Endorsed by CDL's top management, the policy exceeds the mandatory requirements specified in the Code of Barrier-Free Accessibility by BCA to create an inclusive built environment in Singapore that caters to the varied needs of the public. The policy also contributes to Goal 11 under the UN SDGs, which sets out to provide safe, accessible and green public spaces to every member of society.

MEASURES	COVERAGE AND FEATURES
Security and Loss Prevention	<ul style="list-style-type: none"> CCTV monitors 24-hour security guards Emergency Response Plan – review and improve continually
Emergency Response Plan (ERP)	<ul style="list-style-type: none"> Covers building-related emergencies such as flu epidemic outbreaks, fires, and major electricity outages Flood drills and management response plan (since 2012) Fire drills – two mandatory every year Table-top exercises – two annually Flood drills Terrorist threats response plan
Lifts and Escalators – Preventative Maintenance Regime	<ul style="list-style-type: none"> Compliance with latest mandatory safety standards and stringent codes of practices Engages only licensed contractors to perform the maintenance and inspections Incident reporting process Rectification procedures – e.g. equipment is taken out of service until problems are addressed and deemed safe for use again

In 2018, City Square Mall was the first and only mall to be conferred the BCA-MSF Universal Design (UD) Mark for Family-Friendly Business. This award recognises businesses that incorporate user-friendly infrastructure and family-friendly amenities in their facilities, such as the child-friendly sanitary fixtures and nursing rooms in the mall.

City Square Mall was also one of the first malls to provide inclusive playgrounds. The outdoor play area at Level 1 was revamped to include a wheelchair-accessible merry-go-round for the enjoyment of children of different physical abilities.

THE NEXT WAVE: GREEN BUILDINGS DESIGNED FOR WELLNESS

In 2017, BCA conducted a study with NUS on indoor environmental quality⁴. This research project found Green Mark-certified buildings had lower bacteria and pollutants in the air. The study also found that occupants in Green Mark buildings were more satisfied with the indoor environment compared to their counterparts and were less likely to experience "sick building syndrome" of feeling unwell after staying inside a building for a period of time.

Over the years, CDL's expertise and credentials in green buildings have enabled us to stay ahead in a highly competitive market. It has also become a distinctive competitive edge that enhances our product desirability amongst the growing pool of environmentally-conscious customers.

⁴ Healthier And Greener Buildings In Next Lap Of Singapore's Green Building Journey, Building Construction Authority, 12 Sept 2017

As of December 2018, we have 100 Green Mark certified developments and office interiors, awarded by the BCA. This portfolio of green buildings is the biggest among all private sector real estate companies in Singapore. For the full list of CDL's Green Mark awarded developments and office interiors, please see [page 49](#).

Recognising that sustainable features in our buildings will bring economic savings, environmental gains and health benefits for building occupants, CDL's commitments and initiatives in support of green and healthier buildings include:

- Setting a minimum target for all new developments to be Green Mark Gold^{PLUS} certified, two tiers above the mandatory Green Mark certification level (since 2011)
- Investing 2% to 5% of the construction cost of new developments in green design and features
- To optimise resources and cost-savings, sustainability considerations are factored into the entire life-cycle of our developments, from concept design to construction and building management
- Committed to achieving Green Mark certification for 80% of CDL owned and/or managed buildings, by 2030

As CDL continues to expand our overseas property development business, we have applied the same best-in-class green expertise and standards for our overseas projects. In 2017, CDL's Chongqing Eling

Palace received the highest-tier Green Mark Platinum Award, a first for a residential project in China. With a wide array of energy and water-efficient features, the development is designed to be 36% more energy-efficient and 24% more water-efficient than other code-compliant buildings in Chongqing city.

The green features of our residential projects such as: energy-efficient lighting and air-conditioning, water-efficient irrigation system and passive cool design architecture are highlighted in our marketing collateral called "Eco Page". At sales galleries, an "Eco Wall" highlights the environmentally-friendly features of the residential projects to potential home-buyers, while the CDL Homes website shares similar information online. We also distribute "Your Personal Green Living Guide" to homebuyers when handing over the units, so that they can have better understanding of the sustainable, eco-friendly designs within their homes and common areas, encouraging residents to adopt an eco-conscious lifestyle.

Emission Reduction Initiatives

CDL's green buildings have achieved significant energy and cost savings for us and our stakeholders. Some of the examples include:

- More than \$24 million in savings was achieved as a result of the energy-efficient retrofitting works and related initiatives implemented at our eight commercial buildings from 2012 to 2018.

BUILDING SUSTAINABLE CITIES AND COMMUNITIES

- Since 2004, CDL has retrofitted all our existing commercial and industrial buildings by upgrading chiller plants, introducing motion sensors, installing energy-efficient lighting, and recladding facades. On average, these efforts have yielded an estimated annual energy savings of around 17.6 million kWh, equivalent to more than \$4.01 million of cost-savings in 2018.
- In property development, we continuously seek to incorporate advanced, smart and resource-efficient solutions. In the case of The Tapestry, CDL's BCA Green Mark Platinum project, PPVC technology was used in the construction stages. In addition, motion sensors, jet fans with carbon monoxide (CO) sensors, Variable Voltage, Variable Frequency (VVVF) and Sleep Mode Gearless Lifts, and 5-ticks air conditioning units were used for 100% of its dwelling units. The Tapestry's various energy-efficient features are estimated to save about 3.8 million kWh annually, equivalent to more than \$760,000.
- CDL has invested extensively in the use of renewable solar energy for our properties. Our D'Nest project, was listed in the Singapore Book of Records for having the Largest Solar Panels in a Condominium. The energy harnessed by the 1,520m² of solar panels is capable of off-setting most of the electricity consumption for common areas.

GREEN LEASES

Tenant and occupant activities within a building can account for close to 50% of the total electricity consumption of a building. Converting our agreements with commercial tenants to green leases not only helps them to lower their carbon footprint and create healthier spaces, but also achieves utility savings for CDL's asset management.

Beyond investing in green infrastructure, we work with our commercial tenants to shift user mindsets and behaviour, to jointly achieve progress for the worldwide green movement and dovetail nationwide efforts with BCA's 3rd Green Building Masterplan for Singapore's future.

CDL Green Lease Partnership Programme

CDL has in place a Green Lease Partnership Programme that started in 2014 to support our commercial tenants' efforts to lower their carbon footprint. Since end 2017, 100% of existing tenants have pledged their commitment to go green by signing a Green Lease Memorandum of Understanding. All new tenants receive kits comprising green guidelines and checklists to help them in fitting out works and operations. We also support our tenants' green practices through various end-user initiatives, including conducting eco-themed movie screenings, talks and workshops on environmental-related issues. As a result, nine of our commercial properties have been awarded the BCA Green Mark Pearl and Pearl Prestige Award, which are given to building owners with a substantial number of tenants who are Green Mark certified under the Green Mark occupant-centric schemes. To ensure that tenant engagement efforts stay relevant and impactful, CDL holds regular, internal taskforce meetings chaired by our Senior Management to review their progress.

CDL GREEN LEASE AMBASSADORS

- Guide tenants on 'greening' their offices by providing advice on energy and water conservation measures and indoor greenery
- Act as consultants for BCA Green Mark Office Interior certifications and CDL-pioneered Project: Eco-Office

DIGITAL ENERGY MONITORING PORTAL

- A partnership with Tuas Power
- Provides almost real-time updates of energy consumption to tenants
- Enables tenants to better track and manage energy usage

ELECTRICITY REBATE TO TENANTS

- Reward tenants with a 1% electricity rebate when they attain a 2% savings over the previous quarter's bill

In recognition of our concerted commitment in encouraging tenants towards environmentally-friendly efforts, CDL also emerged as the only developer to receive the BCA Green Mark Pearl Prestige Award for four consecutive years. Since 2017, this top-tier accolade has been awarded to City Square Mall, the first shopping mall to be recognised in this category. With CDL's tenant engagement efforts to green the mall's restaurants, retail outlets and offices, more than 71% of the mall's Net Lettable Area has received the Green Mark certification, with more than 22% achieving Green Mark Gold^{PLUS} and above. One of City Square Mall's tenants, sporting goods retailer Decathlon leveraged on CDL's green initiatives and attained the BCA Green Mark Platinum Award. During the fitting out of Decathlon's premises, CDL provided guidance on building an efficient lighting system that encompasses LED lighting and motion sensors, and the selection of products

certified by the Singapore Green Building Council, including low-VOC paints which reduce toxins for improved indoor air quality.

ENGAGEMENT WITH STAKEHOLDERS AND THEIR ISSUES OF INTEREST

Engaging, anticipating and meeting the needs of our stakeholders is of utmost importance to CDL's long-term business viability and success. Our stakeholders are those who have a considerable influence on our business, and whom our business has a significant impact on. We have identified employees, customers, builders and suppliers, and investors as our key stakeholders. Other stakeholders include regulators and key government agencies, non-governmental organisations (NGOs), the media, and our community. Our stakeholder groups are clearly defined on [page 21](#).

STAKEHOLDER GROUPS	ENGAGEMENT PLATFORMS		ISSUES AND CONCERNs
Employees 	<ul style="list-style-type: none"> Regular dialogue sessions, town halls and forums fronted by Senior Management CDL 360 – Company intranet Daily news bulletin Staff Connect (SC) – an inter-department committee that organises company-wide activities to foster work-life balance and reinforce team spirit 	<ul style="list-style-type: none"> Frequent employee activities Biennial Employee Engagement Survey Employee Assistance Programme [counselling service] Employee grievance handling procedures City Sunshine Club (CSC) – employee volunteering platform 	<ul style="list-style-type: none"> Corporate direction and growth plans Job security Remuneration and benefits Career development and training opportunities Workplace safety and health Labour and human rights Work-life balance Employee volunteerism
Customers 	Homebuyers <ul style="list-style-type: none"> Integrated customer and call centre Homebuyer e-portal Residential services Green Living Guides 	<ul style="list-style-type: none"> Defects management tracking app and procedures Post-TOP customer satisfaction surveys Show suites feedback system 	<ul style="list-style-type: none"> Customer service and experience Status of TOP progress and handover appointments Environmental conservation Workmanship and defects rectification Design and features Common areas and facilities
	Tenants <ul style="list-style-type: none"> CDL Green Lease Partnership Programme CDL Green Ambassadors Green fitting out kits Project: Eco-Office kits Recycling programme 1°C Up Campaign 	<ul style="list-style-type: none"> Curated events and activities for C-suites and office community (e.g. Healthy Workplace Ecosystem and Health screenings) Annual tenant satisfaction surveys Precinct improvement with Raffles Place Business Improvement District 	<ul style="list-style-type: none"> Green building and office interior certifications Green leases Workplace safety and health Management of facilities Customer service and experience Resource efficiency Environmental management, education and advocacy
Builders and suppliers 	<ul style="list-style-type: none"> Policies including climate change, EHS, human rights and universal design Supplier code of conduct Green procurement specifications CDL 5-Star EHS assessment Quarterly seminars and peer sharing Annual EHS Awards Declaration of EHS commitment through letter and pledge-signing EHS risk assessments at concept, design and construction stages Construction vision casting Bi-annual vendor evaluation 		<ul style="list-style-type: none"> Legal compliance Quality and design Safety of infrastructure and managed facilities Productivity Innovation Workers health and safety Labour practices and welfare Human rights Social inclusion Resource and waste management Sustainable procurement
Investors, analysts and media 	<ul style="list-style-type: none"> Annual General Meetings Bi-annual financial results briefings and webcasts Quarterly financial results announcements Regular analyst and investor meetings Post-results luncheons Non-deal roadshows Conferences, meetings and site visits Media releases and interviews Annual reports Integrated sustainability reports Company website Sustainability microsite Timely response to ESG rating agencies and analysts Global sustainability rankings and indices 		<ul style="list-style-type: none"> Growth strategy Acquisitions and expansion Market diversification and innovation Risk management Corporate governance Environmental, social and governance (ESG) indicators Climate change and carbon pricing strategies Sustainability performance and tracking Reporting standards Advocating green consumerism and lifestyle

STAKEHOLDER GROUPS	ENGAGEMENT PLATFORMS	ISSUES AND CONCERNs
Government agencies and regulators 	<ul style="list-style-type: none"> Senior management representation on boards of various industry bodies Participation in tri-sector and sustainability-related consultations and dialogues Longstanding partnership of various national programmes Thought leadership in support of public policies and regulations pertaining to sustainability, green buildings and reporting 	<ul style="list-style-type: none"> Development of green buildings Programmes to cultivate responsible workplace practices Advocating green consumerism and lifestyle Sharing of industry best practices Regulatory development towards a low-carbon economy Promoting sustainability reporting in Singapore Advocating ESG integration with financial reporting Promoting workplace safety and health
Community 	<ul style="list-style-type: none"> Public communications plan with residents within a 100-metre radius of our new developments Builders' contact details displayed at construction sites for public feedback Participation in sustainability-related conferences/forums Consultation and dialogues with academics, NGOs, and business associations Annual reports Integrated sustainability reports Company website and social media Corporate advertisements Collaborations with charity and NGOs partners for community development Universal design for homes and offices 	<ul style="list-style-type: none"> Proactive communication on CDL's development plans and construction works Environmental conservation Youth development Promoting the arts Helping the elderly and children in need Sustainability and green building thought-leadership and advocacy Social inclusion Ethical marketing practices

CUSTOMER SERVICE

CDL places high priority on product safety and customer well-being, and we do so by proactively engaging homebuyers and tenants to understand their needs and concerns. CDL has set up an integrated customer and call center since 2001 to deliver high service quality to our stakeholders. We are mindful that a strong and well-maintained reputation is a key factor that affects purchase decisions, and happy customers are the best advocates for our brand.

Hence, from the moment one steps into a CDL show flat to the handover of keys to a unit, we strive to make each step of our customer journey a pleasant and positive experience. Customers can easily contact us through multiple channels, be it via the hotline, site offices, or our website. Information on the construction progress of projects and booking of appointments at handover stage can be readily accessed online through our Homebuyer e-Portal. We have a structured approach to review

feedback and resolve complaints. Follow-up actions are closely monitored and reviewed regularly at inter-departmental meetings to address customers' concerns.

Apart from existing tenants and homebuyers, CDL also solicits feedback from potential homebuyers who visit our show suites. Respondents' feedback on the quality and finishes of the show suites, apartment configuration preferences, and service standards, are invaluable to our design refinement and project planning process.

Proactive Defect Management

In 2015, CDL introduced the Novade Track app for homebuyers. This defect management app simplifies the process of reporting and tracking defects by allowing homebuyers to lodge defects, submit photos and track the rectification works through their mobile devices.

The data on the reported defects are then shared with contractors, making rectification follow-ups more efficient. At the end of the process, homebuyers may sign off on the completion of rectification works via the app after a joint inspection with our Customer Service Officers. Having a consolidated portal for defect reports increases productivity and data accuracy, as CDL employees are no longer required to input defects manually and hence cut back on data entry errors. It also ensures a better customer experience and higher service standard empowered by real-time tracking and reporting.

The Novade Track app has been used for the following properties:

- H₂O Residences (TOP 2015)
- The Palette (TOP 2015)
- UP@Robertson Quay (TOP 2015)
- HAUS@SERANGOON GARDEN (TOP 2016)
- Jewel@Buangkok (TOP 2016)
- Lush Acres (TOP 2016)
- Echelon (TOP 2016)
- The Brownstone EC (TOP 2017)
- D'Nest (TOP 2017)
- The Venue Residences and Shoppes (TOP 2017)
- The Criterion EC (TOP 2018)
- Coco Palms (TOP 2018)

For 2018, 81% of legitimate defects reported were rectified within 30 days. For defects not rectified within 30 days, many were often due to reasons such as homebuyers' request for deferment of defects rectification, renovation by homebuyers and materials being out of stock.

Green Living Engagement

Since 2004, CDL has implemented the Let's Live Green! eco-home initiative for our newly completed residential properties. As part of the initiative, homebuyers receive a Green Living Guide, designed specifically to provide eco-friendly tips for a green lifestyle and to encourage active usage of green features and facilities catered within the individual property units and in the common areas. In 2018, 1,442 Green Living Guides were distributed to homebuyers.

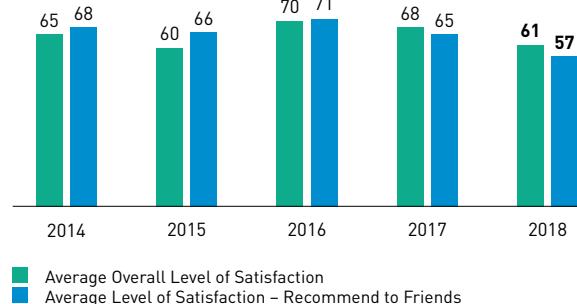
⁵ The seven office buildings covered in the survey were Central Mall, City House, Fuji Xerox Towers, King's Centre, Palais Renaissance, Tampines Concourse and Tampines Grande

Customer Satisfaction

To improve service quality, CDL frequently reviews customer satisfaction measurements through formal surveys to better understand customers' expectations and identify areas for continual improvement. Our target

HOMEBUYERS' SATISFACTION

(%)



TENANTS' SATISFACTION

(%)



is to achieve a satisfaction rate of 70% from homebuyers and 80% from office, retail and industrial tenants.

Homebuyers are requested to fill in an online customer satisfaction survey six to nine months after handover to measure their experience across various touch points and to provide any feedback and suggestions they may have on project design, apartment features, as well as facilities and amenities. Tenants of commercial properties are surveyed annually.

In 2018, customer satisfaction surveys were conducted for four of our residential developments that obtained TOP in 2018 and an average of 26.2% of homebuyers participated. Our homebuyers were surveyed on their levels of satisfaction for the entire experience, ranging from the property's finishes and workmanship, overall construction quality, green features provided in the home, facilities and services at common areas, and management of defects rectification. The average satisfaction level amongst all homebuyers surveyed in 2018 was 60.7%. 57.2% of homebuyers surveyed indicated that they would recommend CDL properties to their friends and relatives while 67.9% of the homebuyers were satisfied with the management of defect rectification from the survey.

EXTENSIVE CROSS-SECTORAL PARTNERSHIPS

We invest considerable resources in building strategic collaborations with the People, Private and Public (3P) sectors. These collaborations aim to create benefits for our business and stakeholders, as well as deliver positive impact for our community and environment in support of both global and national goals for sustainable development.

For a comprehensive list of CDL's 3P partnerships, please refer to [pages 99 to 101](#).

THE ZERO-ENERGY SINGAPORE SUSTAINABILITY ACADEMY

Sustainability has always been deeply rooted in CDL's heritage. Aside from embedding sustainability in our business, we saw the opportunity to leverage our track record as a green builder to promote sustainability within the community. Tapping our network of partners, we developed the Singapore Sustainability Academy (SSA) which opened on World Environment Day, 5 June 2017.

In partnership with the Sustainable Energy Association of Singapore (SEAS), the zero-energy academy is the first major 3P ground-up initiative in support of the UN Sustainable Development Goals and Singapore's national goals to tackle climate change. A conducive training and networking platform for sustainability, it harnesses the combined expertise and extensive networks of both CDL and SEAS, and represents the culmination of both organisations' mission to build a sustainable future via collaboration.

The SSA is also a Green Mark Platinum building and it was the first building in Singapore to have its construction materials, Cross Laminated Timber (CLT) and Glued Laminated Timber (Glulam) verified by the Nature's Barcode™ system as coming from responsible sources.

Since its opening in mid-2017 to end December 2018, the SSA has played host to businesses, government, non-governmental organisations (NGOs), youth groups, academics, and local and international dignitaries. In line with its purpose as a hub for sustainability-themed outreach events, industry networking and knowledge-sharing, the SSA has hosted over 8,800 attendees through a total of 214 events, including the training of 2,600 participants under SEAS's workshops over a period of 18 months.



“
The Built Environment Young Leaders Retreat 2018 held at the SSA would not have been a success without the generous support from CDL.

We deeply appreciate the partnership and support for future initiatives. In line with SSA's mission to promote a low carbon economy, resource efficiency and sustainable practices among the youths, we will continue with the strong partnership with CDL in engaging our youths for BuildSG initiatives.

”
Ar. Tai Lee Siang, Executive Director, BuildSG, Building and Construction Authority (BCA)

“
The SSA is a prime example of sustainability in practice, blending sound green building expertise and knowledge into a tangible symbol of environmental sustainability. More than just a building, the SSA is a hub from which sustainability knowledge flows, impacting organisations across the building and construction value chain and beyond.

”
Er. Yvonne Soh, Executive Director, Singapore Green Building Council (SGBC)

“
We are proud to be partnering CDL to host our delegates at the exemplary SSA. The SSA reflects our core efforts to support our members with effective social investments, and I look forward to collaborating further with the SSA to drive a movement toward greater awareness of the sustainability issues surrounding Singapore, Asia, and across the world.

”
Ms Naina Subberwal Batra, CEO, Asian Venture Philanthropy Network (AVPN)

“
The Embassy of Sweden applauds the SSA for its efforts to contribute to a cleaner, greener and more sustainable future. Sweden is committed to Global Goals and the 2030 Agenda for Sustainable Development and it is heartening to work with like-minded organisations like the SSA.

”
Ms Helena Reitberger, Counsellor and Deputy Head of Mission, Embassy of Sweden in Singapore

For latest happenings at the SSA, please visit
<https://www.cdlustainability.com/happenings.html>

VISION

To contribute to a cleaner, greener and more sustainable future

MISSION

In support of Global and National Climate Actions, the Academy aims to promote a low-carbon economy, resource efficiency, and sustainable practices among businesses and the community, in particular, youths. The SSA will focus on the key areas of advocacy, building capacity and collaboration, education, training, and information and resource sharing as well as user engagement.



Sustainable Features

- 3,200 square feet of solar panels
- At least 80% of the Academy was built with sustainably-harvested timber verified by Nature's Barcode™ system
- Real-time energy tracker system (>60,000 kWh annual energy yield)

Social Impact and Outreach (from June 2017 to December 2018)

- Over 70 partners
- 214 sustainability-centric events
- 4,300 business and NGO representatives
- 1,900 youths

BCA GREEN MARK AWARDS* (2005 TO 2018)

GREEN MARK PLATINUM

- 7 & 9 Tampines Grande (in new and existing building categories)
- 368 Thomson
- Central Mall Office Tower
- CDL Green Gallery @ Singapore Botanic Gardens (SBG) Heritage Museum
- CDL Office- Republic Plaza Levels 10-12 (Healthier Workplaces)
- City House
- City Square Mall (in new and existing building categories)
- Cliveden at Grange
- Copthorne King's Hotel Singapore
- Cube 8
- Echelon
- Eling Palace (Chongqing)
- Fuji Xerox Towers
- Gramercy Park
- Grand Copthorne Waterfront Singapore
- H₂O Residences
- HAUS@SERANGOON GARDENS
- Hundred Trees
- King's Centre
- Lush Acres
- M Social Singapore
- Manulife Centre (sold in January 2019)
- My Tree House
- Palais Renaissance
- Quayside Isle
- Republic Plaza
- Singapore Sustainability Academy
- South Beach Tower
- South Beach Residences

- The Glyndebourne
- The Oceanfront @ Sentosa Cove
- The Residences at W Singapore – Sentosa Cove
- The Solitaire
- The Singapore EDITION
- The Tapestry
- The Venue Residences and Shoppes
- Tree House
- Volari
- W Singapore – Sentosa Cove

GREEN MARK GOLD^{PLUS}

- 11 Tampines Concourse (in new and existing building categories)
- Blossom Residences
- Buckley 18**
- Buckley Classique
- CDL Office – City Square Mall Management Office (Office Interior)
- City Square Residences
- Coco Palms
- D'Nest
- Exchange Tower, Bangkok (sold in 2016)
- Forest Woods
- Jewel @ Bangkok
- Livia
- M Hotel Singapore
- New Futura
- Novotel Singapore Clarke Quay
- NV Residences
- Shelford Suites
- St. Regis Hotel & Residences, Singapore
- The Arte

- The Brownstone EC
- The Criterion EC
- The Palette
- The Rainforest
- UP@Robertson Quay
- Wilkie Studio

GREEN MARK GOLD

- Botannia
- City Square Shophouses at Jalan Besar
- Millennium Residences @ Sukhumvit, Bangkok
- Monterey Park Condominium
- New Tech Park (sold in November 2013)
- Nouvel 18
- One Shenton
- Orchard Hotel
- Parc Emily
- Residences @ Evelyn
- Savannah Condo Park
- Studio M Hotel Singapore

- The Sail @ Marina Bay
- Tribeca

GREEN MARK CERTIFIED

- Butterworth 33
- Central Mall Management Office (Office Interior)
- City Serviced Offices at City House (Office Interior)
- City Serviced Offices at Tampines Grande (Office Interior)
- City Serviced Offices at Republic Plaza Tower II (Office Interior)
- Fuji Xerox Towers Management Office (Office Interior)
- Manulife Centre Management Office (Office Interior) (sold in January 2019)
- M&C REIT Management Limited (Office Interior)
- Millennium and Copthorne International Limited (Office Interior)
- Pantech 21 (sold in November 2013)
- Republic Plaza City Club (Singapore) Pte Ltd at Republic Plaza Tower II (Office Interior)
- Tampines Grande Management Office (Office Interior)
- The Pier at Robertson

GREEN MARK PEARL

- 7 & 9 Tampines Grande (Prestige)
- 11 Tampines Concourse
- Central Mall (Office Tower)
- City House (Prestige)
- City Square Mall (Prestige)
- Fuji Xerox Towers (Prestige)
- King's Centre
- Manulife Centre (sold in January 2019)
- Republic Plaza Tower II

* Includes subsidiaries and associated companies

** Project managed by CDL

REDUCING ENVIRONMENTAL IMPACT

7 AFFORDABLE AND CLEAN ENERGY



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



14 LIFE BELOW WATER



15 LIFE ON LAND



16 PEACE, JUSTICE AND STRONG INSTITUTIONS



17 PARTNERSHIPS FOR THE GOALS



REDUCING ENVIRONMENTAL IMPACT

Introduction
and
Leadership
Statements

Integrated
Strategy
for Value
Creation

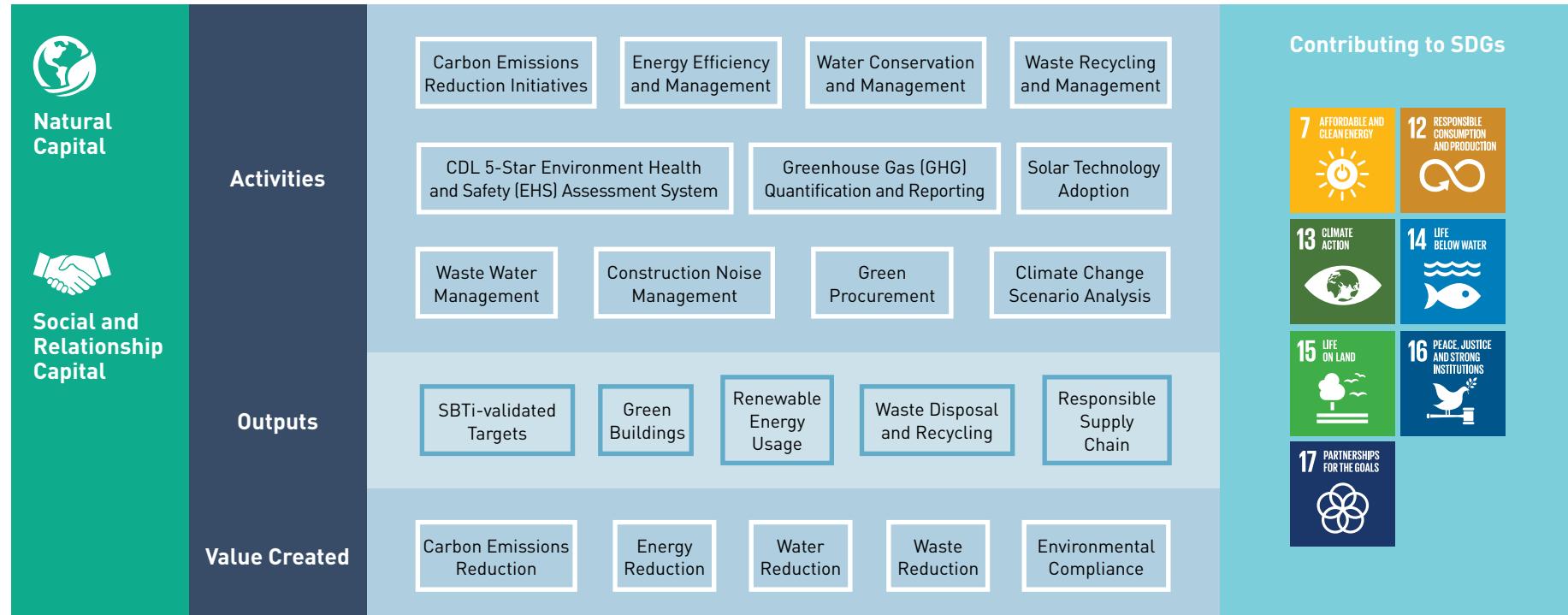
Building
Sustainable
Cities and
Communities

**Reducing
Environmental
Impact**

Shaping a
Fair, Safe
and Inclusive
Workplace

Creating
Shared
Economic
and Social
Value

Assurance
Statements
and GRI
Content Index



TOWARDS LOW-CARBON & RESILIENT BUILDINGS

At CDL, we recognise that the building and construction sector accounts for 36% of global energy use and 39% of energy-related carbon dioxide emissions¹. In Singapore, the building and real estate sector is responsible for as much as 25.1%² of electricity consumption. As energy and carbon intensities of current buildings are far from the 20 tonnes CO₂ per terajoule (TJ) or less needed by 2050³ to meet global climate ambitions set forth in the Paris Agreement, the building and construction sector needs to scale up climate action urgently.

Since embarking on our sustainability journey more than two decades ago, CDL has put in place a host of policies, processes and systems to measure our efforts in environmental protection and conservation. Our goal is to reduce carbon emissions, maximise energy and water efficiency, reduce waste disposed and increase sustainable use of resources. These environmental strategies and initiatives are guided by the CDL Future Value 2030 sustainability blueprint launched in 2017 and our progress on each target is reported on [page 18](#).

Recognising that the transition of our market towards a low-carbon economy not only safeguards the quality and resiliency of the marketplace but also helps to ensure a sustainable future for our stakeholders, CDL has always been committed to low-carbon operations through

actions outlined in our [Climate Change Policy](#). In 2018, we conducted a climate change scenario analysis to assess and quantify the potential business and financial impacts from climate change under two

plausible scenarios. The findings from the study will facilitate the augmentation of our strategic planning and risk management processes.

CLIMATE CHANGE SCENARIO ANALYSIS

CDL completed the first phase of our climate change scenario analysis on the 2°C and 4°C scenarios in Q4 of 2018 when the Intergovernmental Panel on Climate Change (IPCC) special report was released. The scope of the study covered CDL's three key markets – property development, investment properties and hotel operations in Singapore, China and United Kingdom. The TCFD's classification of climate-related risks and opportunities was adopted to outline the transition and physical risks assessed in this study – including policy and market risks, acute and chronic physical events.

The analysis provided CDL with the potential financial impacts from climate-related risks with 2030 as the timeframe. The projected impact in the 2°C scenario from transition risk was found to be greater because of the more stringent regulatory response expected to reduce carbon emissions. Under the 4°C scenario, the physical impacts of climate

change such as floods, snowstorms and heat waves are projected to worsen over a longer term and impacts are expected to exacerbate more significantly after 2030.

Under the 2°C scenario, the study surfaced the need for CDL to prepare a greater budget for climate change, in view of the transition impact from significantly higher carbon tax affecting operational costs and the increasingly rigorous requirements for construction of new buildings.

In the trail of the IPCC special report on the impact of global warming to 1.5°C above pre-industrial levels, CDL is planning for the second phase of our analysis, to include a 1.5°C scenario and expand the region covered in the study to CDL's operations in the United States. This new study is expected to help CDL stay ahead of the emerging climate-related regulations, mitigate and adapt to physical climate events, as well as systematically identify and unlock potential opportunities.

¹ Global Alliance for Buildings and Construction, 2018 Global Status Report

² Energy Market Authority, Singapore Energy Statistics 2018

³ UN Environment, Global Status Report 2017

CARBON MANAGEMENT AND REDUCTION INITIATIVES

As part of our carbon management strategy, we have implemented a GHG emissions management system in accordance with the requirements of ISO 14064-1⁴, and have externally audited and validated our emissions data since 2015. In addition, CDL has released the carbon intensity disclosure report for our flagship building Republic Plaza, in which the carbon metric calculations have been externally assured to have been performed in accordance with ISO 16745-1 requirements. To further enhance the management of emissions from the building sector, ISO 16745-1 was developed to measure the carbon footprint of buildings. The standard verifies and reports carbon metrics for emissions arising from the buildings' activities and provides accurate performance baselines to help drive the agenda on net zero carbon buildings.

Since 2009, CDL has voluntarily reduced our annual carbon emissions to 'net zero' for our corporate office operations including our data centre, and for 11 Tampines Concourse – the first CarbonNeutral® development in Singapore and Asia Pacific. Besides carbon neutralising the construction phase of 11 Tampines Concourse, we also annually offset emissions from its operations, including that of our tenants.

CARBON EMISSIONS REDUCTION TARGET AND PERFORMANCE

As CDL takes proactive steps to continuously review our targets against global standards and best practices, we progressively raised our carbon emissions reduction targets. As early as 2014, CDL established targets to reduce carbon emissions intensity by 25% by 2030 against 2007 levels. This target was raised to 38%

by using the Sectoral Decarbonisation Approach (SDA) methodology. Adopting the SDA signified that companies derived their emission reduction targets based on their relative contribution to the total sector activity and their carbon intensity relative to the sector's intensity in the base year.

To further align with levels of decarbonisation required to limit global warming as outlined by the IPCC, we adopted a science-based approach in setting our carbon emissions reduction targets and validated them in July 2018 under the expert panel of the SBTi. The SBTi is a collaboration between CDP, the UNGC, World Resources Institute and World Wide Fund for Nature. It is also one of the We Mean Business Coalition initiatives. Adhering to the stringent criteria set out by SBTi ensures that adopted targets guide our organisation towards clear science-based actions that contribute towards the world's low-carbon goals.

Based on our validated science-based targets, CDL commits to reduce our Scope 1 and 2 GHG emissions intensity across our Singapore operations (corporate office, commercial and industrial buildings) by 59% from baseline year 2007 by 2030. For our development projects, CDL also commits to using sustainable building materials, instead of their conventional equivalents, to reduce embodied carbon by 24% by 2030. In addition, the initiative has included inputs from Millennium & Copthorne Hotels plc (M&C), the major listed subsidiary of the CDL Group, which has committed to set science-based targets by 2025.

Our carbon performance is monitored against targets established under the Future Value 2030 sustainability blueprint and interim targets adopted for the year. In 2018, we achieved a reduction in carbon intensity

REDUCING ENVIRONMENTAL IMPACT



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

SBTi-validated Carbon Emissions Intensity Target

REDUCE CARBON
EMISSIONS INTENSITY BY
59%
BY 2030 (AGAINST 2007)

Performance in 2018

ACHIEVED A REDUCTION IN
CARBON INTENSITY EMISSIONS OF
32%

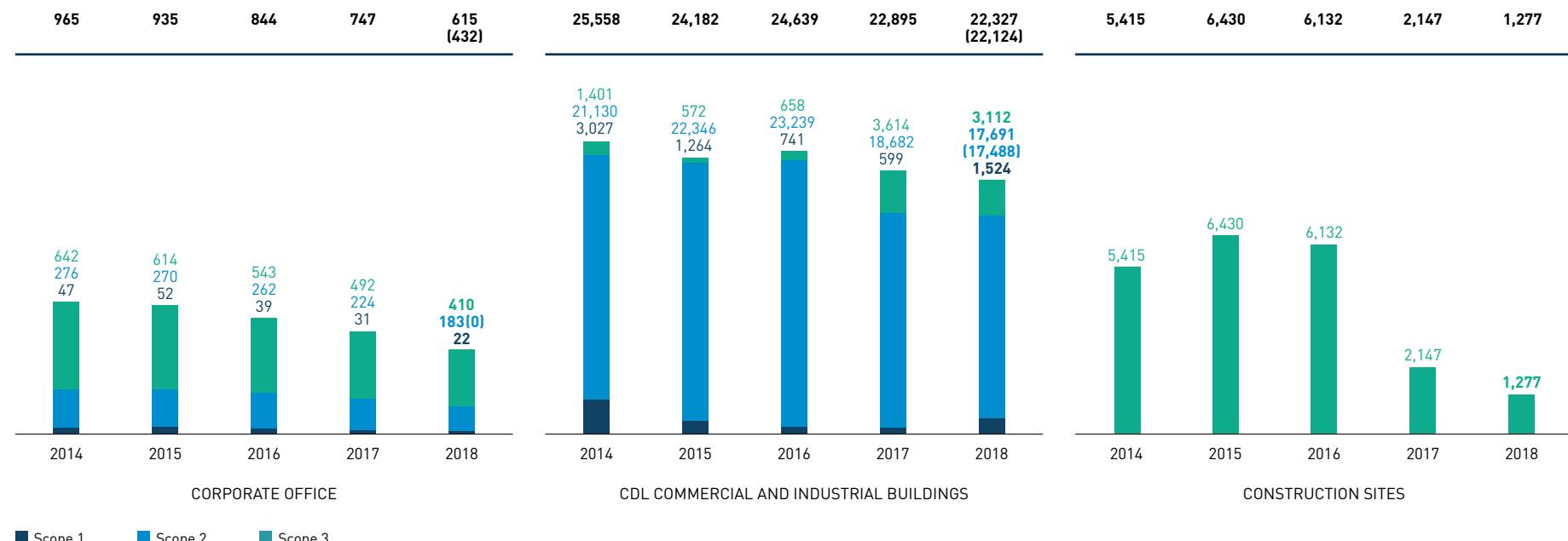
emissions of 32% as compared to the baseline year of 2007. The lower than expected percentage reduction was partially due to the refrigerant systems at our managed buildings approaching their end-of-life phase. In line with our frequent and prudent retrofitting initiatives, the systems will be progressively replaced.

⁴ GHGs specified in ISO 14064-1 include carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulfur hexafluoride (SF₆).

Total carbon emissions in 2018 were consistently lower compared to 2017 across all CDL's core business operations as shown in the chart for Total Carbon Emissions from CDL's Core Operations in Singapore. The largest source of emissions was electricity usage reported as Scope 2 emission in the charts. Scope 2 emission accounted for close to 74% of the total Company's carbon footprint in Singapore operations.

CDL recognises the importance of addressing Scope 3 GHG emissions, as the largest sources of a company's emissions lie upstream and/or downstream of its core operations for majority of sectors. By monitoring and reporting Scope 3 emissions, this aids CDL in determining where the emissions in our value chain concentrate and where to focus our reduction efforts.

TOTAL CARBON EMISSIONS FROM CDL'S CORE OPERATIONS IN SINGAPORE: CORPORATE OFFICE, MANAGED PROPERTIES, DEVELOPMENT PROJECTS (Tonnes CO₂e)



Scope 1 Includes direct emissions from fuel used in power generators, petrol for company vehicles, loss of refrigerant in air-conditioning systems and loss of insulating and arc quenching media in switchgear systems.

Scope 2 Includes indirect emissions from purchased electricity consumed by the operational activities of CDL at the Corporate Office, commercial and industrial buildings, reported using the market-based method to include the reduction in emissions as a result of the purchase of renewable energy certificates.

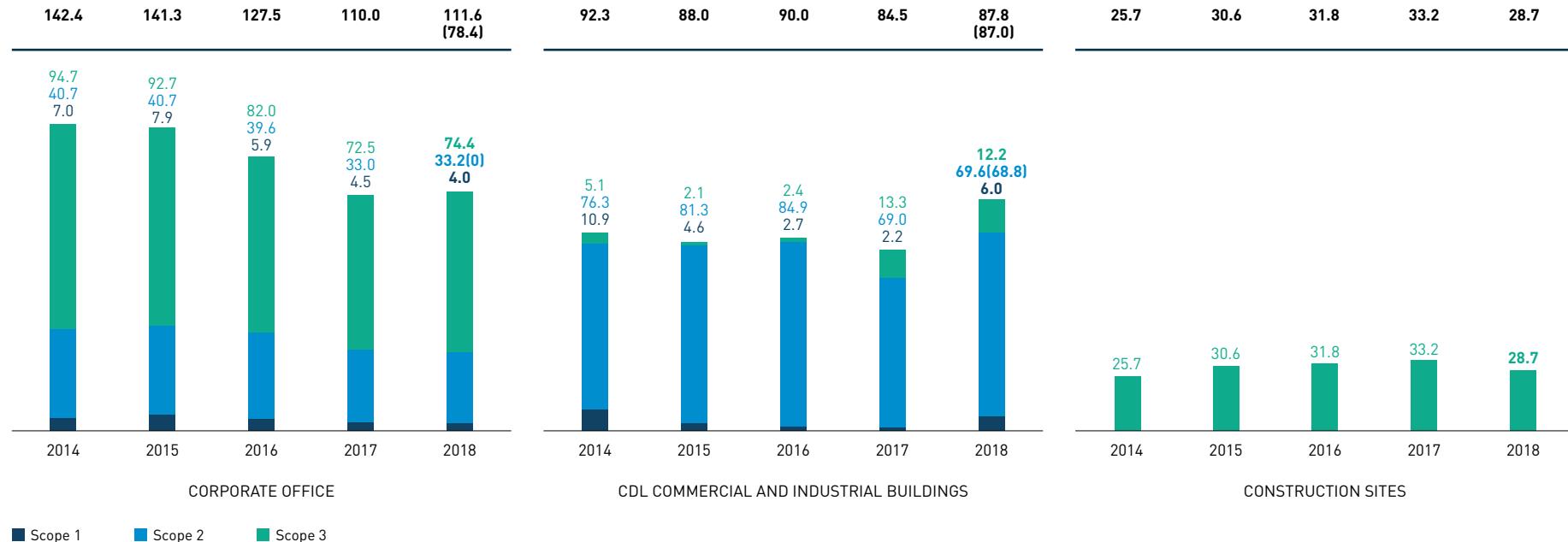
Scope 3 Includes emissions arising from property development activities (fuel used in power generators, purchased electricity, electricity upstream emissions and transmission losses and water usage), and other indirect emissions from electricity upstream emissions and transmission losses, local and international courier services, employee commuting, business air travel (excluding the influence of radiative forcing) and hotel accommodations, water supply and wastewater treatment at corporate office, commercial and industrial buildings.

Note:

- Figures stated in charts may not add up due to rounding of decimals.
- Carbon emissions arising from the construction activity carried out by builders have been restated under Scope 3 carbon emissions to align with sector classification of GRI Business Activity Group Descriptions as recommended by the SBTi.
- In addition to using a location-based method for reporting GHG emissions, the figure shown in brackets is calculated using a market-based method. It includes the reduction in emissions from the purchase of renewable energy certificates.

CARBON EMISSIONS INTENSITY OF CDL'S CORE OPERATIONS IN SINGAPORE

(kg CO₂e/m²)



CORPORATE OFFICE

CDL COMMERCIAL AND INDUSTRIAL BUILDINGS

CONSTRUCTION SITES

■ Scope 1 ■ Scope 2 ■ Scope 3

Corporate Office CDL's Corporate Office in Singapore occupied approximately 6,781 m² across ten floors in City House and one floor in Republic Plaza from January to March 2018. From April 2018, CDL's Corporate Office relocated to Republic Plaza, occupying approximately 5,013 m² across four floors in Republic Plaza. Measurement is applicable to all environmental performance reported in this section.

Commercial and Industrial Buildings In 2018, CDL managed 12 commercial buildings and three industrial buildings in Singapore, with an average monthly leased floor area of 226,654 m² and 27,572 m² respectively. Measurement is applicable to all environmental performance reported in this section.

Construction Sites While carbon emissions due to construction activities at CDL's construction sites are a result of contractors' direct and indirect emissions, CDL recognises the significant environmental impact of these construction activities. In 2018, CDL measured and monitored the environmental impact and performance of our four construction sites in Singapore with a gross floor area of 44,473 m² built for that year. Measurement is applicable to all environmental performance reported in this section.

Note:

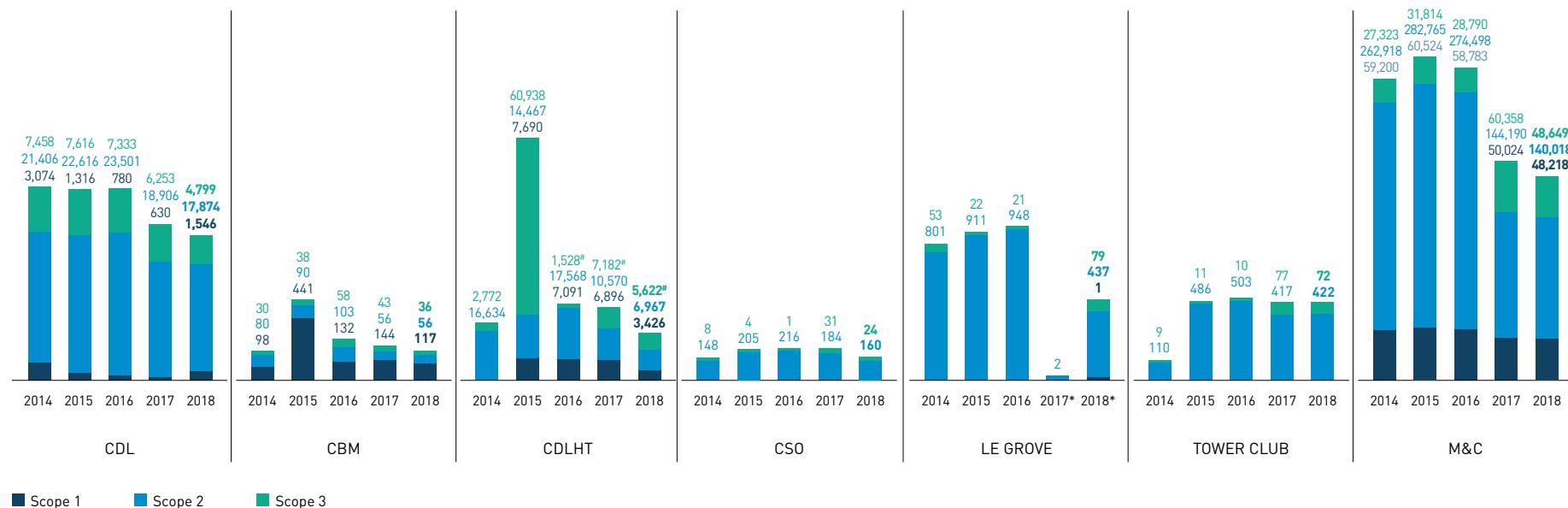
- Carbon emissions arising from the construction activity carried out by builders have been restated under Scope 3 carbon emissions to align with sector classification of GRI Business Activity Group Descriptions as recommended by the SBTi.
- In addition to using a location-based method for reporting GHG emissions, the figure shown in brackets are calculated using a market-based method. It includes the reduction in emissions from the purchase of renewable energy certificates.

TOTAL CARBON EMISSIONS FROM CDL'S CORE OPERATIONS IN SINGAPORE AND SIX KEY SUBSIDIARIES

(Tonnes CO₂e)

Since 2014, CDL has been reporting the carbon emissions of our key subsidiaries to ensure greater disclosure and accountability of the Group's carbon footprint. Given CDL's strong commitment to climate action and environmental protection, the behaviour

and practices of our subsidiaries are also of importance to us. The following table shows carbon emissions from M&C, CDL Hospitality Trusts (CDLHT), CBM Pte Ltd, City Serviced Offices (CSO), Le Grove Serviced Residences as well as Tower Club.



Note:

- For CDL, carbon emissions arising from the construction activity carried out by builders have been restated under Scope 3 carbon emissions to align with sector classification of GRI Business Activity Group Descriptions as recommended by the SBTi.
- # CDLHT Scope 3 exclude emissions from waste disposed.
- * Data represents Le Grove Office only. Le Grove Serviced Residences was closed for renovation from December 2016 to July 2018.

ENERGY EFFICIENCY AND MANAGEMENT

The core activities of CDL's business – property development and asset management are energy intensive, with electricity constituting a significant proportion of our operating expenditure. CDL recognises that improved energy performance can provide rapid benefits for an organisation by maximising its use of energy sources, hence reducing both consumption and cost. As such, CDL places great emphasis on improving our energy performance through extensive energy reduction initiatives. The integration of energy efficiency considerations into the design and construction stages of our projects will pass on energy and cost savings to our customers, including our tenants and residents.

In 2014, CDL became the first developer in Singapore to achieve the ISO 50001 Energy Management System (EnMS) certification for the provision of property and facilities management services. We continue to set energy reduction targets for each of the investment properties we manage, whilst continually improving energy performance through careful review and implementation of energy management plans.

LIFECYCLE APPROACH TO ENERGY MANAGEMENT

Initiatives to maximise energy efficiency and increase energy conservation are applied across our key business units and at various stages in the building's life cycle. Each business unit has its own specific guidelines that detail the strategic initiatives, performance standards, and specific requirements relating to energy efficiency and climate change mitigation measures. These guidelines are considered in the design, construction and operation of the assets.

STAGE IN PROJECT LIFE CYCLE	ENERGY MANAGEMENT INITIATIVES	BENEFITS
Design	Maximise use of natural lighting and ventilation to reduce cooling needs	Reduce electricity consumption
	Use of solar energy for common areas where applicable	Reduce reliance on the grid and lower carbon emissions
	Use of energy efficient lightings in all common areas	Reduce electricity use through energy efficient equipment or fittings
	Inclusion of energy efficient home appliances in the units	
Construction	Use of electricity directly from the power grid supply to reduce the use of diesel generators	Reduce emission levels of carbon, sulphur oxides, nitrogen oxides and particulates
Operation of Assets	Identification of high energy usage installations to determine relevant initiatives, e.g. chiller upgrading or modernisation of lifts	Reduce electricity consumption through energy efficient equipment or fittings
	Installation of sub-metering system to provide data granularity and identify reduction opportunities	
	Use of Energy Management System (EnMS) to optimise chiller efficiency and Building Management System (BMS) to control key equipment in buildings	Enhance controlling and monitoring of equipment and reduce energy use
	Use of renewable energy where possible through installation of solar and BIPV panels	Reduce reliance on fossil fuel energy

Energy Reduction Initiatives

Since 2004, CDL has retrofitted all our existing commercial and industrial buildings by upgrading chiller plants, introducing motion sensors, installing energy-efficient lighting, and recladding facades. On average, these efforts have yielded an estimated annual energy savings of around 17.6 million kWh and an equivalent of more than \$4.01 million in 2018. Key energy reduction initiatives in 2018 include lift upgrading, air conditioning upgrading and energy efficient lighting. Climate-resilient design and installations have also been incorporated into our

investment properties to reduce heat gain and mitigate urban heat island effect. Greenery directly influences the microclimate by reducing surface and local air temperature, and indirectly modifies the microclimate by reducing heat transfer into occupied spaces and thereby reducing mechanical cooling loads. We have incorporated such features into our buildings, including green roofs and vertical green walls.

Key Energy Reduction Initiatives in 2018

ENERGY REDUCTION INITIATIVES	BUILDINGS	SAVINGS
Lift Upgrading	Republic Plaza	555,700 kWh/year, equivalent to almost \$127,102/year
Air conditioning upgrading or improvement	Republic Plaza, City House, Fuji Xerox Towers, Central Mall (Office Tower)	185,187 kWh/year, equivalent to almost \$42,357/year
Energy efficient lighting	City House, Palais Renaissance, City Square Mall, Tagore 23	25,928 kWh/year, equivalent to almost \$5,930/year

CDL recognises that people are key to greener buildings, and user engagement and behavioural change can have a significant impact on reducing resource consumption. As an asset owner, CDL has been actively engaging our tenants to raise awareness and encourage adoption of energy conservation measures. In partnership with Tuas Power, an Automated Meter Reading portal was introduced in 2014 for our tenants to monitor their electricity use on a near real-time basis.

This empowers our tenants to keep tabs on their individual units' energy consumption, formulate plans and initiatives to achieve electricity and cost savings. In addition, incentives from both Tuas Power and CDL are granted to tenants who achieve substantial reductions in electricity consumption.

ADOPTION OF RENEWABLE ENERGY

WGBC aims to promote the acceleration of net zero carbon buildings globally to 100% by 2050⁵. In the local built environment sector, BCA's Green Building Masterplan targets to green 80% of Singapore's buildings by 2030⁶.

CDL has been committed to using renewable sources to reduce emissions and accelerate the renewable energy transition agenda. In the design and construction of our projects, adoption of renewable energy has always played an integral part. Apart from installing solar panels to generate solar power on-site at selected investment buildings since early 2000s, we have also started to progressively participate in the Renewable Energy Certificates (RECs) marketplace since 2017.

At CDL's mixed-use development South Beach, photovoltaic (PV) panels were installed at the tower roof and louver modules, covering a total area of approximately 1,800 m² with an energy yield of 219,000 kWh annually. The Singapore Sustainability Academy (SSA) has a solar PV panel footprint of 3,200 square feet, extensively covering 4,300 square feet of the building. The solar PV panels generate an annual energy yield of over 60,000 kWh, exceeding the building's annual energy consumption, thus enabling the academy to be self-sufficient. The zero-energy academy is also certified as a Green Mark Platinum building, recognising its various energy-efficient design and features.

In 2018, CDL attained 218,255 kWh of energy savings from the use of solar energy in Tampines Grande, City Square Mall, King's Centre and Quayside Isle. The amount of savings achieved is almost \$49,920⁷.

The emergence of RECs has shaped a more effective renewable energy market, driving global clean energy capacity. Contributing towards RECs also provides clean energy generators with a revenue stream that improves the economics of renewable energy projects and increases their competitiveness against fossil fuels. By procuring locally-sourced RECs, CDL can attribute 100% of the electricity consumed by our headquarters' operations and part of our commercial buildings' operations in 2018 to renewable sources. This offsets 386 tonnes of carbon emissions which is equivalent to powering over 200 typical 4-room HDB flats for one year.

In 2018, we also partnered with the SP Group for the launch of their REC marketplace. The REC marketplace uses innovative blockchain technology to enable REC trading to take place more conveniently, seamlessly and securely. Being one of the two pioneer buyers in Singapore to procure local RECs through this blockchain-powered platform has enabled CDL to expand our renewable energy usage in line with our renewable energy sourcing strategy.

5 The Net Zero Carbon Buildings Commitment, World Green Building Council

6 3rd Green Building Masterplan, BCA

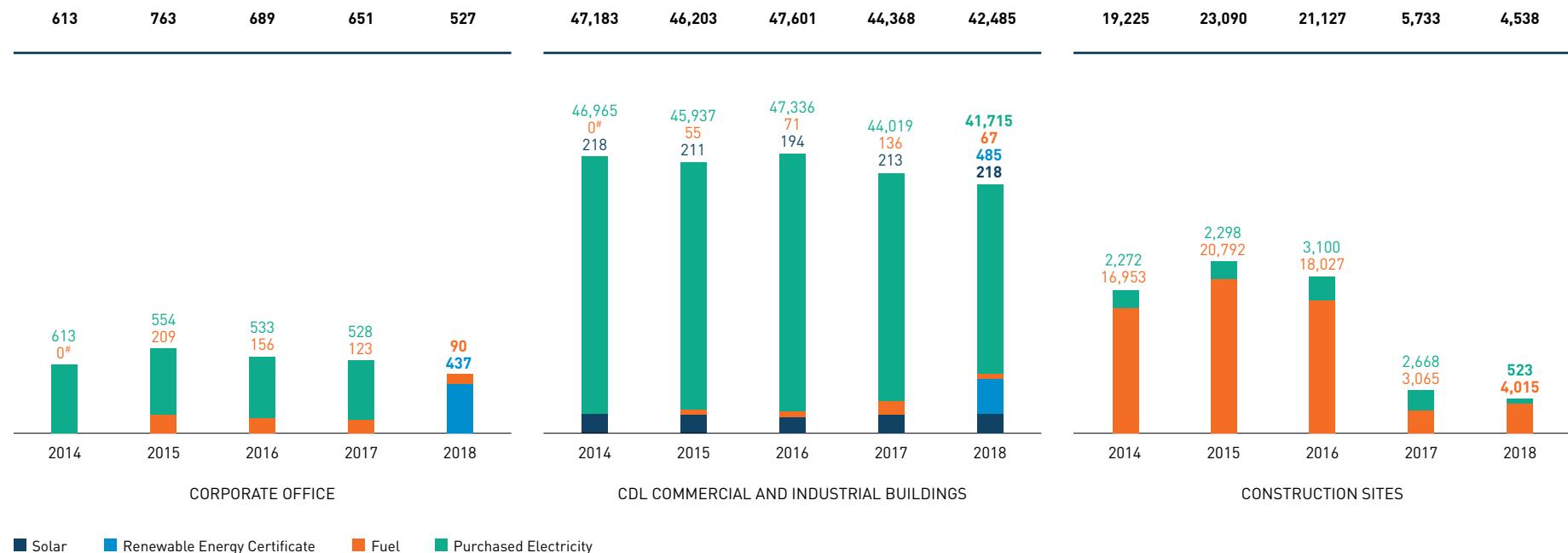
7 Average electrical tariff in 2018 was \$0.2287/kWh based on figures at www.spgroup.com.sg

ENERGY REDUCTION TARGET AND PERFORMANCE

Electricity consumption contributes a significant proportion towards our operational expenditures, and further impacts the total amount of carbon emissions released through our business activities. Hence, it is pertinent that CDL raises energy efficiency standards in a cost-effective manner to bring about reductions in carbon emissions and energy intensities.

As part of our ISO 14001 Environmental Management System objectives, and push for continual improvements in our energy performance, CDL set targets to reduce energy usage intensity⁸ by 35% from 2007 levels, by 2030. In 2018, we achieved a reduction of 27% and will be monitoring energy performance closely towards our 2030 targets.

TOTAL ENERGY USED BY CDL'S CORE OPERATIONS IN SINGAPORE: CORPORATE OFFICE, MANAGED PROPERTIES, DEVELOPMENT PROJECTS (MWh)

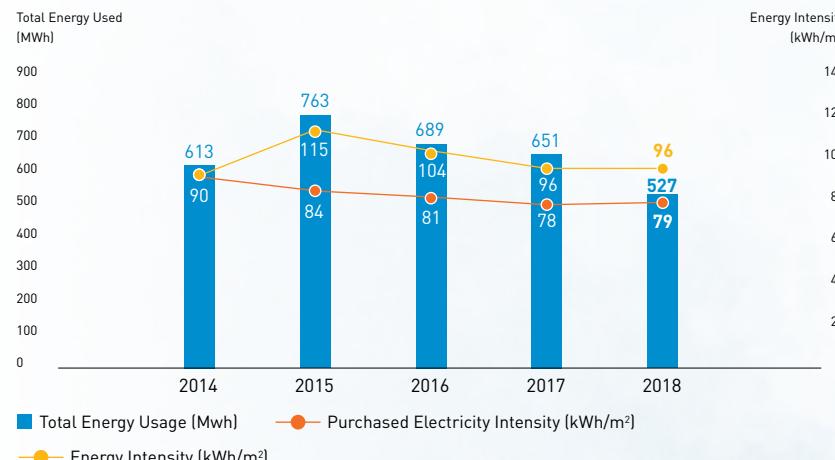


Note:

- Total Energy Used by CDL's Core Operations in Singapore are restated to include fuel consumption and solar energy usage.
 - Electricity consumption attributed to renewable sources from the purchase of Renewable Energy Certificates (RECs) has been excluded from purchased electricity to avoid double counting.
- # Fuel consumption data was collected from 2015 onwards.

⁸ Energy usage intensity indicated here is for purchased electricity, as base year levels were calculated using purchased electricity only.

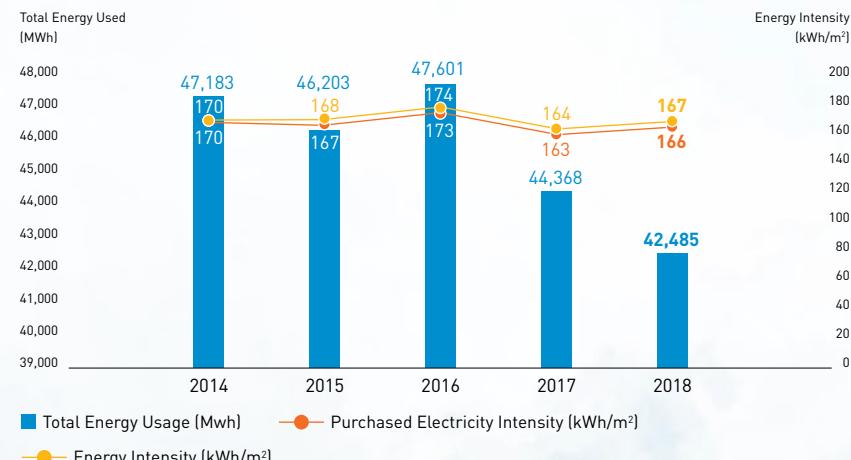
ENERGY USED BY CDL CORPORATE OFFICE



Note:

- Energy use intensity figures for corporate office are based on monthly average area of the corporate office headquarters.
- Purchased electricity intensity reported here includes the electricity consumption attributed to renewable sources from the purchase of RECs.

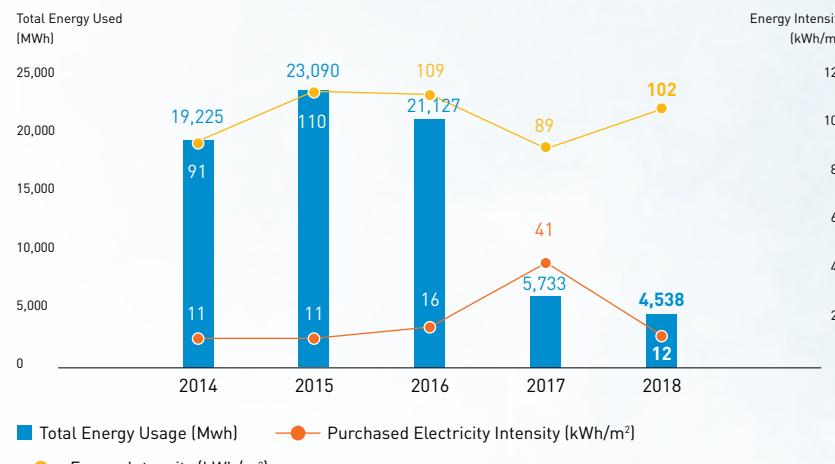
ENERGY USED BY CDL COMMERCIAL AND INDUSTRIAL BUILDINGS



Note:

- Energy use intensity figures for 12 commercial buildings and three industrial buildings are based on the monthly average leased area of the buildings.
- Purchased electricity intensity reported here includes the electricity consumption attributed to renewable sources from the purchase of RECs.

ENERGY USED BY CDL CONSTRUCTION SITES



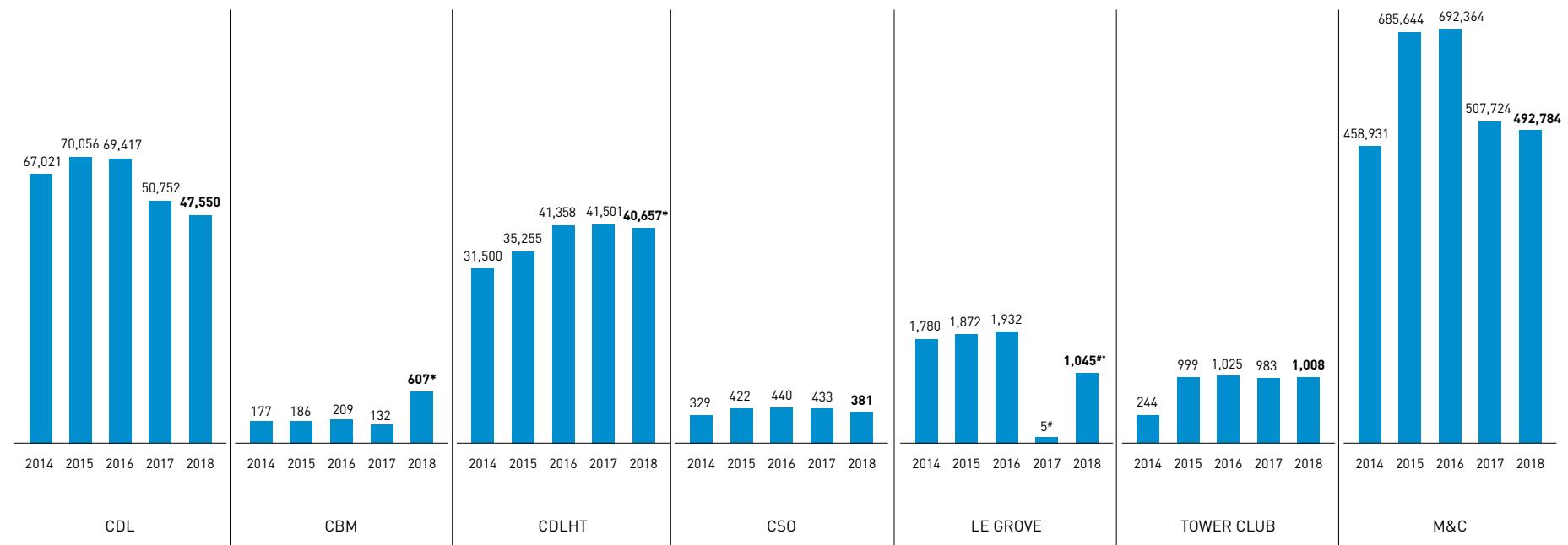
Note:

- Energy use intensity figures for CDL construction sites in Singapore are based on the built gross floor area for four construction sites operational in 2018.

TOTAL ENERGY USED BY CDL'S CORE OPERATIONS IN SINGAPORE AND SIX KEY SUBSIDIARIES (MWh)

Aligned with our reporting scope for GHG emissions, CDL also reports on the energy data of our subsidiaries. The tracking and reporting of our subsidiaries' energy data not only ensures greater disclosure and accountability, but also enables the

Group to better manage energy usage as a whole. The following chart shows the energy usage of CDL and six key subsidiaries, namely CBM, CDLHT, CSO, Le Grove Serviced Residences, Tower Club and M&C.



Note:

- For CDL, energy used is restated to include fuel consumption and solar energy usage.
- [#] Data represents Le Grove Office only. Le Grove Serviced Residences was closed for renovation from December 2016 to July 2018.
- * From 2018, energy from fuel consumption has been included in data reported.

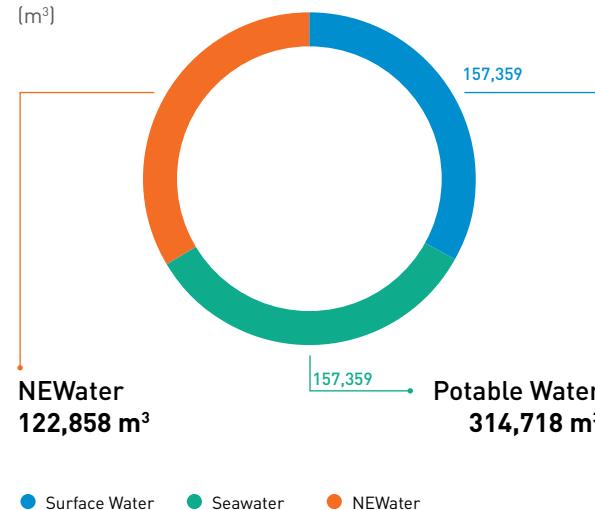
WATER CONSERVATION AND MANAGEMENT

Water remains a scarce resource in Singapore, and supply pressures caused by climate change continue to grow. The Water Resources Institute ranked Singapore as one the most water stressed countries in the world; and one of eight countries in the world most vulnerable to disruptions in water supply come 2040⁸. By 2060, Singapore's water use is expected to double from the current amount of 430 million gallons a day (mgd)⁹.

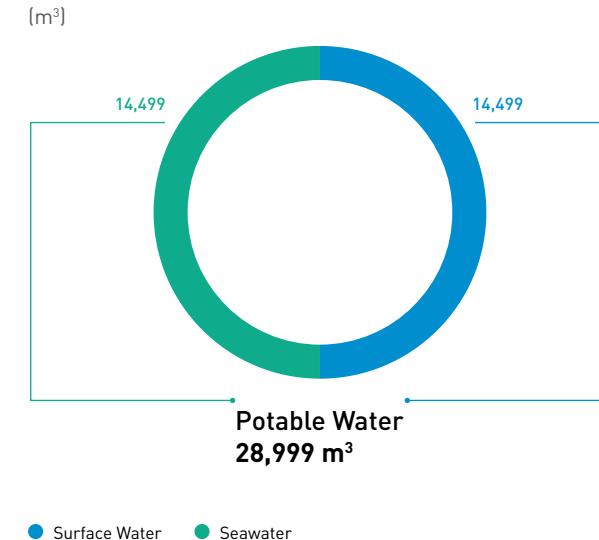
CDL's core activities are water-intensive and depend on an effective and reliable supply of water to operate. As a small and efficient nation, the collection, production, distribution and reclamation efforts of water in Singapore are consolidated by the nation's water agency, Public Utilities Board (PUB). PUB's Four National Taps strategy has created a robust and diversified water supply that has continued to serve the nation since 2005. Approximately 30% of Singapore's water demand is currently met by water from local catchment and imported water; whilst NEWater and desalinated water make up the remaining 40% and 30% of water demand respectively¹⁰.

CDL draws both potable and NEWater (for non-potable use) from PUB's utility network supplied through taps and utilises the water in the management of our assets for building operational and maintenance activities. Majority of water usage in commercial buildings goes to cooling towers, toilets, pantries, water features, irrigation and washing activities. In our property development activities, potable water is used mostly by our builders for sanitation purposes.

BREAKDOWN OF WATER WITHDRAWAL BY CORPORATE OFFICE AND MANAGED BUILDINGS IN 2018



BREAKDOWN OF WATER WITHDRAWAL BY CONSTRUCTION SITES IN 2018



Note:

- All potable water withdrawal comes from a single third-party water source supplied by PUB. The breakdown of water sources is based on PUB's Our Water, Our Future report.
- Based on PUB's Our Water, Our Future report, all potable water and NEWater are categorised as freshwater with Total Dissolved Solids levels of ≤1,000 mg/L.
- Based on WRI's Aqueduct Water Risk Atlas tool, the entire area of Singapore is identified to be of high physical risk. The physical risk tool identifies areas of concern regarding water quantity (e.g. droughts or floods) that may impact short- or long-term water availability. As such, all water withdrawal is from areas with water stress.

LIFECYCLE APPROACH TO WATER MANAGEMENT

Taking a strategic approach towards water management is key to CDL's effective management of water quality and water usage. We recognise that holistic water management maintains and enhances the efficiency, resilience, desirability and long-term value of our assets and developments. Not only do our water conservation efforts deliver significant benefits

to the environment, they also promote performance and cost efficiencies across our operations.

From the initial stages of design all the way through to construction and operation of our assets, CDL's developments are conceptualised with a strong focus on water sustainability. Such responsible water management practices allow us to deliver value to our homeowners and tenants through water and cost savings.

⁸ World Resources Institute, Ranking the World's Most Water-stressed Countries in 2040

⁹ Public Utilities Board (PUB), Our Water Our Future Report

¹⁰ PUB, Singapore Water Story

STAGE IN PROJECT LIFE CYCLE	WATER MANAGEMENT INITIATIVES		BENEFITS
Design	Use of water-efficient fittings and fixtures	Reduce use of water	
	Use of recycled water and drought-resistant plants	Reduce the use of potable water	
Construction	Installation of self-closing taps		
	Collection of rainwater for washing vehicles	Reduce the use of potable water	
	Installation of systems to allow water recycling for site cleaning		
	Installation of silty water treatment system	Prevent silty water from being discharged into water systems	
Operation of Assets	Conduct of routine checks on pipes, taps, urinal and WC flush systems	Prevent wastage of water due to leaks or oversensitivity of sensors	
	Comprehensive use of water-efficient fixtures and fittings, e.g. flow regulators, self-closing taps	Reduce use of water	
	Use of NEWater for operations that do not require potable water	Reduce reliance on potable water	

WATER CONSERVATION INITIATIVES

In recognition of our significant contribution to Singapore's water security and sustainability efforts, CDL was one of the first recipients of the inaugural Watermark Award by PUB in 2007. Since the inception of PUB's Active, Beautiful, and Clean (ABC) Waters certification in 2010, CDL has also been a pioneer winner for several of our developments. Our H₂O

Residences was the first private development to be ABC Waters-certified due to its seamless integration with surrounding water bodies and park.

To date, 14 of our buildings have been certified as "Water Efficient Buildings" by PUB for outstanding efforts in water conservation. Recognising that water conservation is a shared responsibility, CDL engages

our customers through initiatives such as the CDL Green Lease Partnership Programme and Green Living Guide to promote good water conservation practices which complement CDL's water-efficient design and features incorporated into our buildings.

WATER REDUCTION TARGET AND PERFORMANCE

Water price in Singapore was raised by 30% in two phases: the first phase was in July 2017 and the second in July 2018. The price hike catered for PUB's cost of water treatment, reservoir operations, NEWater production, desalination, used water collection and treatment, as well as the maintenance and expansion of Singapore's island-wide network of water pipelines. It included the Water Conservation Tax, which is imposed on potable water tariffs.

To effectively manage water usage and rising costs, CDL performed an impact analysis on utility bills to better understand the implications of the higher water tariffs. Monthly water consumption for our key business processes are also closely tracked to ensure we are adequately prepared to continue managing our water usage effectively. CDL has established targets to reduce water use intensity by 38% against 2007 levels, by 2030. In 2018, we achieved a 32% reduction, meeting the interim reduction target we had set for the year.

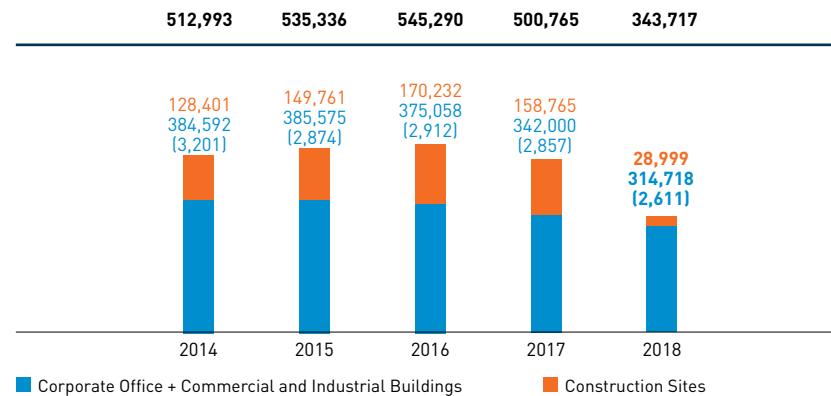
Key Water Conservation Initiatives in 2018

WATER INITIATIVES	LED BY BUSINESS UNIT	SAVINGS
Use of recycled water for construction site activities	Property Development	48,800 m ³ equivalent to almost \$134,000 ¹¹ in monetary savings.
Use of NEWater instead of potable water	Asset Management	Use of 122,858m ³ of NEWater, equivalent to almost 28% of the total water used and a saving of more than \$38,250 ¹² as compared to using potable water

11 Water tariffs at \$2.74 per m³ before GST, inclusive of water tariff, water conservation tax and waterborne fee. Source: www.pub.gov.sg

12 NEWater tariffs of \$2.33 per m³ before GST, inclusive of NEWater tariff and waterborne fee. Source: www.pub.gov.sg

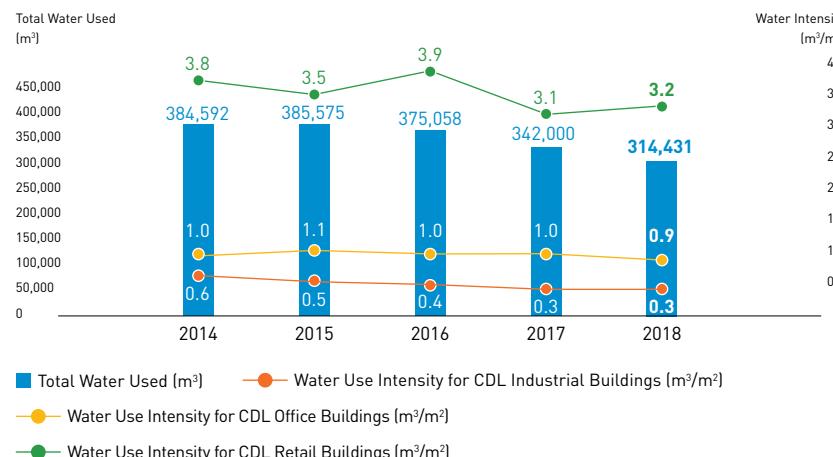
TOTAL WATER USED BY CDL'S CORE OPERATIONS IN SINGAPORE: CORPORATE OFFICE, MANAGED PROPERTIES, DEVELOPMENT PROJECTS (m³)



Note:

- Water used and water use intensity are for potable water only. Tertiary treated NEWater usage is not included.
- Total amount of water withdrawn is same as total amount of water discharged into third-party water (i.e. PUB sewers) with negligible amounts of water consumed. Hence, total amount of water used is reported here.
- Corporate office water usage figures are provided in the brackets.

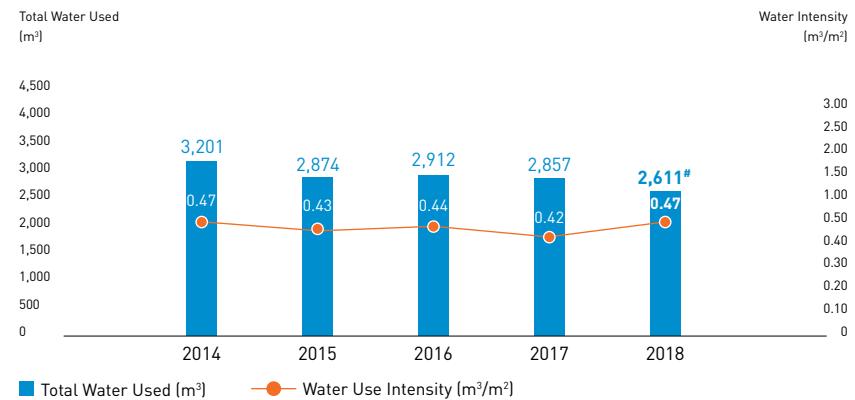
WATER USED BY CDL COMMERCIAL AND INDUSTRIAL BUILDINGS



Note:

- It should be noted that the water used is potable water only. Tertiary treated NEWater is not included in the amount of water used.
- Water use intensity figures for 12 commercial buildings and three industrial buildings in Singapore are based on the monthly average leased area of the buildings.

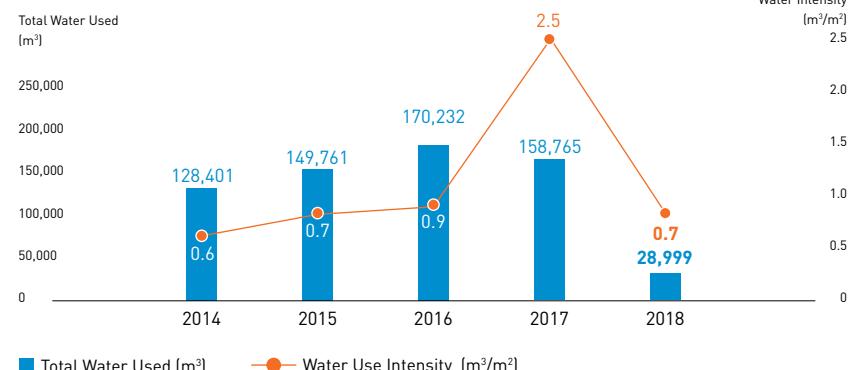
WATER USED BY CDL CORPORATE OFFICE



Note:

- Water use intensity figures for corporate office are based on monthly average area of the corporate office headquarters.
- Due to the relocation of CDL's Corporate Office from City House to the Republic Plaza in April 2018, monitoring system for water usage provided by the building is underway. Corporate office water usage is estimated at 2,611 m³ of water for 2018, which includes 287 m³ of water separately consumed and not provided by the building.

WATER USED BY CDL CONSTRUCTION SITES

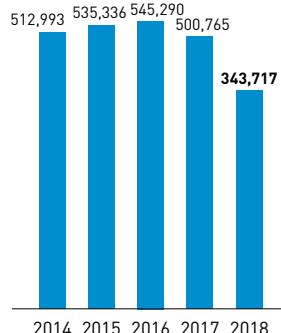


Note:

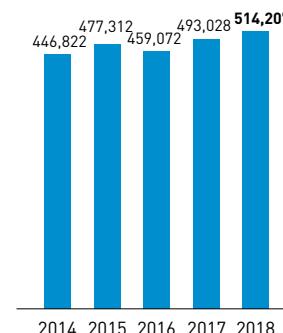
- Water use intensity figures for CDL construction sites in Singapore are based on the built gross floor area for four construction sites operational in 2018.

TOTAL WATER USED BY CDL'S CORE OPERATIONS IN SINGAPORE AND SIX KEY SUBSIDIARIES (m³)

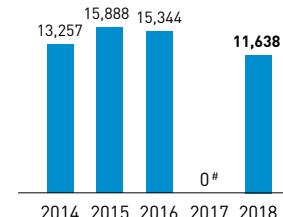
Similar in scope for GHG emissions and energy, we also report the water consumption data of our key subsidiaries.



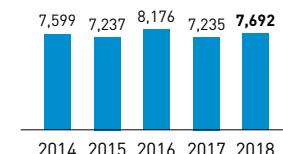
CDL



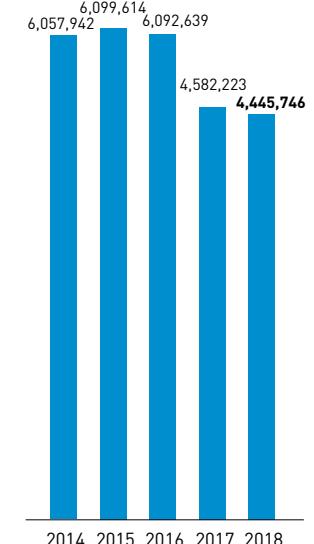
CDLHT



LE GROVE



TOWER CLUB



M&C

Note:

- CBM and CSO are tenants within a building and hence do not have separate meters to track respective water usage within their facilities.
- # No water data as Le Grove Serviced Residences was closed for renovation from December 2016 to July 2018.

WASTE REDUCTION AND MANAGEMENT

In land-scarce Singapore, general waste is sent to the waste-to-energy incineration plants. Incineration plants can reduce the solid waste volume by 90%, and the resulting incinerated ash is then transported to the nation's sole offshore landfill, Semakau landfill for disposal. Mindful that Semakau landfill will run out of space by 2035, and that construction debris cannot be incinerated and are directly sent to the landfill, we are spurred to effectively manage our waste generation.

As a real estate developer and manager, the bulk of the waste is generated by our builders and tenants. All of CDL's generated waste at both the construction sites and managed buildings is non-hazardous and disposed of in accordance with the local waste regulations.

We also continuously invest, innovate, and adopt leading-edge technology such as Prefabricated, Prefinished Volumetric Construction (PPVC) to significantly reduce construction waste. In 2018, CDL embarked on a pilot project to test the feasibility of a food waste treatment system consisting of bladeless in-sink grinders and on-site food waste digesters. Initiated at one of CDL's serviced apartments, the Le Grove Serviced Residences, the test-bed could pave the way in making food waste recycling a viable solution in residential housing units of the future.

WASTE MANAGEMENT INITIATIVES

CDL remains steadfast in managing our waste efficiently and seeks to reduce, reuse, and recycle our waste whenever feasible. Adopting the waste management hierarchy, reduction of waste is prioritised before reusing and recycling of waste are

considered. To mitigate our impact on the environment, CDL has several strategies in place to practise the 3Rs in waste management, as depicted in the table below:

STAGE IN PROJECT LIFE CYCLE	WASTE MANAGEMENT INITIATIVES	BENEFITS
Design	Adoption of Prefabricated, Prefinished Volumetric Construction (PPVC) technology for large-scale residential development	Generates less waste and paves the way for cleaner and safer construction sites
Construction	Construction and Demolition Waste Policy since 2009 for the adoption of sustainable construction practices	Leads to builders' increased use of sustainable products and improved recycling rates for construction waste
	Materials are identified for reuse or recycling under the Building and Construction Authority's (BCA) Demolition Protocol	Reduces waste generated and costs required to re-purchase materials
	Furnishings from our showflats are reused whenever wherever the design or theme permits	
Operation of Assets	Recycling programme for light bulbs	Reduces waste sent to incineration plants and use of natural resources
	Recycling programme for commercial buildings and CDL Corporate Office	

WASTE REDUCTION TARGET AND PERFORMANCE

Following the principles of a circular economy, CDL is committed towards waste minimisation and resource efficiency throughout our development sites and managed buildings. Come 2030, CDL targets to reduce total waste intensity for our corporate office and managed buildings by 7% from 2016 levels.

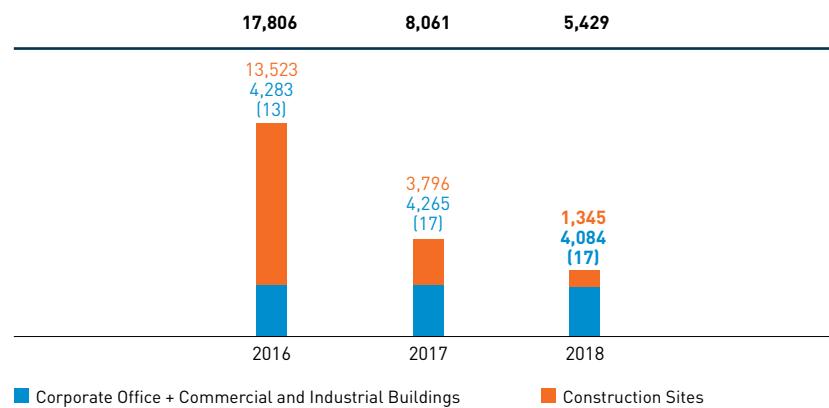
In CDL-managed buildings, around 4,084 tonnes of general, non-hazardous waste were disposed in 2018. About 693 tonnes of recyclable waste was collected in 2018, 84% of which was paper. Our paper recycling programme has seen increasing tenant participation soar from 68% in 2005 to nearly 100% in 2017.

In 2018, construction waste generated at all CDL construction sites amounted to 1,345 tonnes, with a waste intensity of 30 kg/m². This is a reduction from 2017 and meets the 2018 waste targets set for Property Development, on track to achieve the 2030 target of 30kg/m².

Moving forward, we will continue to be vigilant of our waste management practices. With 2019 being designated as the Year Towards Zero Waste for Singapore and increasing focus on a circular economy, this year is a timely opportunity to review our waste minimisation and recycling initiatives, as well as to engage our stakeholders for the achievement of our 2030 targets.

TOTAL WASTE DISPOSED BY CDL'S CORE OPERATIONS IN SINGAPORE: CORPORATE OFFICE, MANAGED PROPERTIES, DEVELOPMENT PROJECTS

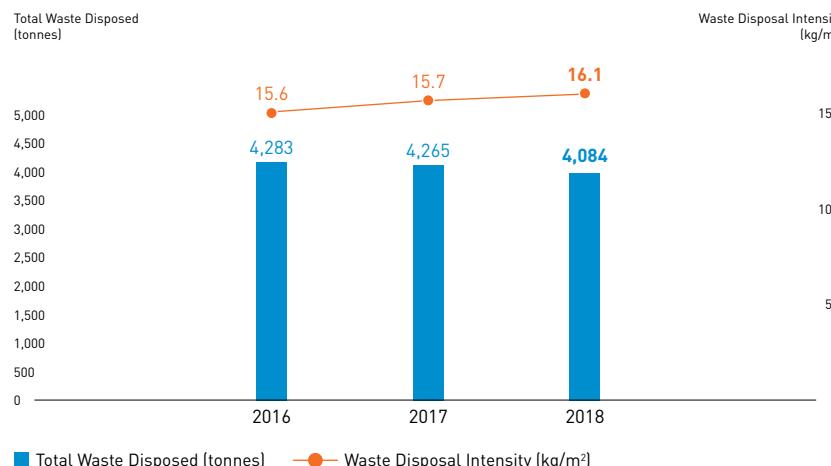
(tonnes)



Note:

- Waste disposed by CDL Corporate Office indicated in brackets here is included in CDL Commercial and Industrial Buildings

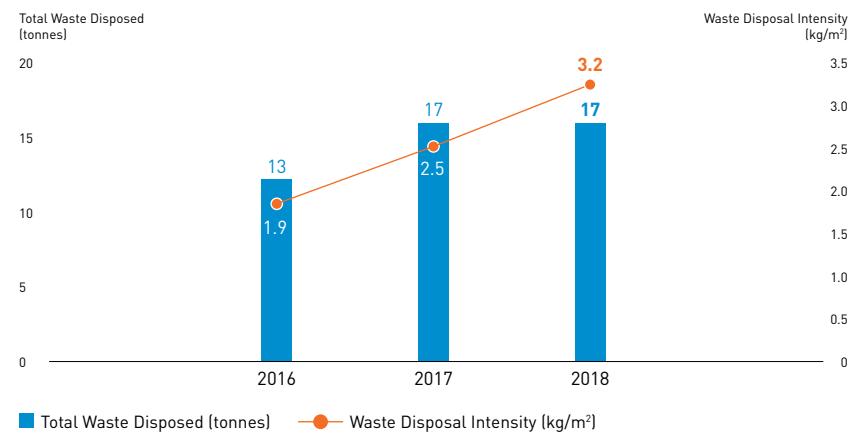
WASTE DISPOSED BY CDL COMMERCIAL AND INDUSTRIAL BUILDINGS



Note:

- Waste intensity figures for 12 commercial buildings and three industrial buildings in Singapore are based on the monthly average leased area of the buildings.

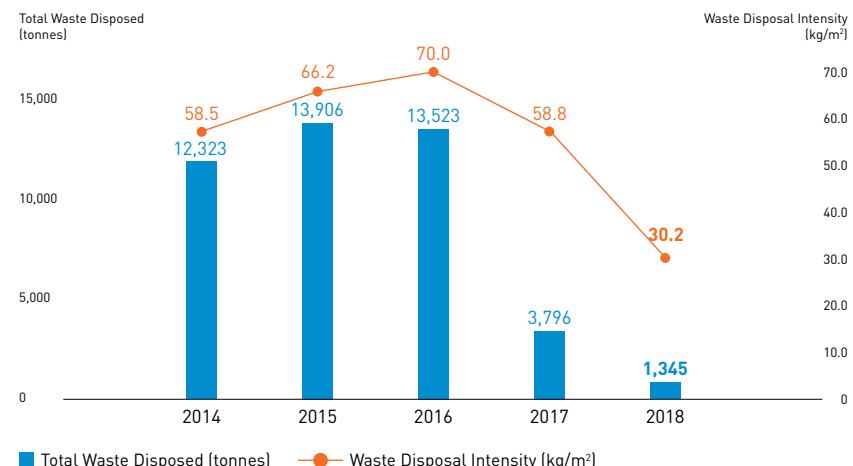
WASTE DISPOSED BY CDL CORPORATE OFFICE



Note:

- Waste intensity figures for corporate office are based on monthly average area of the corporate office headquarters.

WASTE DISPOSED BY CDL CONSTRUCTION SITES



Note:

- Waste intensity figures for CDL construction sites in Singapore are based on the built gross floor area for four construction sites operational in 2018.

ENVIRONMENTAL COMPLIANCE

CDL is committed to complying with all applicable EHS legal requirements enforced by local authorities such as the Building and Construction Authority (BCA), National Environment Agency (NEA), Public Utilities Board (PUB), Ministry of Manpower (MOM) and Singapore Civil Defense Force. Through constant monitoring, evaluation, and auditing of our ISO14001 and OHSAS18001 certified EHS management system, CDL actively ensures that all our activities and operations comply with existing regulatory requirements.

MANAGING CONSTRUCTION NOISE

In Singapore, NEA regulates the noise levels from construction sites with a set of permissible noise limits that vary depending on the time of the day and neighbouring premises. To protect nearby residents, we place emphasis on our builders to comply with the construction noise limits at all our construction sites.

To minimise noise-related complaints, our builders are encouraged to put in place an active management programme and to take all necessary action to address and resolve related complaints. As part of our efforts to keep the community informed about construction status, schedules of the progress at each site are communicated to pre-empt the community about upcoming works that may affect them. More details on our public communications can be found on [page 102](#).

MANAGING VECTOR CONTROL AT CONSTRUCTION SITES

To keep the incidence of vector-borne diseases low in Singapore, the local authorities leverage on vector management systems, complemented by education, enforcement, and continuous research to achieve this goal. Recognising that construction sites, if not well-managed, could become environments for mosquito breeding and rodent infestation, CDL works closely with our builders to ensure that effective systems are in place to prevent pests, curb dengue transmission and protect workers and residents around our work sites against dengue fever.

Besides ensuring that our builders schedule and conduct regular housekeeping on site, we require that they maintain comprehensive pest surveillance and control programmes. We also actively engage our contractors and their workers through awareness building and educational talks to ensure effective vector control and minimise incurring fines for vector breeding.

MANAGING WATER DISCHARGE AT CONSTRUCTION SITES

The discharge of wastewater into the public sewerage system and open drains, canals and rivers are strictly regulated by the PUB and NEA.

CDL works closely with all our contractors to track the quality of water discharged to public sewerage and drainage systems and to ensure that Total Dissolved Solids (TDS) and Total Suspended Solids (TSS) readings of the discharged water do not exceed the legal limits of 1,000 mg/litre and 50 mg/litre respectively¹³. At all our construction sites, Earth Control Measures (ECM) and live-monitoring and alert systems are implemented to prevent silt from polluting our waterways. In one of our recently awarded projects, we set a target of less than 40 mg/litre on the TSS reading of the effluent, highlighting our commitment to preventing pollution.

Prompt corrective actions such as lean concreting to prevent soil discharge are implemented if the TSS limits are exceeded. CDL will continue to work with contractors to increase vigilance in the management of water discharge.

	2014	2015	2016	2017	2018
Highest TSS (mg/litre)	44	26	21	5,370 [#]	38

[#] 2017 data has been restated based on the fine notification received in 2018.

13 Allowable limits for trade effluent discharge by NEA.

Incidents of Non-compliance

In 2018, five fines were imposed on our builders across four construction sites. Two were due to exceeding surface water discharge limit for TSS¹⁴, one for vector breeding, and two for performing construction activities above the noise limit. There were no fines issued to our managed properties in 2018.

EHS-RELATED FINES



Note:

- Value of fines stated is based on the fines invoiced as of 31 December of the year in which the fines were incurred.
- For incidents of non-compliance at construction sites, the warnings/summons are issued by regulatory bodies directly to main contractors. The numbers stated are those reported by main contractors to CDL.

To prevent future occurrences of non-compliance, we have reviewed and streamlined our current processes to improve and tighten our EHS practices. Since 2005, we have been incentivising our builders to uphold high EHS standards through the CDL 5-Star EHS Awards and monetary rewards. From 2013, a penalty system

has been imposed on builders of all new developments for any EHS infringements. This was formulated as part of an ongoing review of our system and process to maintain good EHS performance.

As a responsible corporate citizen, we provide avenues for the public to raise enquiries or complaints on EHS-related matters. Phone hotlines managed by our appointed builders are set-up at all construction sites. In 2018, across our four ongoing sites, we received zero complaints regarding dust from construction activities affecting nearby residents.

RESPONSIBLE SUPPLY CHAIN AND SOURCING

CDL sets clear guidelines and specifications on the procurement of materials to specify the use of sustainable and non-toxic building materials in our developments to reduce the overall impact of our projects across their life cycle. This will also lead to better health and well-being of the occupants in our buildings.

CDL has in place the Green Procurement Guidelines with clear specifications for responsible sourcing along our supply chain since 2008. In alignment with our corporate environmental, health and safety (EHS) Policy, the guidelines encourage the use of eco-friendly and recycled materials that have been certified by approved local certification bodies, such as the Singapore Green Building Council and the Singapore Environment Council. All our builders, suppliers and vendors of new development projects are required to comply with these guidelines.

Our Singapore Sustainability Academy was built in 2016 with mainly Cross Laminated Timber (CLT) harvested from sustainably managed forests and Glued Laminated Timber (Glulam). Both the CLT and Glulam used in the construction of the Academy were verified by the Nature's Barcode™ system for our responsible sourcing. The system entails scientific tests like DNA analysis to minimise the risk that the wood materials are derived from illegal logging activities.

For our tenants, we provide equipment manuals for residential units and fitting out manuals for our commercial spaces. The fitting out manual specifies the required standard for materials used in fitting out works and recommends green design guidelines and resource conservation tips for tenants to follow when designing the leased premises.

EMBODIED CARBON EMISSIONS FROM CONSTRUCTION MATERIALS

According to IEA's World Energy Statistics and Balances, it is estimated that buildings represent 28% of global energy-related carbon emissions, and a further 11% is incurred through the materials and construction process¹⁵. As such, calls for a shift to life cycle thinking have intensified, and embodied carbon is increasingly seen as an important area for all sectors of the built environment to address actively.

¹⁴ The incidents occurred in 2017, however the fines were only issued in 2018.

¹⁵ 2018 Global Status Report by the Global Alliance for Buildings and Construction and UN Environment

Embodied carbon refers to the carbon emissions associated with the non-operational phase of a building, and includes emissions caused by extraction, manufacturing, transportation, assembly, maintenance, replacement, deconstruction, disposal and end-of-life aspects of the materials and systems that make up a building.

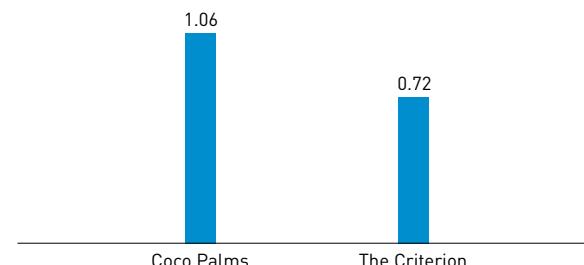
Since 2016, CDL began tracking and reporting the top five building materials and embodied carbon of the construction materials used in our property development activities to consider the wider carbon life cycle impacts of our projects. Based on the type and quantity of construction materials used in projects completed in 2018 and Building and Construction Authority (BCA)'s Carbon Calculator, the embodied carbon intensity for these projects have been derived and reported below. Foreseeing that consumers will have preference for low-carbon premises, and that carbon construction materials such as steel and cement will become increasingly costly, CDL has set a target to reduce the embodied carbon of our building materials by 24%, instead of their conventional equivalents, by 2030. Monitoring and reporting of the embodied carbon performance of our projects against the adopted targets will enhance CDL's supply chain management and encourage the use of low-carbon and recycled alternatives to address and reduce the total emissions impact. An interim target of 7% reduction was set for all new projects awarded from 2018 onwards, where the performance will be monitored closely towards 2020¹⁶.

Top Five Building Materials

	2015		2016		2017		2018
Granite	209,714 tonnes	Granite	237,226 tonnes	Granite	303,203 tonnes	Granite	180,629 tonnes
Sand	146,639 tonnes	Fine Aggregate (Sand)	195,699 tonnes	Fine Aggregate (Sand)	136,938 tonnes	Fine Aggregate (Sand)	146,898 tonnes
Cement	73,231 tonnes	Cement	90,648 tonnes	Cement	132,363 tonnes	Cement	68,838 tonnes
Rebar & steelworks	26,254 tonnes	Steel	36,709 tonnes	Steel	28,711 tonnes	Steel	22,799 tonnes
Granite or marble tiles	6,881 tonnes	Timber	5,418 tonnes	Ceramic tiles	5,718 tonnes	Ceramic tiles	4,398 tonnes

EMBODIED CARBON INTENSITY

tCO₂e/m²



SUPPLIER MANAGEMENT

CDL proactively influences and engages key stakeholders in our value chain to embrace safe and environmentally-friendly designs as well as operational best practices throughout the life cycle of our developments. As part of our Integrated

Environmental Health & Safety Management System, we have established Green Procurement guidelines, indicating our preference for ISO 14001, OHSAS 18001 and BizSAFE Level 3 certified vendors. In key operations like project development and asset management, major suppliers and builders must meet the EHS pre-qualification criteria¹⁷.

At CDL, we have established a target to ensure 100% of appointed suppliers are certified by recognised EHS standards, by 2030. In 2018, 100% of our builders for property development have obtained ISO 14001 and/or OHSAS 18001 certifications. 70% of suppliers appointed by asset management department are certified by recognised EHS standards. Going forward, we will review our targets and deepen supplier engagement to progressively enhance our supply chain.

¹⁶ Based on the life-cycle of our property development projects, embodied carbon data for building materials are only available 2 years after a project has been awarded. This target replaces the previous construction materials derived from recycled content, low carbon sources or certified by recognised environmental organisations as this new target provides a more direct measure on the carbon emissions reduction which is in line with the newly validated science-based target.

¹⁷ 60% of new suppliers in 2018 are certified by recognised EHS standards

CDL 5-STAR EHS ASSESSMENT SYSTEM

Since 2001, the CDL 5-Star EHS Assessment System – an independent audit tool to assess, measure, and improve the main builders' EHS management and performance, was put in place to ensure a comprehensive, audited, and appraised EHS approach. All CDL builders undergo quarterly EHS inspections and audits conducted by an independent EHS audit firm recognised by the Ministry of Manpower (MOM) and are appraised on a scale of one to five stars. Results are then presented to the management and site supervisors of the builders and project consultants during the quarterly CDL 5-Star EHS Seminars. These seminars are a valuable platform to promote sharing of best practices and peer learning to encourage better EHS performance amongst the builders.

SUPPLY CHAIN SCENARIO PLANNING

Following up on the supply chain scenario planning exercise conducted in 2017, key business units have put in efforts to turn potential ideas into action. This aims to capture emerging trends that present risks and opportunities to CDL's supply chain strategy. Employing a "Shield and Sword" approach, CDL put in action plans to protect and defend our current supply chain against immediate risks, whilst building our organisational agility and capability to optimise near-term and long-term opportunities.

MOVING FORWARD

ACTIONS TO REALISE OUR SCIENCE-BASED CARBON REDUCTION TARGETS

Having our targets assessed and validated by the SBTi reflects our commitment to benchmark against internationally recognised best practices and to drive progressive carbon reduction initiatives. To attain these ambitious targets, we will continue to push for carbon reduction initiatives by harnessing technologies and solutions for building retrofitting works.

With BCA's launch of Green Mark for Super Low Energy (SLE), we strive to achieve the Super Low Energy or Zero Energy status for our commercial buildings to further push the frontier for green buildings. We have stepped up the adoption of renewable energy sources through on-site solar panels and the purchase of RECs to meet our evolving energy demand as well as carbon reduction targets. To keep abreast of technological advancements, CDL will seek and invest in solutions to embrace opportunities and enhance value to all stakeholders.

ENHANCING SUPPLY CHAIN AND STAKEHOLDER ENGAGEMENT

CDL will continue to engage our suppliers and stakeholders to drive and facilitate carbon reduction. Taking collective action for carbon management requires working with our suppliers to effectively reduce embodied carbon of our construction materials. Findings derived from our supply chain and climate

REDUCING ENVIRONMENTAL IMPACT

change scenario analysis underscore the need to increase external engagements with leading suppliers and sustainable material certification bodies and councils to push for the use of less carbon intensive building materials and techniques. CDL will leverage on our existing expertise and knowledge to align and extend our carbon reduction strategy and initiatives with our stakeholders, to drive our carbon reduction initiatives.

SCENARIO ANALYSIS FOR A 1.5°C WARMER WORLD

With close to 200 nations agreeing to the Paris Rulebook during COP24 at Katowice, Poland, global climate actions will ratchet up to keep the planet's temperature to well below 2°C above pre-industrial levels, or a more ambitious 1.5°C. IPCC's recent Special Report draws spotlight on the impacts of global warming of 1.5°C above pre-industrial levels and calls for greater global response, including businesses, to the threat of climate change. As mentioned on [page 52](#), CDL will embark on a second phase to include the 1.5°C warmer scenario, and to include our operations in the United States in the portfolio of overseas markets studied. As the environmental risks to businesses become more apparent and severe, CDL sees the urgency of safeguarding our operations. This extended study will enable us to assess the potential financial implications of a 1.5°C warmer scenario and gain a more comprehensive understanding of our climate-related risks and opportunities in the transition to a sustainable economy.

SHAPING A FAIR, SAFE AND INCLUSIVE WORKPLACE

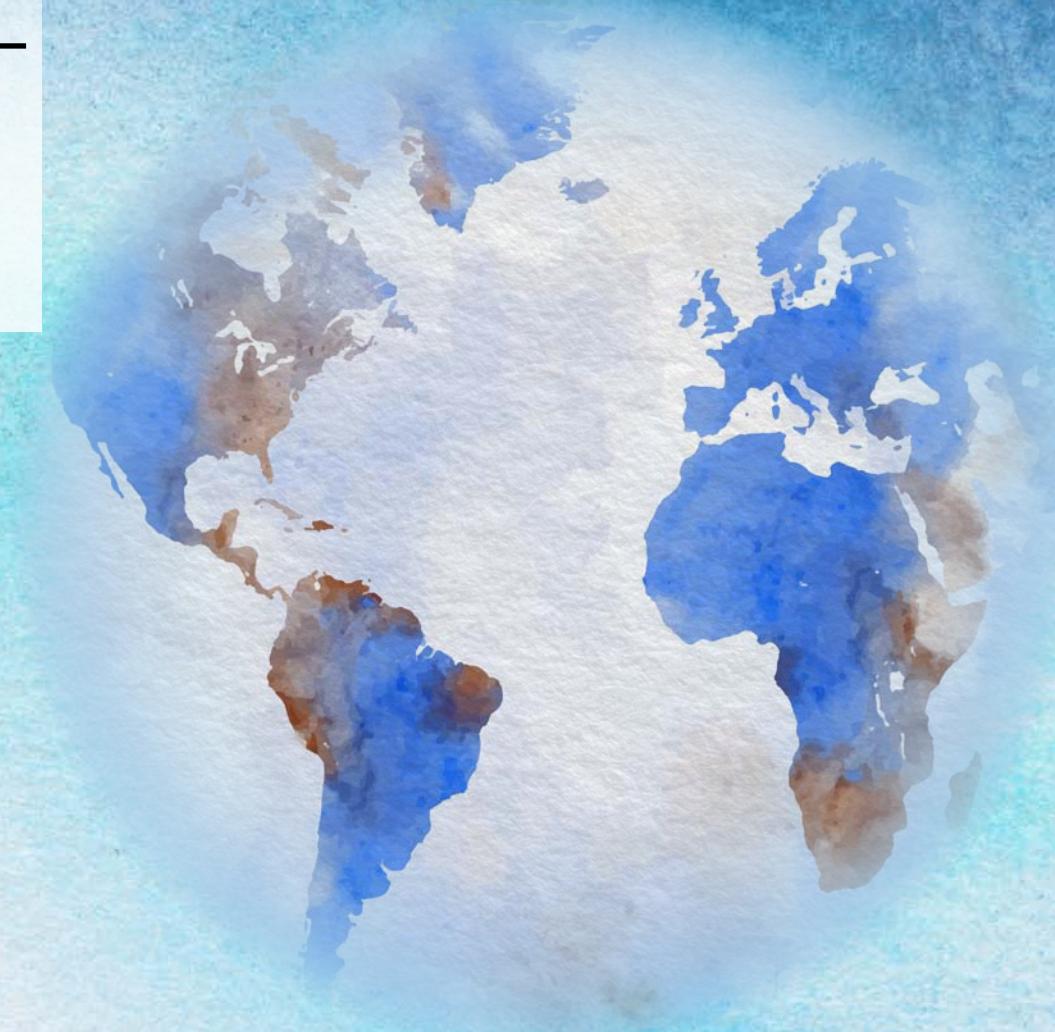
5 GENDER EQUALITY



8 DECENT WORK AND ECONOMIC GROWTH



16 PEACE, JUSTICE AND STRONG INSTITUTIONS



SHAPING A FAIR, SAFE AND INCLUSIVE WORKPLACE



CDL is committed to upholding good corporate governance and integrity in all our business activities to protect and enhance our shareholder value. Our framework of robust policies and control systems provide guiding principles on business conduct and ethics to all employees and suppliers, conveying CDL's stance as a sustainable business.

CORPORATE GOVERNANCE

At CDL, we believe practising good corporate governance is central to the health and stability of our financial markets and economy. Since 2010, we have joined the Securities Investors Association (Singapore) ("SIAS") and its partners in pledging our commitment to strong corporate governance.

As an affirmation of our pursuit of excellence in transparency and governance, CDL's ranking on the Singapore Governance and Transparency Index (SGTI) improved from 8th position in 2017 to 7th in 2018. The SGTI assesses companies on their corporate governance disclosure and practices, as well as the timeliness, accessibility and transparency of their financial results announcement.

Diversity on the Board

Since 28 August 2015, our Board has supported the Board Diversity Pledge initiated by SID and SGX-ST where CDL pledged our commitment to promote "diversity as a key attribute of a well-functioning and effective Board" and shared the view "that a diverse Board will enhance decision making by harnessing the variety of skills, industry and business experiences, gender, age, ethnicity and culture, geographical background and nationalities, tenure of service, and other distinguishing qualities of the members of the Board". In 2017, the board-level Nominating

Committee (NC) adopted a formal Board Diversity Policy, which sets out its clear policy and framework for promoting diversity on CDL's Board.

McKinsey's research¹ established the significant link between inclusion strategies and financial outperformance. The 2018 study, which covered more than 1,000 companies over 12 countries, found that companies in the top-quartile of gender diversity on executive teams were 21% more likely to outperform on profitability and 27% more likely to have superior value creation, than companies in the fourth quartile.

Demonstrating our Board's commitment to promote diversity – in particular, gender diversity – Ms Tan Yee Peng, an independent non-executive female director of CDL, was appointed as the first female Chairperson for CDL's dedicated Board Sustainability Committee. She is also a member of the Audit and Risk Committee (ARC) and NC of CDL. Ms Jenny Lim, the Lead Independent Director of CDL, is the Chairman of the ARC and the Remuneration Committee, and a member of the NC and the Board Committee. With Ms Jenny Lim's appointment as a Director of CDL on 22 June 2018, female board representation increased from 14% to 29%, achieving the Nominating Committee's target of having 20% female board representation by 2020, as recommended by the Council for Board Diversity (formerly known as Diversity Action Committee).

Our corporate governance practices are set out in our Annual Report 2018 with specific reference to the principles and guidelines of the Code of Corporate Governance 2012. Where CDL's practices differ from the principles and guidelines under the 2012 Code, our position in respect of the same is also set out in our Annual Report.

SHAPING A FAIR, SAFE AND INCLUSIVE WORKPLACE

Please refer to our full Corporate Governance Report in CDL's Annual Report 2018.

BUSINESS ETHICS AND COMPLIANCE

The Board and Senior Management remain steadfast in conducting business with integrity, consistent with the high standards of business ethics, and in compliance with all applicable laws and regulatory requirements. This shapes a culture of responsibility among employees, with a system of checks and balances at all levels of the organisation, that also supports SDG 16 of promoting fair, peaceful and inclusive societies which businesses can thrive and prosper.

Our employees and business partners can seek advice and raise their concerns about possible improprieties to the CDL Ethics Officer, in confidence, through a dedicated email account, toll-free numbers or by mail, regarding violation of business ethics, serious breaches of CDL's policies, collusion with suppliers/contractors, conflict of interest, complaint of discrimination or unfair work practices. The reporting channels, which include toll-free numbers for our overseas operations, are published on our corporate website and Intranet for easy access.

In 2018, CDL had no incident of non-compliance with socio-economic laws and regulations, including legal requirements of marketing and advertising practices, for which significant fines or non-monetary sanctions were issued to the Company. There was also zero incident of anti-competitive behaviour or monopolistic practices within CDL.

¹ McKinsey & Company, "Delivering through diversity" (2018) and McKinsey Global Institute, "The Power of Parity" (2015)

Code of Business Conduct and Ethics

Our business principles and practices regarding matters that may have ethical implications are crystallised in an internal code of business and ethical conduct. The code provides a clear framework for staff to observe CDL's principles such as honesty, integrity, responsibility and accountability at all levels of the organisation and in the conduct of CDL's business in their dealings with customers, suppliers and colleagues. It is published on our Intranet and easily accessible by all employees.

The code provides guidance on issues such as:

- Conflicts of interest and the appropriate disclosures to be made
- CDL's stance against corruption and bribery
- Compliance with applicable laws and regulations including those relating to the protection of the environment and the conservation of energy and natural resources
- Compliance with CDL's policies and procedures, including those on internal controls and accounting
- Safeguarding and proper use of CDL's assets, confidential information and intellectual property rights, including the respect of the intellectual property rights of third parties
- Competition and fair dealing in the conduct of CDL's business, in our relationships with customers, suppliers, competitors and towards our employees.

Internal Code on Dealings in Securities

CDL's internal code on securities trading sets out the implications of insider trading and provides guidance and internal regulation regarding dealings in the Company's securities by our directors and officers. These guidelines prohibit dealing in CDL's securities:

- (a) on short-term considerations;
- (b) while in possession of unpublished material price-sensitive information in relation to such securities; and
- (c) during the close period, which is defined as two weeks before the date of announcement of results for the first, second, and third quarter of CDL's financial year and one month before the date of announcement of the full-year financial results, and ending on the date of the announcement of the relevant results. The directors and employees of CDL are notified in advance of the commencement of each close period relating to the trading of the Company's securities. The

SHAPING A FAIR, SAFE AND INCLUSIVE WORKPLACE

internal code on securities trading is available on our Intranet and can be accessed easily by all employees.

CORPORATE POLICIES AND GUIDELINES

Maintaining high ethical standards is integral to CDL's branding and business. To enhance our corporate transparency and maintain the trust of our stakeholders, CDL makes publicly available the corporate policies and guidelines we have set in place, on our corporate website (www.cdl.com.sg), dedicated sustainability microsite (www.cdlsustainability.com) and Intranet, for access by our business partners, employees and members of the public.

The policies have been disseminated to employees of CDL's key subsidiaries, where applicable. For the benefit of employees in our subsidiaries outside Singapore, the policies are translated into the required local languages.

WHISTLE-BLOWING POLICY

PERSONAL DATA POLICY

ANTI-CORRUPTION POLICY

CLIMATE CHANGE POLICY

FRAUD POLICY

EHS POLICY

COMPETITION POLICY

HUMAN RIGHTS POLICY

Board Oversight

As part of CDL's corporate governance process, all corporate policies are reviewed and approved by our Board of Directors. New directors are provided an onboarding manual that includes all our corporate policies for their knowledge and compliance.

The board-level ARC is kept informed about major corruption cases around the world, through CDL's quarterly risk reports.

Employee Training and Communication

Annually, 100% of our full- and part-time employees are required to complete a compulsory online declaration to acknowledge that they are aware of, have read, and compliant with the policies, standards, and practices as set out in CDL's corporate policies and guidelines.

To reinforce employees' understanding of anti-bribery and anti-corruption behaviour and practices, an e-learning course was launched in 2018. This self-paced, interactive e-learning tool provides information and guidance to employees on ways to recognise, address, resolve, avoid and prevent instances of corruption. It also communicates CDL's 'zero-tolerance' position on corrupt business practices and extortion.

Awareness bulletins are also published on our Intranet for a quick refresher anytime on key elements of CDL's stance against corruption.

New hires, as part of their orientation programme, are imparted with information to learn about CDL's Code of Business Conduct and Ethics as well as other related corporate policies, including Anti-corruption, Fraud, Competition, and Whistle-blowing.

Through these forms of employee training and communication, 100% of employees were equipped with anti-corruption knowledge.

External Engagement and Due Diligence

With the Anti-Money Laundering and Counter Financing Terrorism policy introduced in July 2016 to our employees in frontline sales and compliance job functions, we worked on aligning our policies and guidelines with the external marketing agents for CDL's properties. This ensures our business is reasonably guarded against the risk that property transactions are being used to finance terrorism or launder illicit funds.

As part of our due diligence, all direct suppliers of CDL's core operations in Property Development and Asset Management are required to endorse their acceptance of and compliance with the ethical standards as outlined in our Supplier Code of Conduct.

Whistle-blowing Procedure

As a form of vigilance against fraud and corruption, CDL has a whistle-blowing procedure which enables

SHAPING A FAIR, SAFE AND INCLUSIVE WORKPLACE

employees and other persons who have a business relationship with CDL to raise in confidence, whether anonymously or otherwise, concerns on possible improprieties or non-compliance, without fear of reprisal in any form.

The ARC is responsible for overseeing the procedure, which is administered with the assistance of the Head of Internal Audit (who is also the CDL Ethics Officer). Arrangements are in place for independent investigation and for appropriate follow-up actions to be taken. Any improprieties involving the Head of Internal Audit may be reported to the Chairman of CDL's ARC.

To facilitate reporting, the Whistle-blowing Policy and the dedicated whistle-blowing communication channels (email, postal address and telephone numbers) are made available on the Company's website and Intranet for open and easy access to all. Toll-free lines for callers from Singapore, China, Thailand and UK are also available. As of end 2018, there was zero incident of corruption, fraud and money laundering activity across CDL's business operations in Singapore.



BEST PRACTICES AND ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) COMMITMENTS

In line with our commitment to good corporate governance, as well as conducting business with integrity, CDL strives to uphold fair and responsible practices and promote inclusivity along our value chain. We support best industry practices and ESG commitments as follows:

ANTI-MONEY LAUNDERING AND COUNTER FINANCING TERRORISM POLICY

In 2016, CDL introduced the Anti-Money Laundering and Counter Financing Terrorism policy for our property business in line with Urban Redevelopment Authority's guidance and Monetary Authority of Singapore's mission to mitigate the risk of Singapore being used as a platform by global criminals and terrorist organisations to launder illicit funds. The Policy provides guidelines and procedures for our frontline sales and compliance function to detect and report such criminal acts.

BOARD DIVERSITY PLEDGE

In 2015, CDL supported the Board Diversity Pledge initiated by the Singapore Institute of Directors and Singapore Exchange (SGX). By taking the pledge, CDL commits to promote diversity as a key attribute of a well-functioning and effective Board. In 2017, the Board of CDL formally adopted the Board Diversity Policy, which sets out the policy and framework for promoting diversity on the Board.

CRISIS MANAGEMENT PROTOCOL

In 2016, CDL validated our corporate crisis management protocol which includes incidence escalation, operational response and crisis communication. The effort culminated in a crisis simulation exercise where Senior Management was put through a series of rigorous crisis scenario-based tests and a mock media conference and interview.

EMPLOYERS' PLEDGE OF FAIR EMPLOYMENT PRACTICES

CDL is a signatory of the Employers' Pledge of Fair Employment Practices with the Tripartite Alliance for Fair Employment Practices (TAFEP). TAFEP works with employer organisations, unions and the Government to create awareness and facilitate the adoption of fair employment practices. The alliance is co-chaired by representing employer unions and National Trades Union Congress.

ETHICAL MARKETING PRACTICES

Since 2000, we have developed a set of internal procedures and an operational manual for marketing and leasing. These are reviewed annually to reflect changes in marketing practices, technology, regulation, and stakeholder expectations.

Marketing collaterals produced by CDL are compliant with the Singapore Code of Advertising Practice administered by the Advertising Standards Authority of Singapore, an Advisory Council to the Consumers Association of Singapore.

CDL's marketing practices also comply with the URA's Housing Developers Rules (HDR) and Building and Construction Authority's (BCA) Guidelines for Outdoor Signs at our construction sites. The HDR seeks to enhance transparency in the real estate industry, enabling homebuyers to make better informed decisions when buying a home, while the BCA guidelines prohibit cross-marketing of other products and services.

GREEN PROCUREMENT SPECIFICATIONS

Reflecting our belief in more efficient use of resources, we have a set of Green Procurement Specifications for the selection of vendors and suppliers at our Corporate Office and across core business operations in Singapore. The guidelines include:

- Sharing the corporate EHS Policy with new vendors and suppliers
- Indicating preference for use of eco-friendly and recycled materials and products
- Indicating preference for ISO 14001 certified vendors
- Declaring the use of eco-friendly and recycled paper in printed materials

PLEDGE FOR ZERO – A CEO COMMITMENT CHARTER

CDL is a founding signatory of the "Pledge for Zero – A CEO Commitment Charter", launched at the inaugural Construction CEO Summit organised by the Workplace Safety and Health Council in 2008. CDL adopted the pledge and committed to establish a zero-injury workplace. In 2016, CDL reiterated our commitment towards Construction Industry WSH Action Plans by galvanising 24 of our key builders and consultants to sign the 'Pledge Towards Vision Zero Through Safe Design – Safe Practices – Safe Culture'.

SINGAPORE STEWARDSHIP PRINCIPLES

CDL is committed to upholding the highest standards of governance, integrity and sustainability in all our business activities. As a sustainability leader and a proponent of responsible investing, we support the call for good governance and stewardship by investors as communicated in the Singapore Stewardship Principles.

SUPPORT FOR TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

CDL supports the voluntary disclosure recommendations of the industry-led Financial Stability Board (FSB) Task Force on Climate-related Financial Disclosures (TCFD). As a sustainability pioneer and green building champion, CDL believes that climate change will have significant impacts across many sectors and regions. Businesses have an important role to play in ensuring transparency around climate-related risks and opportunities. The recommendations will catalyse more reliable disclosure of information which in turn will enable more informed decision-making by investors and businesses. It will help support a smooth transition to a low-carbon economy. We encourage more businesses to support better climate-related financial disclosure.

SUPPLIER CODE OF CONDUCT

The Supplier Code of Conduct provides comprehensive guiding principles for our vendors and suppliers to comply with CDL's expectations of ethical standards, covering the following areas:

- Business integrity
- Fair competition
- Open communication
- Conflict of interest
- Gifts and entertainment
- Health, safety, and environment

- Legal compliance
- Human rights
- Reciprocity

WOMEN'S EMPOWERMENT PRINCIPLES

At CDL, we recognise the valuable contribution of our women employees to CDL's business growth and sustainability leadership. With a workforce that is nearly 70% female, CDL is committed to empowering women in our workplace and supporting their pursuit for career and personal development. The Board and top management of CDL firmly believe that diversity and inclusion will strategically enhance a company's human capital and performance for future growth. Our Group CEO's statement of support for the UN-led Women's Empowerment Principles can be found on www.cdlustainability.com.

CYBER SECURITY AND DATA GOVERNANCE

With cyber-attacks becoming more prevalent, targeted and complex, we are adopting industry best practices and moving beyond technology defence towards a more holistic and risk-based cybersecurity framework. The objective is to establish a robust foundation to identify and protect our critical assets and more importantly, be able to detect and respond to the threats.

Using proven security solutions, we ensure sensitive data are encrypted to safeguard critical information. Backup and data recovery strategy are in place to minimise downtime and ensure critical information can be made available quickly for business continuity.

CDL has developed a Cyber Security Framework to detect, protect against and respond to cyber-attacks and crimes. The CDL Computer Security Policies and Standards were updated to inform all employees on cyber security compliance. Besides embracing the Next Generation Anti-Virus software, Advanced Email Security Protection solution, Enterprise Class

Firewalls and Intrusion Protection System to protect our information assets, our Information Technology (IT) department has also deployed User Behaviour Analytical solution to enable the identification of abnormal user computing behaviour or activities. In addition, IT had put in place a series of online cyber security training and conducted periodic phishing attacks to increase our employees' vigilance.

Information security materials are also made available to better educate stakeholders of prevailing risks, especially in the handling of sensitive corporate data. Since 2014, we have implemented a Personal Data Policy which informs stakeholders on how CDL manages personal data in compliance with the Singapore Personal Data Protection Act (No. 26 of 2012). Customers and business partners can get in touch with our Data Protection Officer by mail, email and phone on matters concerning their personal data with CDL.

CDL's Social Media Guidelines advocate personal responsibility on the use of social media, including

taking precautions for the protection of information privacy, to avoid any negative impact on us.

In 2018, there was no substantiated complaints concerning breaches of customer privacy, theft, leak and loss of customer data or critical information from CDL's IT network.

OCCUPATIONAL HEALTH, SAFETY AND WELL-BEING

Our people are CDL's greatest assets. We believe the success of our organisation is built on their dedication, skills, experience, performance and overall well-being.

In line with our corporate EHS Policy, key performance indicators (KPIs) were identified with targets established and reviewed annually to monitor our EHS performance. This is to ensure that we achieve a consistently high EHS standard across the organisation.

CDL'S ISO JOURNEY AND STRONG COMMITMENT TO WSH EXCELLENCE**CDL'S APPROACH TO EHS RISK MANAGEMENT****EHS Organisational Structure**

All CDL employees are represented in the Workplace Safety and Health Committee through their department representatives. Staff can also highlight their concerns directly to the EHS team in CDL. Initiatives and activities planned by this committee are part of a continual process to ensure and promote health, safety, and well-being of all employees. The committee convenes at least once annually to review and discuss CDL's approach to health and safety management.

The EHS Working Committee members undergo Risk Assessment training aligned with the national health and safety requirements by an external facilitator and undergo refresher sessions on a periodic basis to keep abreast with new developments. In response to the ramp-up of the SGSecure movement against terrorist threats, the latest training in 2018 covered the identification of early warning signs and rapid response techniques to such threats.

Hazard Identification, Risk Assessment and Risk Control

CDL conducts hazard identification, risk assessment and risk control exercises in line with OHSAS 18001 management system requirements as well as local legislation.

As part of CDL's risk management process, the EHS Steering Committee, once trained, is tasked to lead these exercises within their department for routine and non-routine activities and they also conduct cross-departmental reviews occasionally. In consultation with the EHS department, the members recommend risk mitigation methods that commensurate with a hierarchy of controls for identified hazards.

As employees who conduct site visits and inspections are exposed to slip, trip and fall hazards, we strive to improve our safety and precautionary measures by adopting recommended best practices for our industry.

Note:

* 100% of key operations encompass approximately 400 employees in 2018 who are covered under our health and safety management system.

Workers at our managed properties are contracted to provide maintenance, cleaning and security services.

Beyond caring for our direct employees, we recognise that workers at our construction sites and commercial properties are vital to our day-to-day operations. All workers at our construction sites and properties managed[#] by CDL are subject to CDL's stringent health and safety management policies and procedures in line with the requirements of the OHSAS 18001 management system. This is subject to an annual internal audit by trained CDL personnel and in 2018, a surveillance audit by an independent third-party.

As we move towards the new ISO 45001 occupational health and safety management system, we proactively leverage practices which incorporate elements from the new management system, and will further strengthen the inclusiveness among our workers. The continuous improvement of our health and safety performance will stay at the heart of our operations.

Responding to Incidents

Apart from the periodic reviews, any organisational changes, occurrence of incidents or employee feedback would trigger ad-hoc reviews of our risk controls. By applying robust risk controls, we are happy to report that there is no hazard which poses a risk of high-consequence injury.

CDL has an incident investigation and reporting procedure in place to respond to health and safety incidents. Through the established reporting protocol, employees raise their incident reports and an experienced group of personnel will investigate to determine the root cause and identify corrective and preventive actions.

As our employees' safety is of utmost concern, employees are actively reminded to not engage in any unsafe work and to report any unsafe working conditions to their representative or directly to the EHS department so that the issue may be resolved quickly and effectively. CDL views these as valuable feedback to drive safety enhancements in the workplace and ensures that employees can provide input without fear of reprisal.

Training

In November 2018, CDL's EHS Team organised a series of internal WSH Awareness Workshops to raise awareness and appreciation of occupational health and safety issues among employees. The workshops were attended by over 198 employees, covering 50% of staff strength of our head office in Singapore. Topics covered include health- and safety-related trends, legislative requirements, reporting of incidents and safety issues on- and off-the-job.

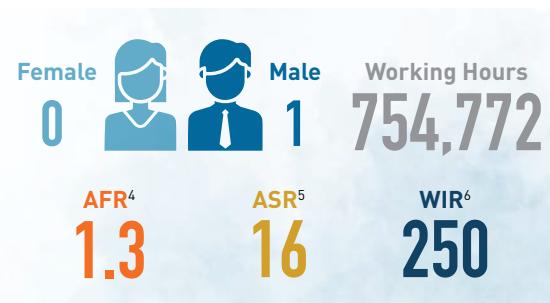
This forms part of CDL's educational efforts to embed a holistic safety mindset in our employees. Real-life incidents are used as discussion material for employees to gain a better understanding of existing and predicted risks within their work activities.

Apart from their annual training, employees are provided with quarterly reminders on relevant health and safety topics such as terrorism and safety tips to observe when they are on vacation. Ultimately, we strive to ensure that the safest outcomes are incorporated into the way we design, procure, operate and deliver across our operations.

Total Workplace Safety and Health (WSH) at Corporate Office

In 2018, there were zero fatalities, high-consequence injuries² and occupational diseases involving our employees in our corporate office. There was one reportable injury³ that occurred to a CDL employee in the course of carrying out his work duties, with a loss of 12 workdays.

SAFETY PERFORMANCE AT CORPORATE OFFICE



CDL's safety statistics for 2018 remain below the industry average of Real Estate activities reported by the local WSH Institute⁷. By proactively tracking and taking accountability of reportable incidents, it helps to create awareness on the importance of a safe and healthy workplace to prevent future occurrences. CDL has also implemented a reporting system for Near-Miss and Off-The-Job incidents to promote a more holistic safety culture among our employees.

² A high-consequence injury is a work-related injury that results in a fatality or in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months.

³ Reportable incident refers to work-related accident, workplace accident, dangerous occurrence and occupational disease that require statutory reporting to the Ministry of Manpower, as mandated by the Singapore Workplace Safety and Health Act.

⁴ AFR refers to the number of workplace accidents per million manhours worked. Figures used are accident-based. For details, please refer to www.mom.gov.sg.

⁵ ASR refers to the number of man-days lost for every million hours worked. For details, please refer to www.mom.gov.sg.

⁶ WIR refers to the number of fatal and non-fatal workplace injuries per 100,000 persons employed. Figures used are victim-based. For details, please refer to www.mom.gov.sg.

⁷ Based on 2018 statistics provided by WSH Institute. For more information, please visit www.wsh-institute.sg.

Employee Health and Well-being Programmes

To promote healthy living, active lifestyle and emotional well-being amongst CDL's employees, our HR department and employee-led Workplace Health Programme Committee organised an array of activities in 2018. In addition, CDL's Employee Assistance Programme (EAP) provides support for issues concerning work, family matters, and interpersonal relationships. Employees can be assured of confidentiality when they call the EAP hotline manned by a third-party psychologist.

Health-related Programmes

1. Free annual basic health screenings for all employees during work hours.
2. Weekly fruit distribution to promote better consumption habits.
3. Regular lunch-time talks on fitness, physical exercise, mental well-being, nutrition.
4. Fitness classes including futsal, jogging, stair-climbing, Zumba, yoga.

Total WSH at Managed Properties

Facilities management and maintenance are vital to delivering efficient, reliable and prompt services expected by our commercial tenants and retail customers, as well as ensuring the operational efficiency of our commercial assets which contribute to our bottom line. We therefore place great emphasis in influencing our contractors to uphold a safe and

healthy work environment for workers in our managed buildings. We engage our contracted workers through monthly meetings with their representatives. Health and safety issues which affect our workers and tenants⁸ are discussed and solutions are formed to eliminate or reduce the risks. Tenants also provide feedback on unsafe conditions which once brought to our attention are dealt with promptly. Due to the high volume of people, including the public who often use our common spaces, we are currently unable to approximate the number of workers apart from our employees and term contractors who are covered by our health and safety management system.

CDL is proactive in assessing the risks present at our managed properties using our risk assessments, led by our trained personnel. Our suppliers are also required to perform risk assessments to mitigate safety risks such as falling from height which may result in major bodily injuries or even fatality. One key training that workers undergo to manage this hazard is the Working at Height Course for both supervisors and workers.

For the year in review, there was zero fatality, high-consequence injury and occupational disease involving the workers of our key contractors⁹ at CDL managed properties. There was one reportable injury sustained by our contractors' workers which resulted in a loss of 79 workdays.

We also noted one injury sustained by workers of our tenants at the common areas within our managed properties in 2018.

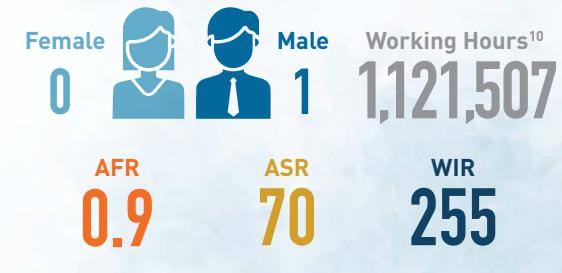
⁸ Our scope of control for tenants is limited to common spaces only

⁹ Key contractors in our managed buildings provide cleaning, security services and mechanical and engineering support.

¹⁰ Working hours of ad-hoc contractors are not included in the statistics provided for CDL managed properties.

SHAPING A FAIR, SAFE AND INCLUSIVE WORKPLACE

SAFETY PERFORMANCE AT MANAGED PROPERTIES



Healthier Workplace for Tenants

Since 2014, CDL has been conducting complimentary health screenings for tenants at our commercial buildings to provide them with the convenience of having the health checks conducted at their workplace. In 2016, we collaborated with the Health Promotion Board (HPB) for the Healthy Workplace Ecosystem to offer a series of weekly health-related activities and programmes for our commercial tenants.

CDL became the first in Singapore to partner the Singapore Green Building Council (SGBC) and Building and Construction Authority (BCA) to organise an inaugural tenant-focused event to promote the Better Places for People (BPfP) initiative in 2017. First rolled out by the World Green Building Council (WorldGBC) in 2016, the BPfP initiative promotes awareness and consciousness of healthier places through greener buildings.

In 2018, we expanded our range of healthy living activities and more than 4,200 office workers in six CDL-managed buildings participated in the programmes. Our tenants highlighted that these activities were good stress-busters and CDL will

continue to introduce more lunchtime talks and workshops to create workplaces that enhance our tenants' mental and physical health.

Total WSH at Construction Sites

In 2018, we had over 850 workers on our construction sites who rely on us to ensure that their health and safety is not compromised in the pursuit of development. As part of the tender shortlisting process, we require all our builders to have an accredited safety and health management system. We also actively engage our business partners on health and safety matters through risk reviews starting from pre-construction all the way till completion and handing over stage. CDL uses a customised EHS risk register for each project to identify and mitigate EHS issues right from the design stage. To eliminate or reduce EHS risks downstream during construction, we also participate actively in determining the type of materials and construction methods adopted.

During construction phase, high-risk activities such as excavations and working at height can lead to injury or fatality. By applying robust risk controls such as soil erosion prevention and fall protection plans, these risks can be minimised or eliminated.

Our builders also take proactive steps to inculcate safety in the workers by briefing them on fatigue, heat stress, hearing conservation and respiratory protection. Where necessary, transportation is provided to take workers to their medical appointments with occupational health and safety doctors.

Each development site has a dedicated workplace environment, safety and health committee, representing

all workers on site which include members from management, construction workers as well as sub-contractors. We participate in the monthly workplace safety, health and environment meetings conducted onsite with our main contractors and workers' representative(s), among others. Through this, we maintain oversight of issues on-site, ranging from technical challenges to workers' welfare. These meetings are also a platform for site coordinators to report unsafe work conditions and action plans for risk mitigation. Some of our sites incentivise workers who identify and report risk to raise overall safety awareness.

For every project development, we institute a monthly joint safety inspection to be carried out in the presence of the contractor, sub-contractors, consultants, site staff and CDL's site representatives. The inspection highlights any safety infringements and promote better working conditions. Since 2001, on top of regulatory-mandated audits, CDL also monitors the performance of the contractor's EHS management through our CDL 5-Star EHS Assessment System. More information on our supply chain assessment system can be found on [page 83](#).

In 2016, CDL brought together 24 of our key builders and consultants to sign the 'Pledge Towards Vision Zero Through Safe Design-Safe Practices-Safe Culture', in support of the Construction Industry Workplace Safety and Health (WSH) Actions Plans. This followed two similar rounds of pledge signing initiated by CDL in 2010 and 2014. More information on our commitments can be found on [page 77](#).

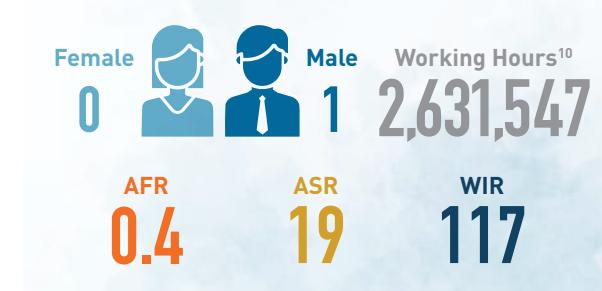
We have maintained zero fatalities, high-consequence injuries and occupational diseases at CDL's construction sites in 2018. The injury rate at CDL's

SHAPING A FAIR, SAFE AND INCLUSIVE WORKPLACE

construction sites also remained significantly below the construction industry average.

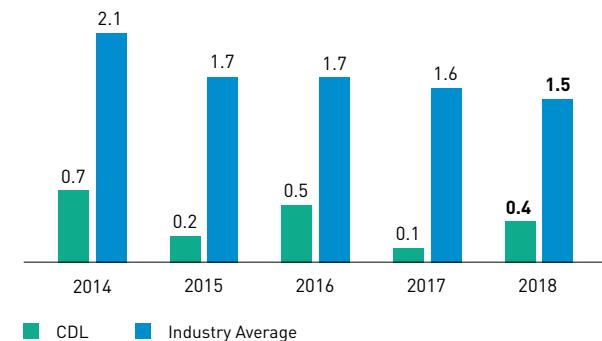
In 2018, one male worker on our construction site sustained a fracture in a reportable work-related accident, resulting in a loss of 50 workdays.

SAFETY PERFORMANCE AT CONSTRUCTION SITES



AFR AT CONSTRUCTION SITES:

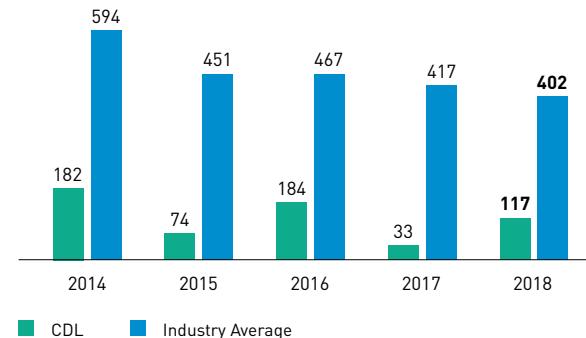
NUMBER OF WORKPLACE ACCIDENTS PER MILLION MANHOURS WORKED



¹⁰ Working hours of ad-hoc contractors are not included in the statistics provided for CDL managed properties.

WIR AT CONSTRUCTION SITES:

NUMBER OF FATAL AND NON-FATAL WORKPLACE INJURIES PER 100,000 PERSONS EMPLOYED



CDL 5-Star EHS Awards

In 2005, the CDL 5-Star EHS Awards was launched to recognise builders who have excelled in the CDL 5-Star EHS Assessment System over a one-year period. The Assessment System and Awards have been instrumental in influencing CDL's builders and consultants to monitor and improve their EHS performance.

The Awards comprise the CDL EHS Excellence Award and CDL Productivity Excellence Award, which was introduced in 2011 in support of Singapore's national productivity drive. In 2012, the CDL Workers' Welfare Award was introduced as part of our continuous efforts to align business practices with ISO 26000.

To recognise exemplary workers who are role models of the safety message and inspire fellow colleagues to be more vigilant, the Safe Worker Award was launched in 2014. In the same year, we launched the CDL EHS Cup soccer league to promote a healthy lifestyle and foster camaraderie amongst our builders' workers. In 2017, CDL also distributed 1.5 tonnes of fortified rice to promote better nutrition for 300 migrant workers.

FAIR AND COMPETITIVE REMUNERATION

Fair and competitive remuneration attract and retain talents to build strong human and organisational capital that enable CDL's business growth. Aligned with internal parity and market benchmarks, our equitable remuneration packages are based on employees' performance and their scope of work. We use a well-structured and open annual performance appraisal system which is reviewed periodically and enhanced to encourage two-way feedback between employees and their reporting officers.

Performance-based Appraisal

As a company committed to meritocracy, CDL's compensation and rewards policies are performance-based. Employees are assessed not only on what they achieved during the year of review, but also on how the outcomes were achieved.

Our Balanced Scorecard System – built on the four perspectives of financial, customer, internal control, learning and growth – measures and aligns cross-functional and individual employee performance to support CDL's business strategies and corporate objectives. In addition, we implemented the SAP SuccessFactors Performance and Goals, as well as the Compensation module. The Performance and Goals module helps employees and their reporting managers align individual goals to CDL's business objectives, which supports the Balanced Scorecard System. The Compensation module provides a tool for communicating and reinforcing the philosophy and guidelines of incentivising performance. CDL conducts annual performance-based appraisals, which covers career development, for all our employees.

Competitive Remuneration

Remuneration is recommended by the HR Department, the Executive Committee and approved by the Remuneration Committee which consists of members from the CDL Board of Directors. Salary benchmarks against market surveys are conducted to ensure relevancy of CDL's salaries with the industry and overall market. On a biennial basis, an external consultancy firm is engaged to conduct an Employee Engagement Survey to gather employees' opinions and feedback, including their perception of CDL's remuneration and reward system.

ESG-linked Remuneration

CDL recognises that inclusion of appropriate ESG issues within executive management goals and incentive schemes is an important factor in promoting greater recognition of and accountability in our sustainability practices. Since 2015, CDL established stronger linkages between employee and executive remuneration and our ESG performance. Performance indicators that are aligned with global standards such as ISO 26000, ISO 140001, GRI Standards and Sustainable Development Goals, to name a few, have been incorporated in the individual goals setting of all employees, including Senior Management.

Respect for Collective Bargaining Rights

CDL respects all employees' fundamental rights to freedom of association and the right to be members of trade unions. Although CDL is not a unionised company, we are guided by the Industrial Relations Act which allows trade unions to represent our employees for collective bargaining, providing our employees with an avenue to seek redress for disputes.

Our key subsidiaries CBM Pte Ltd and The Tower Club are both unionised, providing their workforce with a channel for collective bargaining.

DIVERSITY AND INCLUSION

At CDL, having an inclusive culture is important for our business. We are committed to providing equal opportunities throughout employment, including the remuneration, recruitment, training and promotion of staff. CDL's recruitment process adheres to the strict guidelines on non-discrimination and fairness, regardless of gender, ethnicity, religion, or age.

Gender Diversity

With women making up a significant 69% of CDL's workforce, we have more females than males in both managerial* and non-managerial categories. In addition, 50% of Heads of Departments (HOD) at CDL Corporate Office are females as of end 2018, a 70% increase from 2017.

We have relatively equal pay and remuneration for female and male employees hired for CDL's core operations in Singapore, where most of our Property Development and Asset Management business are based. In 2018, the average pay of female employees is 92.7% of the average pay of male employees in non-managerial positions. For managerial* positions, female employees were paid 82%** of the average pay of male employees.

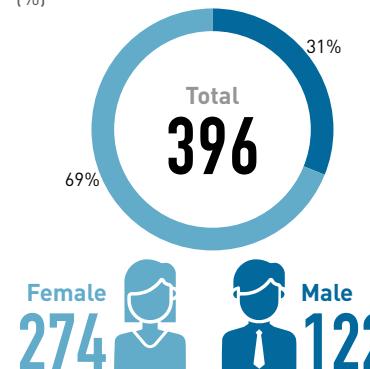
Note:

* Including HODs and Vice-Presidents

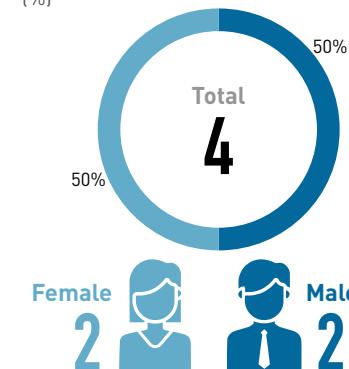
** The data has been reinstated due to retabulation of data

SHAPING A FAIR, SAFE AND INCLUSIVE WORKPLACE |

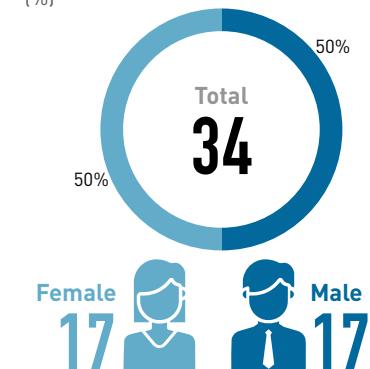
FULL-TIME EMPLOYEES AT CDL'S CORPORATE OFFICE (%)



PART-TIME EMPLOYEES AT CDL'S CORPORATE OFFICE (%)



HODS AT CDL'S CORPORATE OFFICE (%)



CDL Diversity and Inclusion Task Force

Recognising that creating and expanding opportunities for women are fundamental to CDL's sustainable growth and beneficial to society at large, we established an internal CDL Diversity and Inclusion Task Force in 2017, to promote the awareness and adoption of diversity and inclusion within our workplace and the wider community. Under the leadership of our Group CEO, the Task Force is co-chaired by the Sustainability and HR departments.

Women4Green Network

The Task Force complements the Women4Green network, Singapore's first women network in support of sustainability, which CDL initiated at the opening of the Singapore Sustainability Academy on 5 June 2017. The network aims to inspire and empower women to adopt and champion the SDGs at home, at work and at play. More information about Women4Green and its programmes can be found on www.cdlustainability.com

Public Commitment to Women Empowerment

In 2017, our Group CEO joined over 1,600 leaders globally in pledging CDL's support for the Women's Empowerment Principles. Developed through a partnership between the UN Women and UN Global Compact, the principles offer practical guidance to the private sector on how to empower women in the workplace, marketplace and community.

Our Group CEO is also a member of the Diversity Action Committee Singapore (renamed as Council for Board Diversity), initiated by the Singapore Exchange, to advocate for an increase in women directors on listed company boards in Singapore for the sustainable competitiveness of companies and the economy.



CDL Group CEO Mr Sherman Kwek, who is a member of the SGX's Diversity Action Committee (renamed as Council for Board Diversity from January 2019), with CDL's key female management representatives.

From left to right: **(Seated)** Ms Catherine Loh, Head of Corporate Secretariat, Ms Yiong Yim Ming, Group Chief Financial Officer, Ms Yvonne Ong, CEO, Commercial, Ms Esther An, Chief Sustainability Officer, Ms Adeline Ong, Senior Vice President, Sales & Marketing. **(Standing)**: Ms Sharifah Shakila Shah, Senior Vice President, Legal, Ms Sophia Dai, Deputy CEO, CDL China, Ms Belinda Lee, Head of Investor Relations & Corporate Communications, Ms Lee Mei Ling, Executive Vice President & Head, Property Development, Ms Ong Siew Toh, Senior Vice President, Group Accounts, Ms Tay Seok Cheng, Deputy Head, Property Development.

Global Recognition for Gender Equality

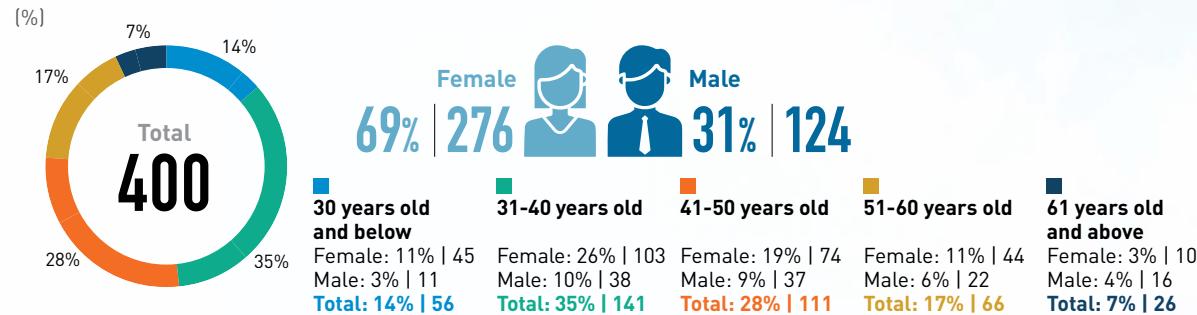
CDL's efforts in advancing gender diversity at the workplace has led to its inclusion in the sector-neutral Bloomberg Gender-Equality Index (GEI) for 2018 and 2019. CDL is the only real estate management and development company in Singapore and one out of four Singapore companies to be listed on GEI 2019.

The reference index measures gender equality across internal company statistics, employee policies, external community support and engagement, and gender-conscious product offerings, to allow investors to make better-informed decisions and help companies better understand their own progress towards gender equality.

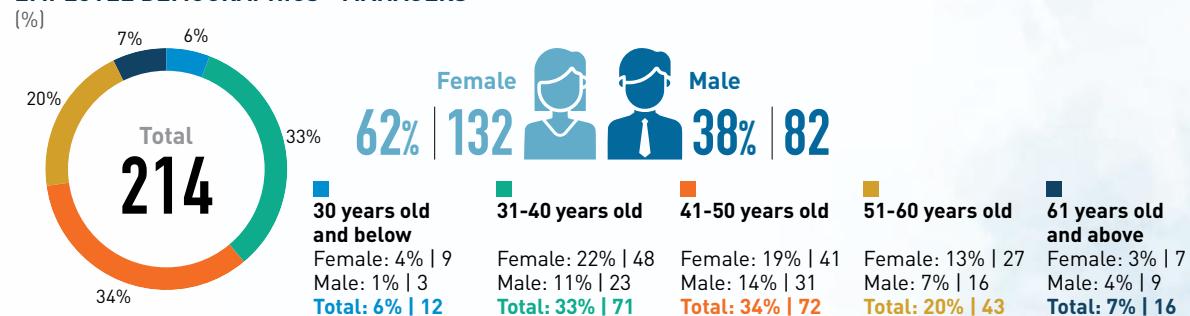
Age Diversity

CDL has a diversified workforce across all age groups. In 2018, 77% of new recruits were from the millennials (born in 1978 or later). About 49% of our current workforce now consists of millennials, injecting new ideas, enthusiasm, and energy to our organisation.

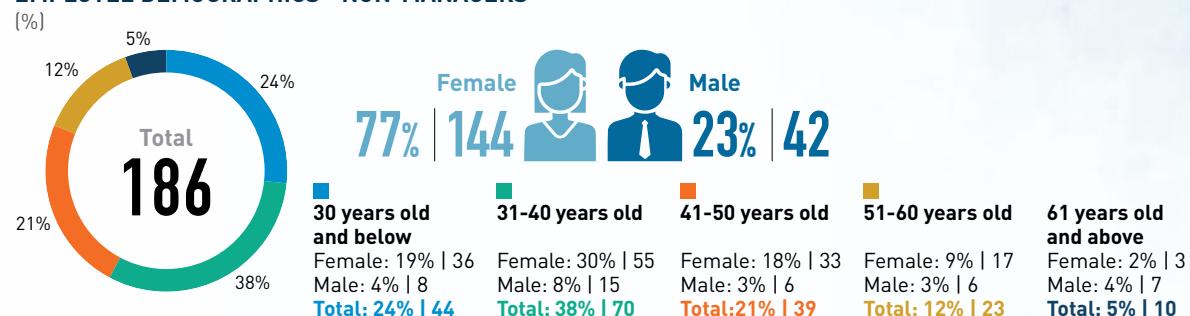
EMPLOYEE DEMOGRAPHICS - TOTAL EMPLOYMENT



EMPLOYEE DEMOGRAPHICS - MANAGERS



EMPLOYEE DEMOGRAPHICS - NON-MANAGERS



Racial and Disability Inclusion

CDL embraces an inclusive workplace in our multi-racial workforce from diverse educational backgrounds. Our workforce is nonetheless heavier on the number of Chinese employees as a reflection of Singapore's predominantly Chinese population. Where possible, we also provide fair employment opportunities for the less physically-abled. As of 2018, CDL has one wheel-chair bound employee who has been with the company for ten years.

RACIAL DIVERSITY



CREATING SHARED ECONOMIC AND SOCIAL VALUE

4 QUALITY EDUCATION



6 CLEAN WATER AND SANITATION



8 DECENT WORK AND ECONOMIC GROWTH



11 SUSTAINABLE CITIES AND COMMUNITIES



14 LIFE BELOW WATER



16 PEACE, JUSTICE AND STRONG INSTITUTIONS



17 PARTNERSHIPS FOR THE GOALS



CREATING SHARED ECONOMIC AND SOCIAL VALUE

Introduction
and
Leadership
Statements

Integrated
Strategy
for Value
Creation

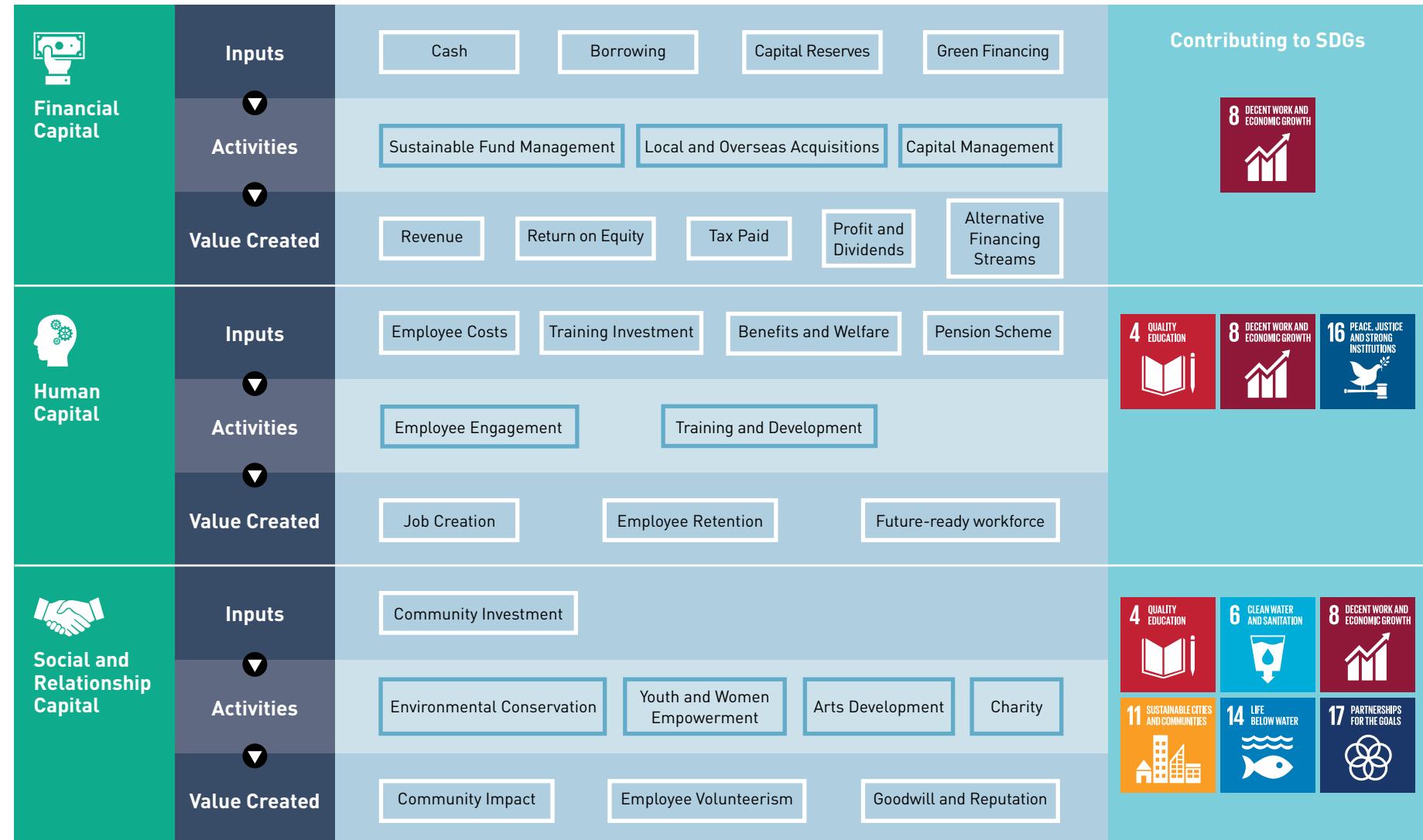
Building
Sustainable
Cities and
Communities

Reducing
Environmental
Impact

Shaping a
Fair, Safe
and Inclusive
Workplace

**Creating
Shared
Economic
and Social
Value**

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In view of today's disruptive business environment, sustainability trends and the rise of green consumerism, companies should assess their performance beyond short-term returns and financial measurements. Stakeholders also increasingly expect corporations to go above and beyond profit-making models, by contributing to society and being transparent about their business, supply chain and environmental impacts.

As a listed company, our priority has always been to create enduring shareholder value by taking a long-term view for growth. As a developer, a landlord and a corporate citizen, we have diligently delivered sustained earnings, embraced prudent financial management, capitalised on our resources and stayed focused on growth strategies.

MARKET REVIEW AND PERFORMANCE

For the year ended 31 December 2018 (FY 2018), the Group achieved a record revenue of \$4.2 billion, an increase of 10.3% against the previous corresponding period (Restated FY 2017: \$3.8 billion). Its net

attributable profit after tax and non-controlling interest (PATMI) increased by 6.7% to \$557.3 million (Restated FY 2017: \$522.2 million). In terms of business segments, property development continued to be the lead contributor, making up 71% of FY 2018 pre-tax profits.

Its strong performance was underpinned by several local and overseas projects. In Singapore, New Futura, Gramercy Park, The Tapestry and The Criterion Executive Condominium (EC) anchored the contribution while the Group also benefitted from its overseas diversification strategy with profit recognition primarily from Hong Leong City Center in Suzhou and Park Court Aoyama The Tower in Tokyo.

The Group's rental properties segment also reported an increase in both revenue and pre-tax profit, benefitting from two recently acquired investment properties in the UK and several one-off items such as a \$29 million gain from the divestment of Mercure Brisbane and Ibis Brisbane by the Group's indirect subsidiary, CDL Hospitality Trusts (CDLHT) in Q1 2018, and a \$12 million gain on the sale of a vacant shophouse plot at Jalan Besar in Q3 2018. Comparatively, in FY 2017, a \$30 million gain was recognised on the sale of an office building in Osaka in Q3 2017.

The hotel operations segment, largely comprising the Group's 65.2% subsidiary Millennium & Copthorne Hotels plc (M&C), maintained its topline revenue contribution on par with FY 2017 though its pre-tax profits fell 73%, impacted by substantial impairment losses made on its hotels largely in the US. In addition, the full closure of Millennium Hotel London Mayfair in July 2018 for on-going refurbishment works to reposition it as a luxury flagship hotel also impacted the cash flow and profit from this segment as the hotel has been a substantial revenue and profit contributor to M&C.

The Group's EBITDA increased 12.4% to \$1.2 billion for FY 2018 (Restated FY 2017: \$1.1 billion), bolstered by the strong recognition of profits from the property development segment. Basic earnings per share stood at 59.9 cents (Restated FY 2017: 56.0 cents).

KEY FINANCIAL INFORMATION

YEAR	2014	2015	2016	2017*	2018
Revenue	\$3,764 m	\$3,304 m	\$3,905 m	\$3,829 m	\$4,223 m
Tax paid	\$115 m	\$128 m	\$157 m	\$162 m	\$211 m
Staff costs	\$763 m	\$818 m	\$810 m	\$831 m	\$850 m
Profit before tax	\$1,004 m	\$985 m	\$914 m	\$763 m	\$876 m
PATMI	\$770 m	\$773 m	\$653 m	\$522 m	\$557 m
Return on equity	9.2%	8.6%	7.0%	5.6%	5.6%
Net asset value per share	\$9.25	\$9.89	\$10.22	\$10.33	\$11.07
Basic earnings per share	83.2 cents	83.6 cents	70.4 cents	56.0 cents	59.9 cents
DIVIDENDS					
Ordinary dividend per share					
- Final	8.0 cents	8.0 cents	8.0 cents	8.0 cents	8.0 cents¹
- Special interim	4.0 cents	4.0 cents	4.0 cents	4.0 cents	6.0 cents
- Special final	4.0 cents	4.0 cents	4.0 cents	6.0 cents	6.0 cents¹
Preference dividend per share	3.9 cents	3.9 cents	3.9 cents	3.9 cents	3.9 cents

* 2017 comparative figures were adjusted to take into account retrospective adjustments arising from the adoption of Singapore Financial Reporting Standards (International) (SFRS(I)) and International Financial Reporting Standards framework and new standards.

Capital Management and Sustainable Dividend Policy

Building a strong capital base is the key objective of our capital management. This will ensure CDL maintains investor, creditor and market confidence, as well as sustain our business expansion and growth plans.

We manage and adjust our capital structure according to changes in economic conditions. For this purpose, our definition of "capital" encompasses all components of equity, including non-controlling interests. CDL may hence adjust the dividend payment to shareholders or issue new shares or other financial instruments.

The Company's dividend policy aims to provide a return to shareholders at least once a year, after taking into account the Group's financial performance, short- and long-term capital requirements, future investment plans, general global and business economic conditions and any regulatory factors. The CDL Board endeavors to maintain a balance between meeting shareholders' expectations and prudent capital management with a sustainable dividend policy; and will review the policy from time to time and reserves the right to modify, amend and update the policy.

CDL monitors capital using a net debt equity ratio which is defined as net borrowings divided by total capital employed. As at 31 December 2018, we had a net gearing ratio of 31% (Restated FY 2017: 9%), excluding any revaluation surplus from investment properties. We maintained a robust balance sheet with cash reserves of approximately \$2.5 billion and interest cover of 14.9 times (Restated FY 2017: 13.5 times). Our financial resources will enable the Group to react swiftly to any attractive opportunities, both locally or abroad. Some of our cash reserves were deployed for recent land acquisitions in Singapore.

CDL's financial information is described in more detail in our Annual Report 2018. Current and previous reports are available at www.cdl.com.sg.

¹ Final and special final tax-exempt (one-tier) ordinary dividends proposed for financial year ended 31 December 2018 will be subject to the approval of the ordinary shareholders at the forthcoming Annual General Meeting.

Capital Management

	AS AT 31/12/2014	AS AT 31/12/2015	AS AT 31/12/2016	AS AT 31/12/2017*	AS AT 31/12/2018
Cash and cash equivalents	\$3,898 m	\$3,565 m	\$3,887 m	\$3,990 m	\$2,512 m
Net borrowings	\$2,820 m	\$2,938 m	\$1,865 m	\$1,047 m	\$3,830 m
Net gearing ratio²	26%	26%	16%	9%	31%
Net gearing ratio - if fair value gains on investment properties are taken into consideration	19%	19%	12%	7%	23%
Interest cover ratio	12.1 times	13.0 times	12.5 times	13.5 times	14.9 times

* 2017 comparative figures were adjusted to take into account retrospective adjustments arising from the adoption of Singapore Financial Reporting Standards (International) (SFRS(I)) and International Financial Reporting Standards framework and new standards.

ACQUISITIONS AND EXPANSIONS OVERSEAS

Leveraging our strong track record and expertise in property development and asset management in Singapore, we have established growth platforms in our key overseas markets – China, UK, Japan and Australia. By deepening our presence in these key markets, we have enhanced our business resilience, with the flexibility to capitalise on strategic opportunities overseas to complement our core local operations. In 2018, the Group embarked on our G-E-T strategy – focusing on **Growth**, **Enhancement** and **Transformation** to renew and reposition our business, sharpen our product value proposition and expand our asset portfolio to deliver performance outcomes.

China

In 2018, we completed Phase 2 (comprising Tower 2 – 430 units) of Hong Leong City Center (HLCC), CDL China's first integrated development located in Suzhou Industrial Park. HLCC's 30,000 sqm premium Grade A office tower was also completed and will be fitted

out before leasing. The five-star M Social Hotel will be operated by M&C and is slated to open in Q1 2020. The 56,000 sqm retail podium block, HLCC mall, opened in June and is currently 85% occupied.

The Group expanded our recurring income portfolio in China with the acquisition of an office block within Yaojiang International complex in Shanghai's prime North Bund Business District for RMB 148 million. Distrii will be the master tenant of the property.

As part of our portfolio diversification, the Group has been making strategic investments in PropTech. In 2018, we invested in the Initial Public Offering (IPO) of China's leading data-based real estate agency, E-House, as well as the Dragonrise Pan-Al High Tech Fund.

UK

In September 2018, we acquired Aldgate House, a 211,000 sq ft building beside Aldgate Underground Station for £183 million (\$328 million). It comprises Grade A office, retail and ancillary spaces over two basements, ground, mezzanine and eight upper floors.

This transaction was followed by the acquisition of 125 Old Broad Street, a 329,200 sq ft office tower in the heart of the City of London and main financial district, in October for £385 million (\$687 million). Formerly known as the Stock Exchange Tower, the property is spread over three basement levels and 26 floors, offering panoramic views of the city.

Japan

We completed Park Court Aoyama The Tower, a JV residential project with Mitsui Fudosan Residential Co., Ltd., in January 2018. Our prime 180,995 sq ft freehold site in the Shirokane residential enclave within central Tokyo will remain in our land bank, while we continue to explore various design options to maximise the development potential of the site.

Australia

In 2018, we completed our JV residential project in Brisbane. The 476-unit Ivy and Eve located on Merivale Street in Brisbane was completed, with majority of the units sold and settlements achieved. The Group's collaboration with Waterbrook Lifestyle Resorts to develop two freehold luxury retirement villages are in planning stages. Both Waterbrook Bayview in North Sydney and the Waterbrook Bowral in New South Wales are expected to complete in 2021.

² Excludes fair value gains on investment properties as the Group's accounting policy is to state its investment properties at cost less accumulated depreciation and accumulated impairment losses.

SUSTAINABLE FUND MANAGEMENT

To achieve the Group's target of Assets Under Management (AUM) of US\$5 billion by 2023, we plan to develop our fund management business via organic growth coupled with the acquisition of assets and platform. We will continue to leverage our strong balance sheet to strategically acquire investment properties in key markets (Singapore, China, UK, Japan and Australia) with caution and discipline, and grow our recurring income base. The UK remains a fundamental attraction for international investors and a major target for funds looking at their first wave of international acquisitions. This is favourable for our recently acquired UK assets, which can be possibly be transferred to a private fund as seed assets or a REIT vehicle.

GREEN FINANCING

CDL's inaugural green bond issuance in 2017 helped to accelerate the development of a green bond market in Singapore, and paved the way for other Singapore firms to finance climate-resilient projects and sustainability initiatives through green financing.



In March 2018, CDL received international recognition for its efforts when we were conferred the "New Countries Taking Green Bonds Global" accolade at the Climate Bonds Initiative's 3rd Annual Green Bond Pioneer Awards. In 2018, CDL was invited to share about our green bond issuance experience and thought leadership at several seminars and forums focusing on sustainable finance.

In January 2019, CDL has put in place a Green Finance Framework. We aim to be well-prepared for opportunities in which green financing can be used to fund projects that support the Group's business strategy and vision. Fundraising will include bonds, loans and other forms of debt financing with structures tailored to contribute to sustainable development by application of the proceeds.

With the success of our maiden Republic Plaza Green Bond in 2017, CDL is confident that more opportunities can be unlocked through green financing. We will continue to leverage on our strengths and leadership in sustainability integration and green buildings to explore alternative streams of financing (e.g. sustainability-linked loans and green loans) to advance our vision of building sustainable cities and communities.

HUMAN CAPITAL AND DEVELOPMENT

CDL strives to be an employer of choice where our people can build fulfilling careers and grow with the Company in a conducive and inclusive environment. Through a three-pronged approach of developing, engaging and caring for employees, CDL is committed to drive productivity, employee satisfaction and talent

CREATING SHARED ECONOMIC AND SOCIAL VALUE

retention for organisational excellence. In affirmation of our proactive Human Resource policies and practices to create a nurturing and positive workplace, CDL won the Top Employer Brand 2018 Award conferred by Influential Brands, under the real estate developer category.

We are also proud to be the only real estate management and development company in the world to be included in the Bloomberg Gender-Equality Index (GEI) in 2018 and 2019. CDL is also one of the only four companies in Singapore included in this listing in January 2019. In recognition of our excellent workplace safety and health (WSH) performance and leadership, CDL was recognised as a long-serving BizSAFE Mentor in 2018. We were also the only developer in Singapore who won the WSH Developer Award by the WSH Council for 11 years.

Beyond providing jobs and caring for our direct employees through comprehensive benefits schemes, we also invest significantly in training and upgrading employees to equip them with relevant skills for the future.

JOB CREATION AND EMPLOYMENT

CDL adheres to the Tripartite Guidelines on Managing Excess Manpower issued by the Ministry of Manpower (MOM) and its tripartite partners, Singapore National Employers Federation and the National Trades Union Congress. We support and share the similar philosophy as the Tripartite Guidelines, which strongly encourage companies to manage excess manpower and consider reorganisation as a last resort. The Guidelines also suggest providing company retraining programmes for workers, redeployment of workers to

alternative areas of work, implementing shorter work weeks, temporary layoffs, flexible work arrangements, and managing wage costs through a flexible wage system.

There has been no major reorganisation which resulted in the loss of jobs, in the past five years.

In the event of termination or employee resignation, a minimum notice period of one to three months needs to be fulfilled, depending on the employee's job grade. Due to operational requirements, middle and Senior Management are required to provide a notice period of two and three months respectively.

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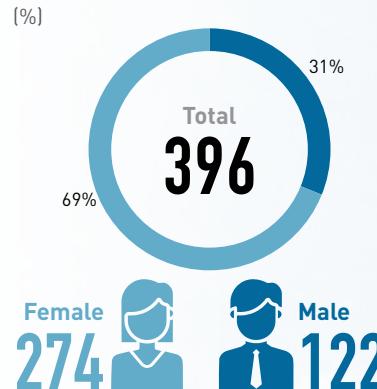
Our Employees

As at 31 December 2018, CDL hired a total of 400 employees for our core operations headquartered in Singapore, where the majority of our business in property development and asset management is based. Close to 6.75% of our employees are hired on a temporary basis with tenure of more than one year.

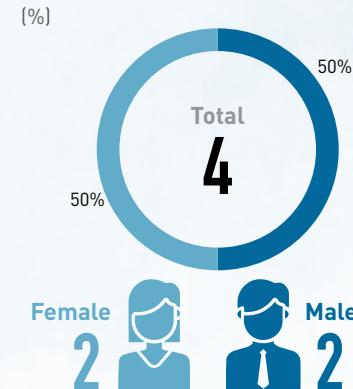
TOTAL NUMBER OF EMPLOYEES



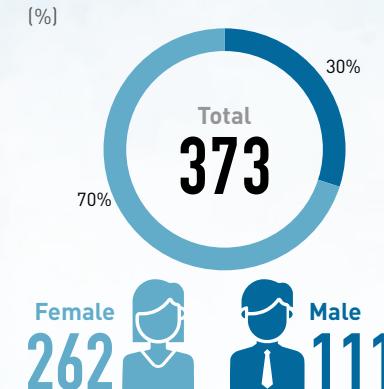
NUMBER OF FULL-TIME EMPLOYEES (%)



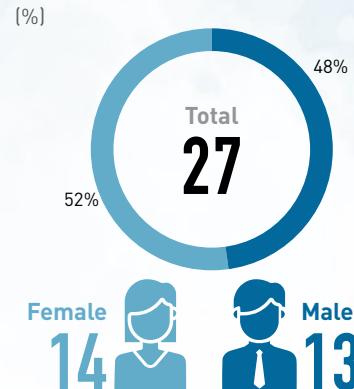
NUMBER OF PART-TIME EMPLOYEES (%)



NUMBER OF PERMANENT EMPLOYEES (%)



NUMBER OF TEMPORARY EMPLOYEES (%)



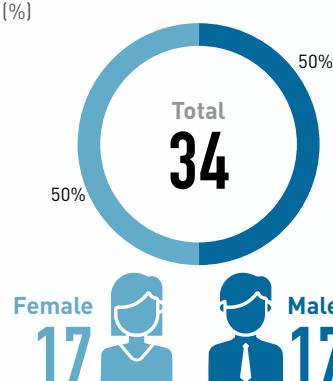
Heads of Department (HODs)

94.3% of our HODs are Singaporeans or Permanent Residents, hired from our local community.

New Hires

CDL had 91 new hires in 2018, at a new hire rate of 22%. Out of these 91, 67 were replacements for existing positions and 24 were for newly created positions.

GENDER OF HODs AT CDL'S CORPORATE OFFICE (%)

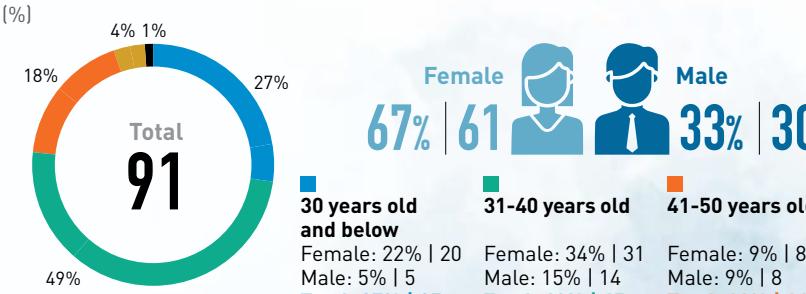


Employee Retention

CDL takes pride that our successful employee engagement is evident from our employees' length of service. The average tenure of our employees is about 8.8 years and more than 50% of our employees have been with CDL for more than five years. Our employee resignation rate of 17.3% continued to remain significantly lower than the national average

of 22.0% in 2018. CDL experienced an involuntary turnover rate of about 4.1%, of which 69% is due to retirement.

EMPLOYEE DEMOGRAPHICS - NEW HIRES (%)



Female 67% | 61 **Male** 33% | 30

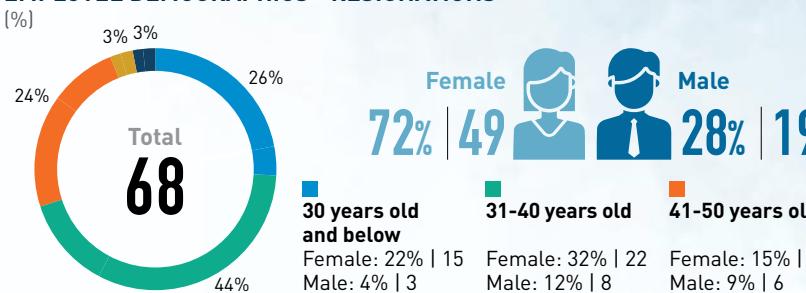
30 years old and below	Female: 22% 20 Male: 5% 5 Total: 27% 25	31-40 years old	Female: 34% 31 Male: 15% 14 Total: 49% 45
41-50 years old	Female: 9% 8 Male: 9% 8 Total: 18% 16	51-60 years old	Female: 2% 2 Male: 2% 2 Total: 4% 4
61 years old and above	Female: 0% 0 Male: 1% 1 Total: 1% 1		

EMPLOYEE RESIGNATION RATE (%)



* CDL* † National Average†

EMPLOYEE DEMOGRAPHICS - RESIGNATIONS (%)



Female 72% | 49 **Male** 28% | 19

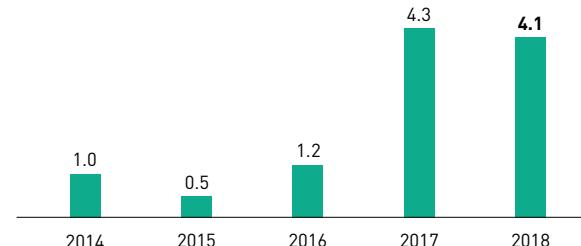
30 years old and below	Female: 22% 15 Male: 4% 3 Total: 26% 18	31-40 years old	Female: 32% 22 Male: 12% 8 Total: 44% 30
41-50 years old	Female: 15% 10 Male: 9% 6 Total: 24% 16	51-60 years old	Female: 1.5% 1 Male: 1.5% 1 Total: 3% 2
61 years old and above	Female: 1.5% 1 Male: 1.5% 1 Total: 3% 2		

Note:

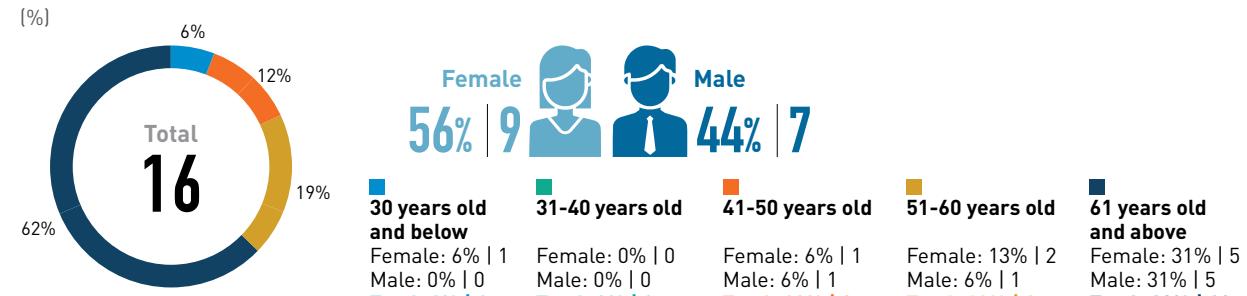
* Computation of annual employee turnover is based on cumulative monthly attrition rate derived from the number of resignations for the month / headcount for the month found on the MOM website.

+ Annualised from Q1 to Q3 2018 figures, from MOM website, as the annual average was not issued at time of publication

EMPLOYEE INVOLUNTARY TURNOVER RATE (%)



EMPLOYEE DEMOGRAPHICS – INVOLUNTARY TURNOVER (%)



BENEFITS AND WELFARE

We care for our employees through comprehensive welfare and benefits schemes, including but not limited to insurance coverage, medical, and dental benefits for our full-time employees. Part-time employees also enjoy similar benefits on either a full or pro-rated basis, thereby promoting a conducive environment should employees decide to take on part-time arrangements to cope with their personal needs.

Pro-family Benefits

CDL provides benefits and adopts welfare practices in line with the Singapore Government's pro-family legislation. Mothers and fathers whose children are Singapore Citizens at birth enjoy paid maternity leave of 16 weeks and paid paternity leave of two weeks respectively, as advocated by the Singapore Government. CDL also provides eligible employees with childcare leave and extended childcare leave.

Male employees are entitled to shared parental leave whereby they can choose to share one week of the 16 weeks of maternity leave, subject to the agreement of the mother, if the mother qualifies for Government-Paid Maternity Leave.

In 2018, six eligible female CDL employees utilised their maternity benefits and returned to work after their maternity leave. Five eligible male employees utilised their paternity leave benefits.

76 CDL employees (21 male, 55 female) with at least one Singapore Citizen child under the age of seven were entitled to six days of paid childcare leave in 2018. In addition, 46 employees (16 male, 30 female) with at least one Singapore Citizen child aged seven to 12 years were entitled to two days of paid extended childcare leave in 2018.

Flexible Work Arrangements

From 1 July 2018, CDL enhanced our flexible work arrangements to provide stronger support for employees who need to manage work responsibilities alongside personal commitments.

CDL now has four flexible work arrangements that an employee can choose from, subject to mutual agreement with the department head:

- **Flexi Time**

- Flexible Start and End Times – employees can opt to start work earlier or later than the official working hours.
- Flexible Lunch Hours – employees can go for one-hour lunch break flexibly between 12.00pm and 2.00pm.

- **Flexi Place**

Telecommuting – Employees can work at alternate work locations, for up to two days a month, on a fixed schedule once every two weeks. Since introduction of this initiative, 47 employees have taken up this flexible work arrangement.

- **Flexi Load**

Part-Time Work – Full-time employees can convert to working part-time and enjoy similar benefits as full-time employees on a full or pro-rated basis. In 2018, 4 employees worked on a part-time arrangement.

Flexible Benefits Scheme

CDL provides the Flexible Benefits Scheme for all regular and contract employees, affording them the flexibility to explore a range of health and wellness options covered under the company's health insurance plan and select the ones that best suit their health needs and stage of life.

Pension Scheme and Contributions

The Central Provident Fund (CPF) is a comprehensive social security savings plan which aims to provide working Singaporeans and Permanent Residents with a measure of financial security and confidence in their old age. CPF contribution is computed based on a percentage of the employee's monthly salary and varies with the employee's age. Savings in the Ordinary Account earn a minimum risk-free annual interest rate of up to 3.5% guaranteed by Government, while savings in Special, Medisave, and Retirement Accounts will earn up to 5% per annum. CPF funds can be used for the following purposes:

- **Retirement Plan**

To ensure sufficient savings to see CPF members through their retirement.

- **Healthcare Plan**

To ensure sufficient savings to meet members' medical needs in their old age.

- **Home Ownership Plan**

To ensure a property that is fully paid-up when members retire.

- **Family Protection**

To cover several schemes and insurance plans such as the Dependents' Protection Scheme, Home Protection Scheme, catastrophic medical insurance scheme and even severe disability

insurance scheme that protect CPF members and their families.

- **Asset Enhancement**

CPF members have the choice to invest their CPF savings and grow their retirement funds, subject to their risk profile. CDL assists employees in making monthly CPF contributions which are deducted from their monthly gross salaries and deposited into their CPF accounts, as required by law. For staff aged 55 and below, on top of the employees' contribution of 20%, CDL contributes an additional 17% as an employer, making a total monthly contribution of 37% to the employee's CPF account.

Our comprehensive HR practices and policies can be found on www.cdlsustainability.com:

- Human Rights Policy
- Women's Empowerment Principles
- Employers' Pledge of Fair Employment Practices

TRAINING AND DEVELOPMENT

An engaged workforce and strong leaders are key drivers for our organisational growth, innovation and sustainability. Investing in employee learning and development helps build a resilient and future-ready workforce, that possess the skills and expertise to adapt and navigate the changing business landscape, placing CDL in a leading position for future growth and success.

Our Competency Framework was reviewed in 2017 to raise our employees' learning and development capacity, yielding a capable and more agile workforce. We also carry out annual training needs analysis to ensure there are adequate training interventions to level-up competencies and professional knowledge.

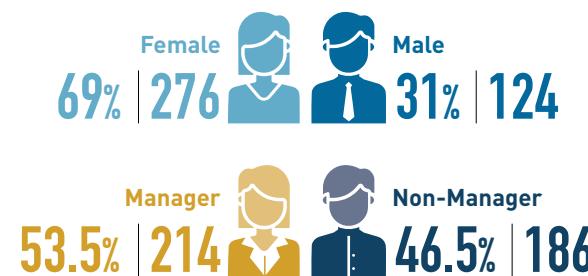
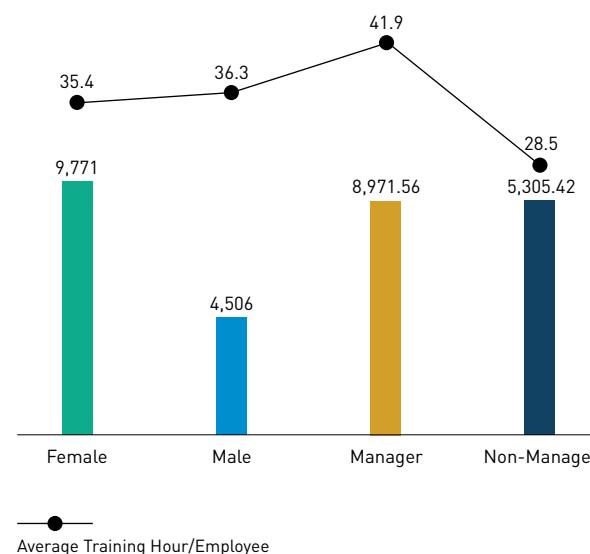
It is mandatory for all new employees to attend the CDL On-boarding Program, which aims to induct and integrate new hires into the organisational culture.

Training Hours and Investments

In 2018, CDL invested over \$130,000 and clocked over 14,000 hours in training and development. 100% of our workforce was provided the opportunity to attend training sessions, while over 47% of the workforce achieved an average of four training days.

CDL also supports our employees in receiving sustainability-related training through EHS training and awareness programmes that cultivate a 'Safe and Green' corporate culture. They are encouraged to attend relevant external conferences and workshops to strengthen their sustainability knowledge and EHS management skills. Over 50% of employees received sustainability-related training in 2018.

In October 2018, CDL held the annual Sustainability Forum for the Board of Directors of Hong Leong Group's listed companies, as well as CDL's Senior Management and Sustainability Committee members, to share the latest global sustainability trends and developments. Titled 'Unlocking Business Value of Sustainability', the forum invited an esteemed panel comprising of keynote speaker Mr Peter Bakker, President and CEO of the World Business Council for Sustainable Development, as well as Dr Lawrence Loh, Director of Centre for Governance, Institutions and Organisations from NUS Business School and Ms Eliza Tan, Vice President of Listing Compliance at the Singapore Exchange. They shared insights on how businesses can drive performance through sustainability reporting as well as tap into the economic potential of SDG-integrated strategies.

NUMBER OF EMPLOYEES**EMPLOYEES TRAINING HOURS****Leadership Development and Succession Planning**

It is crucial for CDL to develop a robust talent pool that is capable of solving the challenges and seizing the opportunities of tomorrow. Through the structured CDL Leadership Programme, we develop high-potential employees by sharpening their leadership

and management skills to enable them to become more effective leaders.

Today's employees have high expectations of personal development and career growth. To meet these demands, there is a need to put in place a well-designed job rotation programme to enhance employees' competencies, as well as to increase job satisfaction through job variation. Structured talent deployment within CDL is part of human resource planning, and it plays a major role in the following areas:

- Career Development**

By providing employees with either exposure to the various business operations, or by expanding their skills and knowledge, employees will be able to build both breadth and depth of experience and learning, hence maximising their potential and enabling them to be more well-rounded in their careers in CDL.

- Succession Planning**

Job rotation serves as an effective tool in developing the identified successors for various critical leadership positions. It allows them to provide them with a holistic view of CDL's business, thereby ensuring that they are more prepared for impending leadership roles.

- Talent Retention**

Job rotation motivates employees as it broadens their skills set, adds diversity to their job roles, and rejuvenates their interest to keep learning through tackling different challenges.

Management Trainee Program

The Management Trainee Programme was introduced in October 2016 to nurture young talents and ensure sustainability of leadership and management capacity in CDL as it is vital to develop a talent pipeline.

CREATING SHARED ECONOMIC AND SOCIAL VALUE

The 18-month programme provides opportunities for young graduates to learn about the Group's various departments and respective operations, through a series of attachments to each department. This helps them to establish and build relationships between departments. The programme structure also allows Management Trainees to participate in additional special projects or overseas assignments to enhance their career development. Upon completion of the programme, individuals will be posted to one of the departments.

Education Sponsorships and Scholarships

CDL sponsors part-time courses relevant to the employee's work, conducted locally by recognised institutions and universities. In 2018, we sponsored one employee for her Master's degree.

Internships

CDL partners local tertiary education institutions to offer internship opportunities for students interested in the property industry. In 2018, there were 15 interns assigned to various departments in CDL.

Political Contributions

As outlined in our Anti-Corruption Policy, CDL has a corporate stance against using the Company's resources to make donations to political parties and political associations, or to candidates and/or election agents in a parliamentary or presidential election. Additionally, employees who intend to be involved in any political party are required to declare and seek top management's approval.

In 2018, as with previous years, CDL made zero direct and indirect political contributions using the Company's resources.

COMMUNITY INVESTMENT

Besides contributing to the development of Singapore's built environment, CDL actively gives back to society and strives to build a cohesive, vibrant community. We believe a thriving community provides the necessary conditions for a healthy economy and conducive business environment. Our role as a caring corporate citizen means we share in the concerns of our society and take on the responsibility for its betterment. As an industry leader, CDL is committed to make a difference to society by providing sustained support and creating positive impact through our outreach programmes in these focus areas:

- Promoting Environmental Awareness and Zero-Waste



The Central Public Library in Singapore is home to My Tree House, the world's first green library for children. Conceptualised by CDL and National Library Board, it received more than 345,000 visitors in 2018.

- Empowering Youths and Women as Sustainability Champions
- Supporting the Arts
- Caring for the Less Fortunate

OUR COMMUNITY INVESTMENT STRATEGY

Community investment for CDL has grown from a strong tradition of philanthropy and charity, to a dynamic strategy that initiates and supports community outreach programmes with developmental and sustainable outcomes. For over two decades, these initiatives have enabled us to engage our employees, their families and other stakeholders as volunteers, offering ideas, expertise, manpower and time to serve the community. These collaborative initiatives need to be long-term and consistent



Three sculptures were created by 300 volunteers using 40,000 recycled plastic bottles, to promote awareness of the UN Environment's #BeatPlasticPollution Campaign on World Environment Day

CREATING SHARED ECONOMIC AND SOCIAL VALUE

to achieve the desired impact, and many of our community and environmental projects are sustained efforts that span many years. Today, our community investment initiatives are aligned with the UN SDG 11: Sustainable Cities and Communities and SDG 17: Partnerships for the Goals.

In line with good governance, CDL exercises due diligence in evaluating every request for donation, sponsorship or partnership. We assess the track record, quality of management, and organisational governance of charities and community partners via various channels including their annual reports. For accountability, all charities and community partners are required to submit reports on the social and environmental impact of their programmes, as well as use of funds and resources.



CDL's inaugural SDG City Challenge was organised in support of UN SDG 3: Good Health and Well-being, and SDG 11: Sustainable Cities and Communities

Promoting Environmental Awareness and Zero-Waste

KEY INITIATIVES	OUTCOMES AND IMPACT
Promoting awareness and action against single-use plastic	To raise awareness about the devastating threats to the ocean caused by plastic waste, CDL supported the UN Environment's #BeatPlasticPollution campaign held on World Environment Day 2018. CDL organised a collection of 40,000 used plastic bottles. With the support of over 400 volunteers, three large art installations were commissioned and installed at Marina Barrage, South Beach and City Square Mall, as a call-for-action against plastic pollution. In support of The International Year of the Reef 2018 and Earth Day, CDL reached out to its tenants, staff and homeowners of selected CDL residential developments through the screening of 'A Plastic Ocean'. Environmental NGOs were also invited by CDL to give educational talks about low carbon practices and ways to reduce plastic usage.
World Green Building Week	During World Green Building Week 2018, CDL implemented a campaign reaching out to its tenants and staff, highlighting through examples of CDL's residential projects how greener homes achieve energy as well as cost savings, and make healthier living places for residents. An online quiz competition was also conducted during the week to debunk common misunderstandings about recycling and green practices among the 150 participating staff and tenants.
EcoBank – a CDL & Eco-Business initiative	Launched in 2016, this annual initiative brings the People, Public and Private sectors together to break the typical 'take, use and dispose' cycle and promote a mindset of responsible consumption. Through EcoBank 2019, about 18.5 tonnes of pre-loved toys, clothes, books and household items were collected for a fundraising bazaar while unsold items were passed to the Salvation Army and the Embodhi Foundation to benefit donation recipients in Sri Lanka, India and Vietnam. About 800 volunteers lent their support to this good cause, during EcoBank's fourth edition held in March 2019.
Fashion3R	Fashion is the second-most polluting industry globally. To create greater public awareness of the true cost of consumption, reduce the amount of waste that goes to the landfill and keep resources in use for as long as possible, CDL partnered with fashion design students since 2017 to showcase how pre-loved clothing can be upcycled, and bring Singapore closer to its vision of becoming a Zero-Waste Nation by 2030.
Feeding the 5,000	Held at City Square Mall, a CDL-owned mall and the first eco-mall in Singapore, a buffet prepared from 'ugly' but edible produce 'rescued' from wholesale markets and retailers was served to 5,000 members of the public. Feeding the 5,000 is an international ground-up initiative started by a London-based environmental organisation, Feedback. The 2018 event was its first run held in Asia. The campaign aims to catalyse solutions and raise awareness about the global food waste problem.
Clean and Green Singapore	CDL has supported the annual Clean and Green Singapore Carnival organised by the National Environment Agency (NEA) for over a decade. In 2018, CDL participated with two exhibition displays, namely 'Be Eco at Home' and 'Zero Waste', that featured eco-friendly tips and CDL's waste minimisation efforts as a developer. Officiated by Prime Minister Lee Hsien Loong, the Carnival raised awareness among Singaporeans on the ways to care for the environment, such as how their lifestyle habits can be changed to recycle right and cut wastage of water and electricity.
CDL Green Gallery	Developed and donated by CDL in celebration of our 50th anniversary in 2013, the 314sqm CDL Green Gallery is the nation's first zero-energy building. Sited at the Singapore Botanic Gardens (SBG), it features solar photovoltaic cladded roof panels and was constructed using a biomaterial Hempcrete and a prefabricated modular system. In line with its eco-friendly origins, the Gallery is a showcase for botanical-related or green-themed exhibits. The Gallery has an extensive outreach riding on the annual visitorship of 4.4 million to the SBG.
Reduce @ North West – North West Power Up Scheme	This collaboration with the North West Community Development Council since 2015 raises awareness among residents on ways to save energy and water, as well as reduce food waste. About 65,000 households are reached every year through community outreach activities.
SDG City Challenge	The inaugural launch of the SDG City Challenge in 2018 was the first 3P collaboration to champion UN SDGs in Singapore and unite Green Buildings with Good Health. This successful partnership with BCA, HPB and SportSG had a turnout of 1,000 participants. They tackled various fitness challenges such as a 34-storey vertical race, an ActiveSG obstacle course and an 800-metre walk-and-jog at South Beach (CDL's joint venture mixed development property). An Eco-Treasure Hunt was also held at City Square Mall, CDL's Green Mark Platinum building and the first eco-mall in Singapore.

Empowering Youths and Women

KEY INITIATIVES	OUTCOMES AND IMPACT
CDL-GCNS Young SDG Leaders Award 2018	Launched in 2011, this annual case competition seeks to empower and groom youths into future sustainability champions, equipped with the skills and know-how to integrate SDGs into business strategy and operations. Formerly known as CDL-GCNS Young CSR Leaders Award, it was rebranded in 2018 to CDL-GCNS Young SDG Leaders Award in support of the UN SDGs. The competition has attracted the participation of more than 1,000 youths over the past eight years.
CDL E-Generation Challenge 2018	CDL E-Generation Challenge is a youth-centric competition where youths from Singapore and the ASEAN region are invited to propose ideas and action plans that address the urgency of climate change. The theme focussed on marine conservation and plastic pollution in conjunction with the International Year of the Reef in 2018. Two winners embarked on a two-week diving expedition to the Coral Triangle at Raja Ampat in Indonesia led by renowned oceanographer and explorer, Dr Sylvia Earle and the founder of Ocean Geographic, Mr Michael Aw.
Youth4Climate Festival 2018	CDL presented the inaugural Youth4Climate Festival 2018 to wrap up the year of activities promoting climate action. Held at the Shaw Foundation Symphony Stage of the Singapore Botanic Gardens, a UNESCO World Heritage Site, the Youth4Climate Festival 2018 provided a platform for youths to call for climate action through their voices and performances over two evenings.
Youth-led Programmes – Local and Overseas	Through the CDL-Singapore Management University (SMU) Young CSR Leaders Fund and direct sponsorships, CDL supported a total of 27 youth-led community involvement projects, which contributed to social-environmental causes in the local and neighboring communities. Over 1,700 youth leaders and volunteers directly benefitted from CDL's support. These projects include: <ul style="list-style-type: none"> - NTU Asian Business Case Challenge – Sustainable Enterprise Challenge 2018 - NTU Earthlink 2018 - NUS Paint-A-Home 2018 - SMU Challenge 2018
Nurturing Future Generations of Responsible Business Leaders	To equip students with relevant skills and knowledge for the future economy, institutes of higher learning often request CDL to share our business case for sustainability integration as an inspiration for their students. In 2018, CDL's Senior Management was invited to deliver eight lectures and talks to some 750 students.
My Tree House – World's first Green Library for kids	A partnership between National Library Board and CDL, My Tree House was opened in 2013 as the world's first green library for kids. This part of the Central Public Library has more than 1 million visitors since its commencement. Over the years, CDL has been funding its educational activities to nurture eco-champions of tomorrow. One of such activities in 2018 was CDL's donation of about 600 books to primary school libraries in Singapore. A book-reading event graced by guest-of-honour Mr Heng Swee Keat, Minister of Finance and Chairman of the National Research Foundation Singapore was held in September 2018 at My Tree House. More than 150 young children gained knowledge about marine conservation through this outreach event.
Women4Green – Nurturing women eco-champions	The Women4Green network aims to empower women executives to adopt and champion a sustainable lifestyle and practices at work, at home and at play. In 2018, a "Fashion 3R" upcycling workshop and thematic talks that focused on sustainability issues of the fashion and jewellery industries were organised. The initiative supports SDG 5: Gender Equality and SDG 13: Climate Action.

Supporting the Arts

KEY INITIATIVES	OUTCOMES AND IMPACT
7th CDL Singapore Sculpture Award	Launched in 2002, the CDL Singapore Sculpture Award is a biennial arts initiative to unearth talented artists. Selected winning works are commissioned as public artworks. In line with Singapore's designation of 2019 as the Year Towards Zero Waste, the theme for CDL's design challenge this year is "Turn Waste Into Art". The two winning sculptures will be commissioned and displayed at Wisma Geylang Serai, an integrated community hub for culture and heritage.
7th CDL Singapore Young Photographer Award 2018	Inaugurated by CDL's late Deputy Chairman Mr Kwek Leng Joo, the Singapore Young Photographer Award (SYPA) was revamped to generate awareness and interest among youths around sustainability. In line with CDL's commitment towards the SDGs and green buildings, SYPA invited youths to submit entries focussed on SDG 11: Sustainable Cities and Communities. An exhibition was held to showcase the 12 winning works at DECK studio.

Caring for the Less Fortunate

KEY INITIATIVES	OUTCOMES AND IMPACT
Assisi Hospice Charity Fun Day 2018	In June 2018, CDL successfully rallied the keen support of its Group companies, subsidiaries and suppliers. More than \$235,000 was raised to provide funding assistance to patients with cancer and terminal illnesses at Assisi Hospice.
Fundraising for Indochina Flood Victims	More than 100,000 people in Myanmar were displaced due to torrential floods in August 2018. CDL raised funds internally to purchase and dispatch three water treatment systems to support the disaster relief efforts. With the generous support of CDL's Group of hotels – Copthorne King's Hotel Singapore, Grand Copthorne Waterfront Singapore, M Hotel Singapore and Orchard Hotel Singapore, close to \$36,000 was raised.
Learning Space@Limbang	In this partnership between CDL and Northwest CDC, a conducive learning space was set up in 2017 at the Limbang Park Residents' Committee (RC) Centre for students from low-income households in the vicinity. Besides providing library books and recreational games at the centre, CDL's staff volunteers impart character building lessons to a group of children from financially-disadvantaged families.
Bringing festive cheer to Arc Children's Centre	About 20 staff volunteers brought festive joy to 42 children from Arc Children's Centre during the Christmas season. The Arc Children's Centre helps children with cancer and other life-threatening illnesses. Held at the Le Grove Serviced Residences, the event included fun games, Christmas caroling and gifts distribution for the beneficiaries.

Advocating Best Practices in Sustainability

KEY INITIATIVES	OUTCOMES AND IMPACT
Singapore Sustainability Academy – A knowledge and action hub for sustainable development	The zero-energy Singapore Sustainability Academy (SSA), in partnership with the Sustainable Energy Association of Singapore (SEAS), is the first major 3P ground-up initiative in support of global and national goals to tackle climate change and promote a low carbon economy. It was officially opened on World Environment Day, 5 June 2017 by Mr Teo Chee Hean, Deputy Prime Minister and Coordinating Minister for National Security and Mr Masagos Zulkifli, Minister for the Environment and Water Resources. In a span of 18 months since its opening, the SSA has hosted more than 200 sustainability-related training programmes and advocacy events, involving over 8,800 government leaders, business professionals, NGO representatives, community-at-large, youths and SEAS training participants.
Space4Good@Distrii	In conjunction with the official opening of Distrii Republic Plaza, the Space4Good initiative was introduced in May 2018 to offer complimentary use of Distrii's co-working workspaces in Singapore, Beijing and Shanghai to NGOs who share our goals of promoting sustainable development.
Thought Leadership in Sustainability and Responsible Business	CDL is often invited to share on our ESG integration, forging of 3P partnerships, sustainability reporting, green finance and green buildings. In 2018, CDL's Senior Management spoke at over 65 local and international platforms, notably: <ul style="list-style-type: none"> - International Green Building Conference - Responsible Business Forum Singapore - Asia Sustainability Reporting Summit - Women's Forum - IFC Green Bond Introduction & Green Bonds for Green Buildings Executive Education

Managing Community Impact

In construction and development, residents who live in the immediate vicinity of a construction site are considered key stakeholders, and we understand that building activities at construction sites might pose some inconvenience to this community. Aside from complying with applicable legal requirements, we require builders at our construction sites to communicate with the community and offer channels where the residents can give comments and feedback.

Prior to the start of key construction stages, our builders conduct surveys where feedback is collected, compiled and analysed, and concerns are addressed. As an avenue for further feedback, contact details are publicly displayed on banners around the construction site, alongside other information required by local regulations.

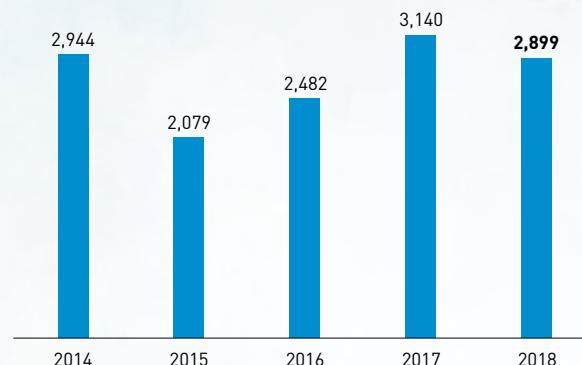
Since 2014, CDL has put in place a public communications plan for the communities located within a 100-metre radius of our developments undergoing construction or asset enhancement in Singapore. As part of efforts to keep the local community informed, flyers containing project details and the construction schedule are distributed. Measures to reduce the impact of construction work on the surroundings also continue to be a priority.

Employee Volunteerism

Apart from monetary donations, CDL has always believed in engaging stakeholders through active employee volunteerism to complement our community investment and deliver more meaningful impact. Volunteering is an opportunity for our employees to develop their leadership and soft skills, promotes a more caring work environment and cultivates employees' sense of identity and belonging to CDL.

Since 1999, CDL's employee-led volunteering body, City Sunshine Club (CSC), has been reaching out to the less fortunate and underprivileged in society. In 2018, our employees contributed time and effort to support various community projects, achieving a participation rate of 93.5%, and clocked close to 2,900 volunteer manhours.

EMPLOYEE VOLUNTEER MANHOURS



LOOKING AHEAD

The rapid growth of cities in the developing world, coupled with increasing rural to urban migration, will lead to a boom in mega-cities. Sustainable development cannot be achieved without significantly transforming the way we build and manage our urban spaces.

In support of UN SDG 11: Sustainable Cities and Communities, CDL is committed to create green, health-enhancing and inclusive public spaces, that exemplify our corporate vision of "Building Value for Tomorrow, Today".

With CDL's strong community investment strategy and programmes, developing our employees and community will remain core in our strategy. We will continue to look at global and national agendas such as the Paris Agreement, UN SDGs and Singapore Sustainability Blueprint to identify areas where our community investment can create the most impact for our stakeholders. The priceless goodwill generated for CDL through our community investment activities contributes to CDL's strong business performance by enhancing our brand value and reputation. With the shift in consumer mindsets towards stronger social and environmental consciousness, CDL is well-positioned as sustainability champion and trusted brand that consumers can identify with.

TRADE AND INDUSTRY ASSOCIATIONS³

To further the sustainability cause at home and abroad, CDL's Senior Management has been generously contributing time and expertise through their appointment at various industry bodies and civil society organisations. Moving forward, CDL will continue to partner the industry and form collaborations in support of the Singapore Government's agenda of becoming a smart and sustainable city.

ORGANISATION	CDL REPRESENTATION
ARC Children's Centre	Mr Chia Ngiang Hong, Board Member
Asia Pacific Real Estate Association (APREA)	Ms Esther An, Member – Singapore Chapter Board Mr Frank Khoo, Member
Asian Association for Investors in Non-listed Real Estate Vehicles	Mr Frank Khoo, Member
Asian Civilisations Museum	Mr Kwek Eik Sheng, Member, Advisory Board
Asian Corporate Governance Association	Ms Esther An, Member, Corporate Discussion Group
Building and Construction Authority Academy	Mr Chia Ngiang Hong, Member, Advisory Committee
Business Council for Sustainable Development Singapore	Ms Esther An, Founding Member
CDP Reporter Services	Ms Esther An, Corporate Representative
Council for Board Diversity	Mr Sherman Kwek, Council Member
Council for Estate Agencies	Ms Lee Mei Ling, Member, Professional Development Committee
Global Compact Network Singapore	Ms Esther An, Member, Management Committee; Member, Advisory Committee for GCNS Summit
GRESB Real Estate Benchmark Committee	Ms Esther An, Member, Asian Real Estate Benchmark Committee
Global Reporting Initiative Corporate Leadership Group for Integrated Reporting	Ms Esther An, Member
Health Promotion Board	Ms Esther An, Sub-committee Member Tripartite Oversight Committee on Workplace Safety & Health
Home Detention Advisory Committee 4	Mr Chia Ngiang Hong, Chairman
Hong Leong Foundation	Mr Kwek Eik Sheng, Governor
International Integrated Reporting Council's Network	Ms Esther An, Corporate Representative
Le marché international des professionnels de l'immobilier (MIPIM)	Mr Frank Khoo, Jury Member
National Environment Agency	Ms Esther An, Friend, Friends of the Environment Programme
National University of Singapore	Mr Chia Ngiang Hong, Chairman of School Advisory Committee, School of Design and Environment; Board Member, Institute of Real Estate & Urban Studies; Member, Consultative Committee, Department of Real Estate

ORGANISATION	CDL REPRESENTATION
National Trade Union Congress (NTUC) Club	Ms Esther An, Advisory Committee Member Master of Science, Environmental Management School of Design and Environment Mr Frank Khoo, Member School of Design and Environment Advancement Advisory Council Mr Ivan Ng, Industry Advisory Committee Member, School of Computing
President's Award for the Environment	Ms Esther An, Member, Judging Panel
Public Utilities Board	Ms Esther An, Corporate Representative, Water Network 7th Panel
Real Estate Developers' Association of Singapore	Mr Chia Ngiang Hong, President
Royal Institution of Chartered Surveyors & United Nations Environment Programme Finance Initiative	Ms Esther An, Member, Global Alliance for Buildings and Construction (GlobalABC) Building Passport Task Force
Singapore Green Building Council	Mr Chia Ngiang Hong, Immediate Past President
Singapore Chinese Chamber of Commerce and Industry	Mr Sherman Kwek, Council Member
Singapore Institute of Directors	Corporate Nominees: Ms Jenny Lim, Ms Catherine Loh, Ms Enid Ling Ms Esther An, Member
Singapore International Chamber of Commerce	Ms Catherine Loh, Member, Corporate Governance and Regulatory Committee
Singapore River One	Mr Chia Ngiang Hong, Vice Chairman
Singapore University of Social Sciences	Ms Yong Yim Ming, Board Member
Tripartite Oversight Committee on Workplace Safety & Health	Ms Esther An, Sub-committee Member
United Nations Development Programme	Ms Esther An, Advisor, Private Sector Advisory Group for Promoting a Fair Business Environment in ASEAN
UN Global Compact	Signatory since 2005
UNEP Sustainable Stock Exchanges	Ms Esther An, Member Green Finance Advisory Group
Urban Land Institute	Ms Esther An, Steering Committee Member Women's Leadership Initiative Mr Frank Khoo, Executive Committee Member
Workplace Safety and Health Council	Mr Daniel T'ng, Chairman, WSHC Facilities Management Committee; Member, WSHC Finance Committee; Member, WSH (Workplace Safety and Health) Council
World Green Building Council	Founding Member Organisation; Ms Esther An, Member, Corporate Advisory Board
Young Women's Leadership Connection	Ms Esther An, Mentor, YWLC Mentorship Programme

³ These appointments refer to FY2018 and current positions held by CDL's Senior Management.

SUSTAINABILITY AWARDS AND ACCOLADES*

CREATING SHARED ECONOMIC AND SOCIAL VALUE |

- ASEAN Corporate Governance Scorecard Award**
 - Top 50 ASEAN Public Listed Companies (PLCs)
- Asia Sustainability Reporting Rating 2018**
 - Platinum Rank
- Bloomberg's Gender-Equality Index (GEI) 2018**
- CDP (formerly known as Carbon Disclosure Project)**
 - 2018 Global A-List for Corporate Climate Change
- Dow Jones Sustainability Indices (World & Asia Pacific) 2018**
- FTSE4Good Index Series**
- Global Real Estate Sustainability Benchmark (GRESB) 2018**
 - Sector Leader for Office, Asia
- Global 100 Most Sustainable Corporations in the World 2018**
 - First and only Singapore company to be on Global 100 for nine consecutive years
- Green Bond Pioneer Award 2018**
 - New Countries Taking Green Bonds Global
- Institutional Investor All-Asia Executive Team 2018**
 - Asia's Most Honoured Company – Developed Markets (Ranked 3rd in Singapore)
 - Asia's Best CFO – Developed Markets (Ranked 3rd in Singapore – Yiong Yim Ming)
 - Asia's Best IR Companies – Developed Markets (Ranked 3rd in Singapore)
 - Asia's Best ESG/SRI Metrics – Developed Markets (Ranked 2nd in Singapore)
- IR Magazine Awards – South East Asia 2018**
 - Best ESG Communications
- MSCI ESG Leaders and ESG SRI Indexes 2018**
 - Highest 'AAA' rating
- Institutional Shareholder Services (ISS)-oekom Corporate Rating 2018**
 - Prime Rating
- Patron of the Arts Award 2018**
- Securities Investors Association (Singapore) Investors' Choice Awards 2018**
 - Sustainability Award – Winner
 - Most Transparent Company Award – Runner-Up, Properties
- STOXX® Global ESG Leaders Indices 2018**
- Sustainable Business Awards Singapore 2018**
 - Overall Winner
 - Best Climate Change
 - Special Recognition Award for Workforce

Note:

* Not exhaustive. For a full listing of CDL project awards, please refer to www.cdl.com.sg

KEY PERFORMANCE SUMMARY

CREATING SHARED ECONOMIC AND SOCIAL VALUE |

Introduction
and
Leadership
StatementsIntegrated
Strategy
for Value
CreationBuilding
Sustainable
Cities and
CommunitiesReducing
Environmental
ImpactShaping a
Fair, Safe
and Inclusive
WorkplaceCreating
Shared
Economic
and Social
ValueAssurance
Statements
and GRI
Content Index

INDICATOR	UNIT OF MEASUREMENT (UOM)	2014	2015	2016	2017	2018
Legal Compliance						
Convicted cases of corruption	Number	0	0	0	0	0
Convicted cases of fraud	Number	0	0	0	0	0
Convicted cases involving product responsibility	Number	0	0	0	0	0
Convicted cases involving anti-competitive behaviour	Number	0	0	0	0	0
EHS Related Fines: CDL Managed Properties	Number	0	3	0	2	0
EHS Related Fines: CDL Construction Sites	Number	18	13	18	4	5
Total Amount of Fines	\$	122,500	100,600	110,000	22,400	21,100
Environment						
I. Energy Usage						
Corporate Office ¹	MWh	613	763	689	651	527
Commercial and Industrial Buildings ¹	MWh	47,183	46,203	47,601	44,368	42,485
Construction Sites ¹	MWh	19,225	23,090	21,127	5,733	4,538
Renewable Energy (Solar + REC)	MWh	218	211	194	213	1,140
Subsidiaries						
CBM ²	MWh	177	186	209	132	607
CDL Hospitality Trusts (CDLHT) ²	MWh	31,500	35,255	41,358	41,501	40,657
City Serviced Offices	MWh	329	422	440	433	381
Le Grove Serviced Residences Le Grove Serviced Residences (Le Grove) ^{2,3}	MWh	1,780	1,872	1,932	5	1,045
Tower Club	MWh	244	999	1,025	983	1,008
Millennium & Copthorne plc (M&C)	MWh	458,931	685,644	692,364	507,724	492,784

1 Restated to show total amount of energy used including purchased electricity, fuel and solar energy.

2 Energy from fuel consumption has been included in data from 2018 onwards.

3 Le Grove Serviced Residences was closed for renovation from December 2016 to July 2018.

INDICATOR	UNIT OF MEASUREMENT (UOM)	2014	2015	2016	2017	2018
Environment						
II. Water Usage						
Corporate Office ⁴	m ³	3,201	2,874	2,912	2,857	2,611
Commercial and Industrial Buildings	m ³	384,592	385,575	375,058	342,000	314,431
Construction Sites	m ³	128,401	149,761	170,232	158,765	28,999
Recycled water (Construction Sites)	m ³	244,608	217,591	167,982	21,004	48,800
Use of NEWater instead of potable water	m ³	128,164	131,098	133,140	119,242	122,858
Subsidiaries⁵						
CDLHT	m ³	446,822	477,312	459,072	493,028	514,207
Le Grove ⁶	m ³	13,257	15,888	15,344	–	11,638
Tower Club	m ³	7,599	7,237	8,176	7,235	7,692
M&C	m ³	6,057,942	6,099,614	6,092,639	4,582,223	4,445,746
III. Waste Disposed						
Corporate Office	tonnes	n/a	n/a	13	17	17
Commercial and Industrial Buildings	tonnes	n/a	n/a	4,283	4,265	4,084
Paper Recycled	tonnes	1,055	1,057	584	479	582
Construction Sites	tonnes	12,323	13,906	13,523	3,796	1,345
IV. GHG Emissions⁷						
Corporate Office						
Scope 1	tonnes CO ₂ e	47	52	39	31	22
Scope 2	tonnes CO ₂ e	276	270	262	224	0
Scope 3	tonnes CO ₂ e	642	614	543	492	410
Commercial and Industrial Buildings						
Scope 1	tonnes CO ₂ e	3,027	1,264	741	599	1,524
Scope 2	tonnes CO ₂ e	21,130	22,346	23,239	18,682	17,488
Scope 3	tonnes CO ₂ e	1,401	572	658	3,614	3,112

4 Due to the relocation of CDL's Corporate Office from City House to Republic Plaza in April 2018, estimated numbers are used for Corporate Office water usage in 2018. Installation of a monitoring system for water usage is underway.

5 CBM and CSO are tenants within a building and water provided by their landlords is not metered separately.

6 No water data as Le Grove Serviced Residences was closed for renovation from December 2016 to July 2018.

7 Scope 2 GHG emissions reflected from 2018 onwards are reported using a market-based method to account for the procured energy attribute certificates. Carbon emissions arising from the construction activity carried out by builders have been restated under Scope 3 carbon emissions to align with sector classification of GRI Business Activity Group Descriptions as recommended by the Science-Based Target Initiative.

INDICATOR	UNIT OF MEASUREMENT (UOM)	2014	2015	2016	2017	2018
GHG Emissions⁷						
Construction Sites						
Scope 3	tonnes CO ₂ e	5,415	6,430	6,132	2,147	1,277
V. Total Suspended Solids (Construction Sites)⁸	mg/litre	44	26	21	5,370	38
Health and Safety						
I. Fatalities	Number	0	0	0	0	0
II. Occupational Diseases	Number	0	0	0	0	0
III. Accident Frequency Rate						
Corporate Office	Number of workplace accidents per million manhours worked	n/a	0	5.7	2.4	1.3
Managed Properties	Number of workplace accidents per million manhours worked	n/a	n/a	n/a	1.1	0.9
Construction Sites	Number of workplace accidents per million manhours worked	0.66	0.24	0.53	0.13	0.4
IV. Accident Severity Rate						
Corporate Office	Number of man days lost to workplace accidents per million manhours worked	n/a	n/a	54	41	16
Managed Properties	Number of man days lost to workplace accidents per million manhours worked	n/a	n/a	n/a	22	70
Construction Sites	Number of man days lost to workplace accidents per million manhours worked	n/a	n/a	8	2	19
V. Workplace Injury Rate						
Corporate Office	Number of fatal and non-fatal workplace injuries per 100,000 persons employed	n/a	0	1193	505	250
Managed Properties	Number of fatal and non-fatal workplace injuries per 100,000 persons employed	n/a	n/a	n/a	311	255
Construction Sites	Number of fatal and non-fatal workplace injuries per 100,000 persons employed	182	74	184	33	117

⁷ Scope 2 GHG emissions reflected from 2018 onwards are reported using a market-based method to account for the procured energy attribute certificates. Carbon emissions arising from the construction activity carried out by builders have been restated under Scope 3 carbon emissions to align with sector classification of GRI Business Activity Group Descriptions as recommended by the Science-Based Target Initiative.

⁸ 2017 data has been restated based on the fine notification received in 2018.

INDICATOR	UNIT OF MEASUREMENT (UOM)	2014	2015	2016	2017*	2018
Human Capital and Development						
Total number of employees	Number	420	429	413	392	400
Full-time female employees	Number	n/a	n/a	286	269	274
Full-time male employees	Number	n/a	n/a	121	121	122
Part-time female employees	Number	n/a	n/a	3	1	2
Part-time male employees	Number	n/a	n/a	3	1	2
Female heads of department	%	40	41	40	38	50
Male heads of department	%	60	59	60	62	50
Employee resignation rate	%	15.9	15.3	15.8	16	17.3
Employee involuntary turnover rate	%	1	0.5	1.2	4.3	4.1
Employee training	Average days per employee per year	4	4	4	4	4
Social Impact						
Employee participation rate	%	79	60	76	90	93.5
Employee volunteer manhours	Hours	2,944	2,079	2,482	3,140	2,899
Financial						
Revenue	\$	3,764 m	3,304 m	3,905 m	3,829 m	4,223 m
Tax paid	\$	115 m	128 m	157 m	162 m	211 m
Staff costs	\$	763 m	818 m	810 m	831 m	850 m
Profit before tax	\$	1,004 m	985 m	914 m	763 m	876 m
PATMI	\$	770 m	773 m	653 m	522 m	557 m
Return on equity	%	9.2	8.6	7.0	5.6	5.6
Net asset value per share	\$	9.25	9.89	10.22	10.33	11.07
Basic earnings per share	\$	83.2 cents	83.6 cents	70.4 cents	56.0 cents	59.9 cents

* FY2017's financials were restated due to adoption of Singapore Financial Reporting Standards (SFRS)(I) 1 & 15.

	INDICATOR	UNIT OF MEASUREMENT (UOM)	2014	2015	2016	2017*	2018
Financial							
Dividends							
Ordinary dividend per share							
Introduction and Leadership Statements	– Final	\$	8.0 cents	8.0 cents	8.0 cents	8.0 cents	8.0 cents⁹
	– Special interim	\$	4.0 cents	4.0 cents	4.0 cents	4.0 cents	6.0 cents
	– Special final	\$	4.0 cents	4.0 cents	4.0 cents	6.0 cents	6.0 cents⁹
Integrated Strategy for Value Creation	Preference dividend per share	\$	3.9 cents	3.9 cents	3.9 cents	3.9 cents	3.9 cents
Building Sustainable Cities and Communities	Cash and bank balances (including restricted deposits)	\$	3,898 m	3,565 m	3,887 m	3,990 m	2,512 m
	Net borrowings	\$	2,820 m	2,938 m	1,865 m	1,047 m	3,830 m
Reducing Environmental Impact	Net gearing ratio ¹⁰	%	26	26	16	9	31
	Net gearing ratio if fair value gains on investment properties are taken into consideration	%	19	19	12	7	23
Shaping a Fair, Safe and Inclusive Workplace	Interest cover ratio	times	12.1 times	13.0 times	12.5 times	13.5 times	14.9 times

* 2017 comparative figures were adjusted to take into account retrospective adjustments arising from the adoption of Singapore Financial Reporting Standards (International) (SFRS(I)) and International Financial Reporting Standards framework and new standards.

⁹ Final and special final tax-exempt (one-tier) ordinary dividends proposed for financial year ended 31 December 2018 will be subject to the approval of the ordinary shareholders at the forthcoming Annual General Meeting

¹⁰ Excludes fair value gains on investment properties as the Group's accounting policy is to state its investment properties at cost less accumulated depreciation and impairment losses.

BREAKDOWN OF ENVIRONMENTAL PERFORMANCE IN 2018

CREATING SHARED ECONOMIC AND SOCIAL VALUE

Introduction
and
Leadership
Statements

Integrated
Strategy
for Value
Creation

Building
Sustainable
Cities and
Communities

Reducing
Environmental
Impact

Shaping a
Fair, Safe
and Inclusive
Workplace

Creating
Shared
Economic
and Social
Value

Assurance
Statements
and GRI
Content Index

GHG Emissions Performance of CDL's Construction Sites

PROJECT SIZE	NUMBER OF PROJECTS	SITE BID PRICE (\$mil)	EMPLOYEE HOURS WORKED (hr)	GHG EMISSIONS (tCO ₂ e)	GHG INTENSITY (kgCO ₂ e/\$mil/year)	GHG INTENSITY (kgCO ₂ e/hr/year)
GFA <80,000m ²	4	1,573.50	2,631,547	1,277 [#]	811.62	0.49

- All development projects in 2018 have a project size of GFA<80,000m²

* Carbon emissions arising from the construction activity carried out by builders are under Scope 3 carbon emissions to align with sector classification of GRI Business Activity Group Descriptions as recommended by the Science-Based Target Initiative.

GHG Emissions Performance of CDL's Managed Buildings

TYPE OF BUILDING	NUMBER OF BUILDINGS	FLOOR AREA (m ²)	GHG EMISSIONS (tCO ₂ e)				GHG INTENSITY (kgCO ₂ e/m ² /year)			
			SCOPE 1	SCOPE 2	SCOPE 3	TOTAL	Location-Based	Market-Based	Location-Based	Market-Based
Office	10	183,136	495	12,190	11,987	2,121	14,806	14,603	80.85	79.74
Retail	2	43,518	1,029	5,340	5,340	957	7,326	7,326	168.34	168.34
Industrial	3	27,572	0	161	161	34	195	195	7.08	7.08
Total	15	254,226	1,524	17,691	17,488	3,112	22,327	22,124	87.82	87.02

Energy and Water Performance of CDL's Managed Buildings

TYPE OF BUILDING	NUMBER OF BUILDINGS	FLOOR AREA (m ²)	ENERGY		POTABLE WATER		NEWATER	
			CONSUMPTION (kWh)	ENERGY INTENSITY (kWh/m ² /year)	CONSUMPTION (m ³)	WATER INTENSITY (m ³ /m ² /year)	CONSUMPTION (m ³)	WATER INTENSITY (m ³ /m ² /year)
Office	10	183,136	29,262,117	159.78	165,131	0.9	122,858	0.7
Retail	2	43,518	12,840,372	295.06	140,028	3.2	0	0.0
Industrial	3	27,572	383,147	13.90	9,273	0.3	0	0.0
Total	15	254,226	42,485,636	167.12	314,431	1.2	122,858	0.7

ISO 14064 REASONABLE ASSURANCE STATEMENT

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The GHG Report
for the calendar year 2018
prepared by:

City Developments Limited
9, Raffles Place, Republic Plaza
#36-00, Singapore 048619

SCOPE OF GHG EMISSIONS

	Tonnes CO ₂ e
Direct GHG emissions (Scope 1)	1,546
Energy indirect GHG emissions (Scope 2, Location-based)	17,874
Energy indirect GHG emissions (Scope 2, Market-based)	17,488
Other indirect GHG emissions (Scope 3) [Indirect emissions arising from construction contractors' activities (fuel used in power generators, purchased electricity, electricity upstream emissions and transmission losses and water usage) for property development operations, electricity upstream emissions, distribution and transmission losses, local and international courier services, employee commute, business travel (excluding the influence of radiative forcing) and hotel accommodations, water supply and water treatment for corporate office and asset management operations.]	4,799

Note 1: Scope 2 Location-based is defined in the GHG Protocol Scope 2 Guidance, 2015

Date: 30th January 2019



Tan Wee Heok

LRQA Lead Verifier

On behalf of Lloyd's Register Quality Assurance Ltd.,
1 Fusionopolis Place, #09-11 Galaxis, Singapore 138522

This summary is not valid without the full Assurance Statement to which it applies.

has been verified by Lloyd's Register
Quality Assurance Ltd. (LRQA) in accordance with:
ISO 14064-3:2006¹

as conforming to the requirements of:
ISO 14064-1:2006²

The assurance has been formed on the basis of a
reasonable level of assurance and at a materiality of
the professional judgment of the Verifier

**Assurance Statement related to
GHG Report for Calendar Year 2018
prepared for City Developments Limited
9, Raffles Place, Republic Plaza #36-00,
Singapore 048619**

TERMS OF ENGAGEMENT

This Assurance Statement has been prepared for City
Developments Limited.

Lloyd's Register Quality Assurance Ltd. was
commissioned by City Developments Limited to assure
its GHG Report for the calendar year 2018, (hereafter
referred to as "the GHG report") for its Singapore
Operations.

The GHG report relates to direct GHG emissions,
energy indirect GHG emissions (Location-based &
Market-based) and other indirect GHG emissions
[Indirect emissions arising from construction
contractors' activities (fuel used in power generators,
purchased electricity, electricity upstream emissions
and transmission losses and water usage) for
property development operations, electricity upstream
emissions, distribution and transmission losses,
local and international courier services, employee
commute, business travel, hotel accommodations, water
supply and water treatment for corporate office and asset
management operations]

¹ ISO 14064:2006 Greenhouse gases — Part 3: Specification with
guidance for the validation and verification of greenhouse gas
assertions

² ISO 14064:2006 Greenhouse gases — Part 1: Specification with
guidance at the organisation level for quantification and reporting of
greenhouse gas emissions and removals

commute, business travel (excluding the influence of radiative forcing) and hotel accommodations, water supply and water treatment for corporate office and asset management operations] summarised in Table 1 below.

The Scope 1 and Scope 2 emissions for 2007 base year has been revised due to the recategorization of the emissions from property development initially considered under Scope 1 to Scope 3. CDL Property Development engages the services of the construction contractors (whereby the electricity and fuel consumption used are directly purchased by the contractors) and therefore these emissions are more appropriately considered as Scope 3 emissions (instead of scope 1 emissions incorrectly considered in earlier years).

In view of this recategorization, the base year recalculation and the amended emissions in the earlier years from 2015 to 2017 were verified accordingly.

MANAGEMENT RESPONSIBILITY

The management of CDL was responsible for preparing the GHG report and for maintaining effective internal controls over the data and information disclosed. LR's responsibility was to carry out an assurance engagement on the GHG report in accordance with our contract with CDL.

Ultimately, the GHG report has been approved by, and remains the responsibility of CDL.

LR'S APPROACH

Our verification has been conducted in accordance with ISO 14064-3:2006, 'Specification with guidance for validation and verification of greenhouse gas

assertions' to provide reasonable assurance that the GHG data as presented in the GHG report has been prepared in conformance with ISO 14064-1:2006, 'Specification with guidance at the organisational level for quantification and reporting of greenhouse gas emissions and removals'.

To form our conclusions, the assurance engagement was undertaken as a sampling exercise and covered the following activities:

- conducted site tours of the following: "Corporate Office", "Commercial Buildings", "Industrial Buildings" and "Property Developments Sites" located at the following addresses: Corporate office located at 9, Raffles Place, Republic Plaza, #36-00, Singapore 048619.

► Industrial Buildings

- Tagore 23 Warehouse located at 23, Tagore Lane, Singapore 787601
- Cideco Industrial Complex located at 50, Genting Lane, Singapore 349558
- City Industrial Building located at 71, Tannery Lane, Singapore 347807

► Commercial Buildings

- Tampines Concourse located at 11 Tampines Concourse, Singapore 528729
- Fuji Xerox Towers located at 80 Anson Road, Singapore 079907
- City House located at 36 Robinson Road, Singapore 068877

► Property Development & Project Management Sites

- Orchard Boulevard located at 200 Cuscaden Road, Singapore 106394
- Forest Woods located at Lorong Lew Lian, Singapore 536495
- reviewed processes related to the control of GHG emissions data and records;

ASSURANCE STATEMENTS AND GRI CONTENT INDEX

- reviewed the GHG report for conformance with ISO 14046-1:2006;
- interviewed key personnel responsible for the management of GHG data and information and for the preparation of the GHG report at the above facilities;
- verified, on a sampling basis, the historical GHG emissions data and records included in the GHG report back to source for the calendar year 2018;
- verified the emission factors used that included 'average operating margin for electricity grid' factoring upstream fugitive methane emissions, transmission & distribution losses, purchase of renewable energy certificates, water supply and water treatment, diesel, petrol, refrigerant gases, business air travel (excluding the influence of radiative forcing), hotel accommodation and employee commuting with the source reference and confirmed its appropriateness;
- verified the recalculation of base year 2007 and the recalculated emissions for the calendar years 2015, 2016 and 2017.

LEVEL OF ASSURANCE & MATERIALITY

The opinion expressed in this Assurance Statement has been formed on the basis of a reasonable level of assurance and at a materiality of the professional judgement of the verifiers.

LRQA'S OPINION

Based on LRQA's approach, the total direct GHG emissions, energy indirect GHG emissions (Location-based & Market-based) and other indirect GHG emissions [Indirect emissions arising from construction contractors' activities (fuel used in power generators, purchased electricity, electricity upstream emissions and transmission losses and water usage) for property development operations,

electricity upstream emissions, distribution and transmission losses, local and international courier services, employee commute, business travel (excluding the influence of radiative forcing) and hotel accommodations, water supply and water treatment for corporate office and asset management operations] as disclosed in the GHG report and as summarised in Table 1 below are materially correct, and the GHG report has been prepared in conformance with ISO 14064-1:2006.

Date: 30th January 2019

Tan Wee Heok

LRQA Lead Verifier

On behalf of Lloyd's Register Quality Assurance Ltd.,
1 Fusionopolis Place, #09-11 Galaxis, Singapore 138522

LRQA reference number: SNG6034635



This Assurance Statement is subject to the provisions of this legal section:

This Assurance Statement is only valid when published with the Report (GHG Report) to which it refers. It may only be reproduced in its entirety.

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Lloyd's Register Group Limited, its affiliates and subsidiaries and their respective officers, employees or agents are individually and collectively, referred to in this clause as 'Lloyd's Register'. Lloyd's Register assumes no

Table 1. Summary of CDL's GHG report for the Calendar Year 2018

SCOPE OF GHG EMISSIONS	Tonnes CO ₂ e
Direct GHG emissions (Scope 1)	1,546
Energy indirect GHG emissions (Scope 2, Location-based)	17,874
Energy indirect GHG emissions (Scope 2, Market-based)	17,488
Other indirect GHG emissions (Scope 3) [Indirect emissions arising from construction contractors' activities (fuel used in power generators, purchased electricity, electricity upstream emissions and transmission losses and water usage) for property development operations, electricity upstream emissions, distribution and transmission losses, local and international courier services, employee commute, business travel (excluding the influence of radiative forcing) and hotel accommodations, water supply and water treatment for corporate office and asset management operations.]	4,799

Note 1: Scope 2 Location-based is defined in the GHG Protocol Scope 2 Guidance, 2015

Table 2. Summary of recalculated base year 2007

SCOPE OF GHG EMISSIONS	Tonnes CO ₂ e
GHG emissions (Scope 1 & 2)	30,615

Table 3. Summary of recalculated GHG emissions for years 2015, 2016, 2017

SCOPE OF GHG EMISSIONS	Tonnes CO ₂ e	2015	2016	2017
Human Capital and Development				
Direct GHG emissions (Scope 1)	1,316	780	630	
Energy indirect GHG emissions (Scope 2, Location-based)	22,616	23,501	18,906	
Other indirect GHG emissions (Scope 3)	7,616	7,333	6,253	

responsibility and shall not be liable to any person for any loss, damage or expense caused by reliance on the information or advice in this document or howsoever provided, unless that person has signed a contract with the relevant Lloyd's Register entity for the provision of this information or advice and in that case any responsibility or liability is exclusively on the terms and conditions set out in that contract.

Due to inherent limitations in any internal control, it is possible that fraud, error, or non-compliance with laws and regulations may occur and not be detected. Further, the verification was not designed to detect all weakness or errors in internal controls so far as they relate to the requirements set out above as the verification has not been performed continuously throughout the period and the verification carried out on the relevant internal controls were on a test basis. Any projection of the evaluation of control to future periods

is subject to the risk that the processes may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

The English version of this Assurance Statement is the only valid version. Lloyd's Register assumes no responsibility for versions translated into other languages.

In the case of any conflict between the English and any local language versions of this legal section, the English version shall prevail.

INDEPENDENT LIMITED ASSURANCE STATEMENT

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INDEPENDENT LIMITED ASSURANCE STATEMENT IN CONNECTION WITH THE SUBJECT MATTER INFORMATION INCLUDED IN THE INTEGRATED SUSTAINABILITY REPORT OF CITY DEVELOPMENTS LIMITED ('CDL')

In connection with our addendum regarding scope of work dated 05 October 2018, we have performed limited assurance procedures in relation to CDL's Integrated

Sustainability Report 2019, covering the period from 01 January 2018 to 31 December 2018 ('the Report') as detailed in the 'Subject Matter' below.



Subject matter information

Our limited assurance engagement covers the following Subject Matter Information:

(A) Critical Material Issues

Critical Material Issues	GRI Standards Disclosures	Sub-indicators under "Shall" requirements
1. Innovation	CRE8	<p>Type and number of sustainability certification, rating and labeling schemes for new construction, management, occupation and redevelopment</p> <p>2.1 Report the type and number of mandatory and voluntary sustainability certification, rating or labeling schemes in at least one of the following ways:</p> <ul style="list-style-type: none"> - Total number of assets that have achieved a certification, rating or labeling within a portfolio (buildings and construction projects), and level of certification attained; or - Percentage of assets certifications, ratings or labels achieved within a portfolio. <p>2.2 Report building operational performance improvements that result from the introduction of the certification, rating or labeling schemes compared to the design specification using any of the criteria of the certification, rating or labeling schemes.</p>
2. Energy Efficiency and Renewable Energy	GRI 302-3	<p>Energy intensity</p> <p>a. Energy intensity ratio for the organisation.</p> <p>b. Organisation-specific metric (the denominator) chosen to calculate the ratio.</p> <p>c. Types of energy included in the intensity ratio; whether fuel, electricity, heating, cooling, steam, or all.</p> <p>d. Whether the ratio uses energy consumption within the organisation, outside of it, or both.</p> <p>2.5 When compiling the information specified in Disclosure 302-3, the reporting organisation shall:</p> <p>2.5.1 Calculate the ratio by dividing the absolute energy consumption (the numerator) by the organisation-specific metric (the denominator);</p> <p>2.5.2 If reporting an intensity ratio both for the energy consumed within the organisation and outside of it, report these intensity ratios separately.</p>
	GRI 302-4	<p>Reduction of energy consumption</p> <p>a. Energy intensity ratio for the organisation.</p> <p>b. Types of energy included in the reductions; whether fuel, electricity, heating, cooling, steam, or all.</p> <p>c. Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it.</p> <p>d. Standards, methodologies, assumptions, and/or calculation tools used.</p> <p>2.7 When compiling the information specified in Disclosure 302-4, the reporting organisation shall:</p> <p>2.7.1 Exclude reductions resulting from reduced production capacity or outsourcing;</p> <p>2.7.2 Describe whether energy reduction is estimated, modeled, or sourced from direct measurements. If estimation or modeling is used, the organisation shall disclose the methods used.</p>

Critical Material Issues	GRI Standards Disclosures	Sub-indicators under "Shall" requirements
	GRI 302-5 Reductions in energy requirements of products and services CRE 1 Building Energy Intensity	<p>a. Energy intensity ratio for the organisation.</p> <p>b. Types of energy included in the reductions; whether fuel, electricity, heating, cooling, steam, or all.</p> <p>c. Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it.</p> <p>2.1 Identify the number and type of buildings, total annual energy consumption (in kWh) and corresponding floor area (in m²), or number of persons using or visiting the buildings.</p> <p>2.2 Identify the method used to ensure that annual energy consumption and floor area, or numbers of persons, are consistent and accurate, thereby taking account of different landlord and tenant metering scenarios. In particular, where the reporting organisation does not have all energy consumption data for a building, it is important to ensure that the result of the calculation of energy intensity by building is consistent and accurate, for example by:</p> <ul style="list-style-type: none"> - Excluding such properties from the aggregation; - Defining the floor area to cover only the building area serviced by known energy consumption; - Or revising the overall consumption data to take account of unknown data. <p>2.3 Calculate, using data from 2.1: Building energy intensity = sum of annual kWh energy consumption / sum of floor area (m²) or number of people</p> <p>2.4 Report energy intensity of buildings in use (on unadjusted basis), based on calculation in 2.3:</p> <ul style="list-style-type: none"> - kWh/m²/year; or - kWh/person/year. <p>Energy intensity should be reported by meaningful segmentation, for example by building type, geographic location, portfolio and fund. Separately, adjustments consistent with a recognized methodology can also be applied to any of the following factors:</p> <ul style="list-style-type: none"> - Hours of operation or working days per week; - Vacancy; - Occupant density; - Heating and cooling (weather correction); or - Special uses. <p>2.5 Report the methodology used to calculate the energy intensity of the building in use and any adjustments.</p>

Critical Material Issues	GRI Standards Disclosures	Sub-indicators under "Shall" requirements		
3. Product Quality and Responsibility	CRE 8	Type and number of sustainability certification, rating and labeling schemes for new construction, management, occupation and redevelopment	2.1	Report the type and number of mandatory and voluntary sustainability certification, rating or labeling schemes in at least one of the following ways: <ul style="list-style-type: none"> - Total number of assets that have achieved a certification, rating or labeling within a portfolio (buildings and construction projects), and level of certification attained; or - Percentage of assets certifications, ratings or labels achieved within a portfolio.
	GRI 417-1	Requirements for product and service information and labeling	2.2	Report building operational performance improvements that result from the introduction of the certification, rating or labeling schemes compared to the design specification using any of the criteria of the certification, rating or labeling schemes.
4. Occupational Health, Safety and Well-being	GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	a.	Whether each of the following types of information is required by the organisation's procedures for product and service information and labeling: <ul style="list-style-type: none"> i. Content, particularly with regard to substances that might produce an environmental or social impact;
	GRI 403-8	Workers covered by an occupational health and safety management system	a.	A description of the processes for worker participation and consultation in the development, implementation, and evaluation of the occupational health and safety management system, and for providing access to and communicating relevant information on occupational health and safety to workers. <ul style="list-style-type: none"> b. Where formal joint management-worker health and safety committees exist, a description of their responsibilities, meeting frequency, decision-making authority, and whether and, if so, why any workers are not represented by these committees.
				If the organisation has implemented an occupational health and safety management system based on legal requirements and/or recognized standards/guidelines: <ul style="list-style-type: none"> i. the number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organisation, who are covered by such a system; ii. the number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organisation, who are covered by such a system that has been internally audited; iii. the number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organisation, who are covered by such a system that has been audited or certified by an external party.
				b. Whether and, if so, why any workers have been excluded from this disclosure, including the types of worker excluded. <ul style="list-style-type: none"> c. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.

Critical Material Issues	GRI Standards Disclosures	Sub-indicators under "Shall" requirements
	GRI 403-9 Work-related injuries	<p>a. For all employees:</p> <ul style="list-style-type: none"> i. The number and rate of fatalities as a result of work-related injury; ii. The number and rate of high-consequence work-related injuries (excluding fatalities); iii. The number and rate of recordable work-related injuries; iv. The main types of work-related injury; v. The number of hours worked. <p>b. For all workers who are not employees but whose work and/or workplace is controlled by the organisation:</p> <ul style="list-style-type: none"> i. The number and rate of fatalities as a result of work-related injury; ii. The number and rate of high-consequence work-related injuries (excluding fatalities); iii. The number and rate of recordable work-related injuries; iv. The main types of work-related injury; v. The number of hours worked. <p>c. The work-related hazards that pose a risk of high-consequence injury, including:</p> <ul style="list-style-type: none"> i. how these hazards have been determined; ii. which of these hazards have caused or contributed to high-consequence injuries during the reporting period; iii. actions taken or underway to eliminate these hazards and minimize risks using the hierarchy of controls. <p>d. Any actions taken or underway to eliminate other work-related hazards and minimize risks using the hierarchy of controls.</p> <p>e. Whether the rates have been calculated based on 200,000 or 1,000,000 hours worked.</p> <p>f. Whether and, if so, why any workers have been excluded from this disclosure, including the types of worker excluded.</p> <p>g. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.</p> <p>2.1 When compiling the information specified in Disclosure 403-9, the reporting organisation shall:</p> <p>2.1.1 exclude fatalities in the calculation of the number and rate of high-consequence work-related injuries;</p> <p>2.1.2 include fatalities as a result of work-related injury in the calculation of the number and rate of recordable work-related injuries;</p> <p>2.1.3 include injuries as a result of commuting incidents only where the transport has been organised by the organisation;</p> <p>2.1.4 calculate the rates based on either 200,000 or 1,000,000 hours worked, using the following formulas:</p> <p style="text-align: center;">Rate of fatalities as a result of work-related injury = Number of fatalities as a result of work-related injury / Number of hours worked x [200,000 or 1,000,000]</p> <p style="text-align: center;">Rate of high-consequence work-related injuries (excluding fatalities) = Number of high-consequence work-related injuries (excluding fatalities) / Number of hours worked x [200,000 or 1,000,000]</p> <p style="text-align: center;">Rate of recordable work-related injuries = Number of recordable work-related injuries / Number of hours worked x [200,000 or 1,000,000]</p>

(B) Highly Material Issues

Highly Material Issues	GRI Standards Disclosures	Sub-indicators under "Shall" requirements
1. Anti-corruption	GRI 205-2 Communication and training about anti-corruption policies and procedures	<p>a. Total number and percentage of governance body members that the organisation's anti-corruption policies and procedures have been communicated to, broken down by region.</p> <p>b. Total number and percentage of employees that the organisation's anti-corruption policies and procedures have been communicated to, broken down by employee category and region.</p> <p>c. Total number and percentage of business partners that the organisation's anti-corruption policies and procedures have been communicated to, broken down by type of business partner and region. Describe if the organisation's anti-corruption policies and procedures have been communicated to any other persons or organisations.</p> <p>d. Total number and percentage of governance body members that have received training on anti-corruption, broken down by region.</p> <p>e. Total number and percentage of employees that have received training on anti-corruption, broken down by employee category and region.</p>
		<p>a. Total number and nature of confirmed incidents of corruption.</p> <p>b. Total number of confirmed incidents in which employees were dismissed or disciplined for corruption.</p> <p>c. Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption.</p> <p>d. Public legal cases regarding corruption brought against the organisation or its employees during the reporting period and the outcomes of such cases.</p>
2. Business Ethics and Compliance	GRI 102-17 Mechanisms for advice and concerns about ethics	<p>a. A description of internal and external mechanisms for:</p> <ul style="list-style-type: none"> i. Seeking advice about ethical and lawful behavior, and organisational integrity ii. Reporting concerns about unethical or unlawful behavior, and organisational integrity.
		<p>b. Non-compliance with environmental laws and regulations</p> <p>Regulations in terms of:</p> <ul style="list-style-type: none"> i. Total monetary value of significant fines; ii. Total number of non-monetary sanctions; iii. Cases brought through dispute resolution mechanisms. <p>If the organisation has not identified any non-compliance with environmental laws and/or regulations, a brief statement of this fact is sufficient.</p>

Highly Material Issues	GRI Standards Disclosures	Sub-indicators under "Shall" requirements
3. Climate Change	GRI 305-4	Greenhouse gas (GHG) emissions intensity
		<p>a. GHG emissions intensity ratio for the organisation.</p> <p>b. Organisation-specific metric (the denominator) chosen to calculate the ratio.</p> <p>c. Types of GHG emissions included in the intensity ratio; whether direct (Scope 1), energy indirect (Scope 2), and / or other indirect (Scope 3).</p> <p>d. Gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, or all.</p> <p>2.7 When compiling the information specified in Disclosure 305-4, the reporting organisation shall:</p> <p>2.7.1 Calculate the ratio by dividing the absolute GHG emissions (the numerator) by the organisation-specific metric (the denominator);</p> <p>2.7.2 If reporting an intensity ratio for other indirect (Scope 3) GHG emissions, report this intensity ratio separately from the intensity ratios for direct (Scope 1) and energy indirect (Scope 2) emissions.</p>
	CRE3	GHG emissions intensity from buildings
		<p>2.1 Identify the number and type of buildings, total annual greenhouse gas emissions (kilograms CO₂ equivalent), and corresponding floor area (in m²) or number of people using the building.</p> <p>2.2 Identify the method used to ensure that the annual kilograms CO₂ equivalent and floor area (m²), or numbers of persons, are consistent and accurate, thereby taking account of different landlord and tenant metering scenarios. In particular, where the reporting organisation does not have all energy consumption and associated greenhouse gas emissions data for a building.</p> <p>2.3 Calculate, using data from 2.1: Greenhouse gas emissions intensity = Sum of annual kilograms CO₂ equivalent / Sum of floor area or number of people</p> <p>2.4 Report greenhouse gas emissions intensity of buildings in use (on unadjusted basis), based on calculation in 2.3, by: <ul style="list-style-type: none"> - kg CO₂e/m²/year; or - kg CO₂e/person/year. </p> <p>2.5 Report the methodology used to calculate the greenhouse gas emissions intensity from buildings.</p>
	CRE4	GHG emissions intensity from new construction and redevelopment activity
		<p>2.1 Identify annual turnover (millions) and total annual greenhouse gas emissions (tonnes CO₂ equivalent).</p> <p>2.2 Calculate, using data from 2.1: Greenhouse gas emissions intensity = Sum of annual kilograms CO₂ equivalent (tonnes) / Annual turnover from the construction activities (millions)</p> <p>2.3 Report greenhouse gas emissions intensity of construction activities: tonnes CO₂e/monetary value (either by turnover or spend or value/year); and other relevant greenhouse gas emissions intensity measures (e.g., per employee hour).</p> <p>2.4 Report how monetary value was identified.</p> <p>2.5 Report the methodology used to calculate the greenhouse gas emissions intensity.</p>

Highly Material Issues	GRI Standards Disclosures	Sub-indicators under "Shall" requirements	
4. Cyber Security and Data Governance	GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	<p>a. Total number of substantiated complaints received concerning breaches of customer privacy, categorised by:</p> <ul style="list-style-type: none"> i. Complaints received from outside parties and substantiated by the organisation; ii. Complaints from regulatory bodies. <p>b. Total number of identified leaks, thefts, or losses of customer data.</p> <p>c. If the organisation has not identified any substantiated complaints, a brief statement of this fact is sufficient.</p> <p>2.1 When compiling the information specified in Disclosure 418-1, the reporting organisation shall indicate if a substantial number of these breaches relate to events in preceding years.</p>
5. Economic Contribution to Society	GRI 201-1	Direct economic value generated and distributed	<p>a. Direct economic value generated and distributed (EVG&D) on an accruals basis, including the basic components for the organisation's global operations as listed below. If data are presented on a cash basis, report the justification for this decision in addition to reporting the following basic components:</p> <ul style="list-style-type: none"> ii. Economic value distributed: operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments;
6. Product Safety and Customer Well-being	GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	<p>a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services within the reporting period, by:</p> <ul style="list-style-type: none"> i. Incidents of non-compliance with regulations resulting in a fine or penalty; ii. Incidents of non-compliance with regulations resulting in a warning; iii. Incidents of non-compliance with voluntary codes. <p>2.1 When compiling the information specified in Disclosure 416-2, the reporting organisation shall:</p> <p>2.1.1 Exclude incidents of non-compliance in which the organisation was determined not to be at fault;</p> <p>2.1.2 Exclude incidents of non-compliance related to labeling. Incidents related to labeling are reported in Disclosure 417-2 of GRI 417: Marketing and Labeling;</p> <p>2.1.3 If applicable, identify any incidents of non-compliance that relate to events in periods prior to the reporting period.</p>
7. Responsible Supply Chain and Sourcing	GRI 308-1	New suppliers that were screened using environmental criteria	<p>a. Percentage of new suppliers that were screened using environmental criteria.</p>
	GRI 414-1	New suppliers that were screened using social criteria	<p>a. Percentage of new suppliers that were screened using social criteria.</p>
8. Talent Attraction, Retention and Development	GRI 404-1	Average hours of training per year per employee	<p>a. Average hours of training that the organisation's employees have undertaken during the reporting period, by:</p> <ul style="list-style-type: none"> i. Gender; ii. Employee category.
	GRI 404-1	New employee hires and employee turnover	<p>a. Total number and rate of new employee hires during the reporting period, by age group, gender and region.</p> <p>b. Total number and rate of employee turnover during the reporting period, by age group, gender and region.</p>

Highly Material Issues	GRI Standards Disclosures	Sub-indicators under "Shall" requirements
9. Water Management and Efficiency	GRI 303-3 Water withdrawal CRE 2 Building water intensity	<p>a. Total water withdrawal from all areas in megalitres, and a breakdown of this total by the following sources, if applicable:</p> <ul style="list-style-type: none"> i. Surface water; ii. Groundwater; iii. Seawater; iv. Produced water; v. Third-party water. <p>b. Total water withdrawal from all areas with water stress in megalitres, and a breakdown of this total by the following sources, if applicable:</p> <ul style="list-style-type: none"> i. Surface water; ii. Groundwater; iii. Seawater; iv. Produced water; v. Third-party water, and a breakdown of this total by the withdrawal sources listed in i-iv. <p>c. A breakdown of total water withdrawal from each of the sources listed in Disclosures 303-3-a and 303-3-b in megalitres by the following categories:</p> <ul style="list-style-type: none"> i. Freshwater ($\leq 1,000 \text{ mg/L}$ Total Dissolved Solids); ii. Other water ($>1,000 \text{ mg/L}$ Total Dissolved Solids). <p>d. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.</p> <p>Identify the number and type of buildings, total annual water consumption (in litres or m^3) and corresponding floor area (in m^2), or number of persons using or visiting the buildings.</p> <p>2.2 Identify the method used to ensure that annual litres or m^3 of water consumption and floor area (m^2), or number of persons, are consistent and accurate, thereby taking account of different landlord and tenant metering scenarios.</p> <p>2.3 Calculate, using data from 2.1: $\text{Building water intensity} = (\text{Sum of annual litres or } \text{m}^3 \text{ water consumption}) / (\text{Sum of floor area } (\text{m}^2) \text{ or number of persons})$</p> <p>2.4 Report water intensity of buildings in use (on unadjusted basis), based on calculation in 2.3, by:</p> <ul style="list-style-type: none"> - Litres/person/year; or - $\text{m}^3/\text{m}^2\text{/year}$. <p>2.5 Report the methodology used to calculate the water intensity of the building in use and adjusted intensity indicator.</p>

* The above subject matter only covers operations owned and managed by CDL's Singapore headquarters, excluding subsidiaries. For the indicators covered in our scope of assurance, all quantitative assertions and certain qualitative assertions have been assured, to the extent disclosed by CDL.

Management's and Board of Directors' responsibility

The Management is responsible for the preparation of the Subject Matter Information in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards. The Board has ultimate responsibility for the company's sustainability reporting.

The Management is responsible for the collection and presentation of the information and for maintaining adequate records and internal controls that are designed to support the sustainability reporting process. For the purpose of the Integrated Sustainability Report 2019, there are no legally prescribed requirements relating to the verification of sustainability reports.

Auditor's Independence and Quality Control

We have complied with the independence and other ethical requirements of the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code)*, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Singapore Standards on Quality Control 1 of the Institute of Singapore Chartered Accountants and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding

compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have the required competencies and experience to conduct this assurance engagement. Our professionals have experience in both assurance skills and in the applicable subject matter including environmental, social and financial aspects.

Auditor's responsibility

Our responsibility is to form a conclusion on CDL's preparation of the Subject Matter Information based on our work. We performed our work in accordance with International Standard on Assurance Engagements 3000 (ISAE 3000) (Revised) – *Assurance Engagements other than Audits or Reviews of Historical Financial Information* (the "Standard"). This Standard requires that we plan and perform our work to form the conclusion. The extent of our work performed depends on our professional judgment and our assessment of the engagement risk.

Our review was limited to the information on the select indicators set out within the Report from 01 January 2018 to 31 December 2018 and our responsibility does not include:

- Any work in respect of sustainability information published elsewhere in CDL's annual report, website and other publications,
- Sustainability information prior to 01 January 2018 and subsequent to 31 December 2018, and
- Management's forward looking statements such as targets, plans and intentions.

Reporting criteria

As a basis for the assurance engagement, we have used the criterion of "Accuracy" as defined by GRI and specific criteria determined by CDL as being relevant for its sustainability performance. We consider this reporting criterion to be relevant and appropriate to review the Report.

Assurance standard used and level of assurance

Our limited assurance engagement has been planned and performed in accordance with the ISAE 3000¹ Assurance Engagement Other Than Audits or Reviews of Historical Financial Information.

A limited assurance engagement consists of making enquiries and applying analytical and other review procedures. Our procedures were designed to provide a limited level of assurance and as such do not provide all the evidence that would be required to provide a reasonable level of assurance.

The procedures performed depend on our judgement including the risk of material misstatement of the specific activity data, whether due to fraud or error. While we considered the effectiveness of Management's internal controls when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

¹ International Federation of Accountants' International Standard on Assurance Engagements for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (ISAE3000)

What we did to form our conclusions

We designed our procedures in order to state whether anything has come to our attention to suggest that the Subject Matter detailed above has not been reported in accordance with the reporting criteria cited earlier. In order to form our conclusions, we undertook the steps below:

1. Inquiries with CDL's Sustainability team to
 - a. Understand principal business operations,
 - b. Appreciate key sustainability issues and developments,
 - c. Map out information flow for sustainability reporting and the controls on information collation,
 - d. Identify data providers with their responsibilities, and
 - e. Recognise the likelihood of possible manipulation of sustainability data.
2. Undertake site visits to one project site, two CDL-managed properties, and CDL's offices.
3. Conduct process walk-through of systems and processes for data aggregation and reporting, with relevant personnel to understand the quality of checks and control mechanisms, assessing and testing the controls in relation to the concerned subject matters in the Report
4. Interviews with employees and management (Sustainability committee, human resources, property & facilities management, environment health & safety, internal audit, enterprise risk management, projects) to understand key sustainability issues related to the select indicators and processes for the collection and accurate reporting of performance information
5. Obtain documentation through sampling methods to verify assumptions, estimations and computations made by management in relation to the concerned subject matters in the Report
6. Checking that data and statements had been correctly transcribed from corporate systems and / or supporting evidence, into the Report
7. Obtain various certifications, audit reports and financial statement report in relation to the concerned subject matters in the Report

Observations and areas for improvement

Our observations and areas for improvement will be raised in an internal report to CDL's Management. These observations do not affect our conclusions on the Report set out below.

Other matters

Our responsibility in performing our limited assurance activities is to the Management of CDL only and in accordance with the terms of reference agreed with them. We do not accept or assume any responsibility for any other purpose or to any other person or organisation. Any reliance any such third party may place on the Report is entirely at their own risk.

Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the information in the Report was not presented fairly and calculated in all material respects in accordance with the reporting criteria detailed above.

ERNST & YOUNG LLP

Signed for Ernst & Young LLP by
Simon Yeo
Partner, Climate Change and Sustainability Services

Singapore, 19 March 2019

GRI CONTENT INDEX



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For the SDG Mapping Service, GRI Services reviewed that the disclosures included in the content index are appropriately mapped against the SDGs.

GRI Standard	Disclosure Number	Disclosure Title	Mapped to SDGs	Page reference and reasons for omissions, if applicable	Externally Assured (Y/N)
GRI 101: FOUNDATION 2016					
GENERAL DISCLOSURES					
Organisational Profile					
GRI 102: General Disclosures 2016	102-1	Name of the organisation	3		N
	102-2	Activities, brands, products, and services	3		N
	102-3	Location of headquarters	30		N
	102-4	Location of operations	3		N
	102-5	Ownership and legal form	3		N
	102-6	Markets served	91, AR 2018 (21)		N
	102-7	Scale of the organisation	93, AR 2018 (76, 115-116)		N
	102-8	Information on employees and other workers	78-82, 84, 86, 93, 94		N
	102-9	Supply chain	27, 69-70		N
	102-10	Significant changes to the organisation and its supply chain	4-5, 91, AR 2018 (14-20)		N
	102-11	Precautionary Principle or approach	28-29, AR 2018 (55-60)		N
	102-12	External initiatives	17, 28-29, 31-32, 39, 49, 53, 57, 68, 77-78, 84, 92		N
	102-13	Membership of associations	103		N
Strategy					
	102-14	Statement from senior decision-maker	4-5		N
	102-15	Key impacts, risks, and opportunities	4-5, 23-26		N
Ethics and Integrity					
	102-16	Values, principles, standards, and norms of behaviour	16	74-78	N
	102-17	Mechanisms for advice and concerns about ethics	16	76	Y (111-123)
Governance					
	102-18	Governance structure	14		N
	102-19	Delegating authority	14		N
	102-20	Executive-level responsibility for economic, environmental, and social topics	14		N
	102-21	Consulting stakeholders on economic, environmental, and social topics	16	21, 44-45	N
	102-22	Composition of the highest governance body and its committees	5, 16	14	N
	102-23	Chair of the highest governance body	16	AR 2018 (39)	N
	102-24	Nominating and selecting the highest governance body	5, 16	AR 2018 (39-41)	N
	102-25	Conflicts of interest	16	AR 2018 (33)	N
	102-26	Role of highest governance body in setting purpose, values, and strategy	14, 74		N
	102-27	Collective knowledge of highest governance body	4	15-16, AR 2018 (27-29, 35)	N

GRI Standard	Disclosure Number	Disclosure Title	Mapped to SDGs	Page reference and reasons for omissions, if applicable	Externally Assured (Y/N)
GENERAL DISCLOSURES					
Governance					
Introduction and Leadership Statements	102-28	Evaluating the highest governance body's performance	16	AR 2018 [42]	N
	102-29	Identifying and managing economic, environmental, and social impacts		20, 23-26, 52, AR 2018 [46-49, 57-60]	N
	102-30	Effectiveness of risk management processes		74-76, 79, AR 2018 [46-49]	N
	102-31	Review of economic, environmental, and social topics		AR 2018 [34-35]	N
	102-32	Highest governance body's role in sustainability reporting		14, 20	N
	102-33	Communicating critical concerns		44-45, 74-76	N
	102-34	Nature and total number of critical concerns		44-45, 74-76	N
	102-35	Remuneration policies		AR 2018 [43-46]	N
	102-36	Process for determining remuneration		83, AR 2018 [43-46]	N
	102-37	Stakeholders' involvement in remuneration		83, AR 2018 [43-46]	N
Building Sustainable Cities and Communities	102-38	Annual total compensation ratio		Not disclosed due to the commercial sensitivity given the highly competitive human resource environment	N
	102-39	Percentage increase in annual total compensation ratio		Not disclosed due to the commercial sensitivity given the highly competitive human resource environment	N
Stakeholder Engagement					
Reducing Environmental Impact	102-40	List of stakeholder groups	8	21	N
	102-41	Collective bargaining agreements		83	N
	102-42	Identifying and selecting stakeholders		20-21, 43-45	N
	102-43	Approach to stakeholder engagement		20, 44-45	N
	102-44	Key topics and concerns raised		22-26, 44-45	N
Reporting Practice					
Shaping a Fair, Safe and Inclusive Workplace	102-45	Entities included in the consolidated financial statements	3, AR 2018 [21-22]	3, AR 2018 [21-22]	N
	102-46	Defining report content and topic boundaries		22, 31-32	N
	102-47	List of material topics		23-26	N
	102-48	Restatements of information		31	N
	102-49	Changes in reporting		31-32	N
	102-50	Reporting period		30	N
	102-51	Date of most recent report		30	N
	102-52	Reporting cycle		30	N
	102-53	Contact point for questions regarding the report		32	N
	102-54	Claims of reporting in accordance with the GRI Standards		31	N
	102-55	GRI content index		124-130	N
	102-56	External assurance		111-123	N
Assurance Statements and GRI Content Index					

GRI Standard	Disclosure Number	Disclosure Title	Mapped to SDGs	Page reference and reasons for omissions, if applicable	Externally Assured (Y/N)
TOPIC-SPECIFIC STANDARDS					
Innovation					
Introduction and Leadership Statements	GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary		22-23	N
		103-2 The management approach and its components		42	N
		103-3 Evaluation of the management approach		18, 49	N
Integrated Strategy for Value Creation	GRI Sector Disclosures: Construction and Real Estate	CRE 8 Type and number of sustainability certification, rating and labeling schemes for new construction, management, occupation and redevelopment	4,6,7,8,10,11,12,13	39, 41, 42, 47, 49, 57, 68, 71	Y (111-123)
	Energy Efficiency and Renewable Energy				
	GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary		22-23	N
Building Sustainable Cities and Communities		103-2 The management approach and its components		35-37, 42-43, 52-53, 57-58	N
		103-3 Evaluation of the management approach		57-58	N
	GRI 302: Energy 2016	302-1 Energy consumption within the organisation	7,12,13	59	N
Reducing Environmental Impact		302-2 Energy consumption outside of the organisation	7,12,13	61	N
		302-3 Energy intensity	7,12,13	60	Y (111-123)
		302-4 Reduction of energy consumption	7,12,13	57-58	Y (111-123)
Shaping a Fair, Safe and Inclusive Workplace		302-5 Reductions in energy requirements of products and services	7,12,13	36-37, 43, 57	Y (111-123)
	GRI Sector Disclosures: Construction and Real Estate	CRE 1 Building energy intensity	7,12,13	110	Y (111-123)
	Product Quality and Responsibility				
Creating Shared Economic and Social Value	GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary		22, 24	N
		103-2 The management approach and its components		39-41, 45-46	N
		103-3 Evaluation of the management approach		39-41, 45-46	N
Assurance Statements and GRI Content Index	GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	12,16	36, 39, 41-42, 49	Y (111-123)
		417-2 "Incidents of non-compliance concerning product and service information and labeling"	16	74	N
		417-3 Incidents of non-compliance concerning marketing communications		74	N
Assurance Statements and GRI Content Index	GRI Sector Disclosures: Construction and Real Estate	CRE 8 Type and number of sustainability certification, rating and labeling schemes for new construction, management, occupation and redevelopment	6,7,8,10,11,12,13	39, 41, 42, 47, 49, 57, 68, 71, 103	Y (111-123)
	Occupational Safety, Health and Well-being				
	GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary		22, 24	N
		103-2 The management approach and its components		78-80	N
		103-3 Evaluation of the management approach		78-80	N

GRI Standard	Disclosure Number	Disclosure Title	Mapped to SDGs	Page reference and reasons for omissions, if applicable	Externally Assured (Y/N)
TOPIC-SPECIFIC STANDARDS					
Occupational Safety, Health and Well-being					
Introduction and Leadership Statements	GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	79	N
		403-2	Hazard identification, risk assessment, and incident investigation	79, 81, 82	N
		403-3	Occupational health services	8	81-82
		403-4	Worker participation, consultation, and communication on occupational health and safety	8	79, 81, 82 Y (111-123)
		403-5	Worker training on occupational health and safety	80-82	N
		403-6	Promotion of worker health	80-82	N
		403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	69	N
		403-8	Workers covered by an occupational health and safety management system	8	79, 81-82 Y (111-123)
		403-9	Work-related injuries	80-82	Y (111-123)
		403-10	Work-related ill health	80-82	N
Integrated Strategy for Value Creation	GRI Sector Disclosures: Construction and Real Estate	CRE 6	Percentage of the organisation operating in verified compliance with an internationally recognized health and safety management system	8	70
		Anti-Corruption			
		GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	22, 24
			103-2	The management approach and its components	74-78, 97, AR 2018 (53-54, 56, 59)
			103-3	Evaluation of the management approach	76, 97
		GRI 205: Anti-Corruption 2016	205-1	Operations assessed for risks related to corruption	16
			205-2	Communication and training about anti-corruption policies and procedures	75
			205-3	Confirmed incidents of corruption and actions taken	75-76 Y (111-123)
Building Sustainable Cities and Communities	GRI 103: Management Approach 2016	Business Ethics and Compliance			
		103-1	Explanation of the material topic and its Boundary	22, 24	N
		103-2	The management approach and its components	74-77	N
		103-3	Evaluation of the management approach	74-78	N
		GRI 102: General Disclosures 2016	102-17	Mechanisms for advice and concerns about ethics	74-76
			206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	74 Y (111-123)
		GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	16 68-69
					Y (111-123)
Assurance Statements and GRI Content Index					

GRI Standard	Disclosure Number	Disclosure Title	Mapped to SDGs	Page reference and reasons for omissions, if applicable	Externally Assured (Y/N)
TOPIC-SPECIFIC STANDARDS					
Business Ethics and Compliance					
Introduction and Leadership Statements	GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	16	40-41	N
		416-2 Incidents of non-compliance concerning the health and safety impacts of products and services		69	Y {111-123}
Integrated Strategy for Value Creation	GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	12,16	36, 39, 41-42, 49	Y {111-123}
		417-2 Incidents of non-compliance concerning product and service information and labeling	16	74	N
		417-3 Incidents of non-compliance concerning marketing communications	16	74	N
Building Sustainable Cities and Communities	GRI 419: Socioeconomic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area		40	N
	Climate Change				
Reducing Environmental Impact	GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	22, 25 52-53, 58 53-56	22, 25	N
		103-2 The management approach and its components		52-53, 58	N
		103-3 Evaluation of the management approach		53-56	N
Shaping a Fair, Safe and Inclusive Workplace	GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	3,12,13,14	54, 110	N
		305-2 Energy indirect (Scope 2) GHG emissions	3,12,13,14	54, 110	N
		305-3 Other indirect (Scope 3) GHG emissions	3,12,13,14	54, 110	N
		305-4 GHG emissions intensity	13,14	55, 110	Y {111-123}
		305-5 Reduction of GHG emissions	13,14	53, 58	N
		305-6 Emissions of ozone-depleting substances (ODS)	3,12,13	Disclosure is not applicable as CDL does not emit a material amount of these emissions through its products and services	N
		305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	3,12,13,14		N
Creating Shared Economic and Social Value	GRI Sector Disclosures: Construction and Real Estate	CRE 3 Greenhouse gas emissions intensity from buildings	13,14,15	110	Y {111-123}
		CRE 4 Greenhouse gas emissions intensity from new construction and redevelopment activity	13,14,15	110	Y {111-123}
Cyber Security and Data Governance					
Assurance Statements and GRI Content Index	GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	22, 25 78 78	22, 25	N
		103-2 The management approach and its components		78	N
		103-3 Evaluation of the management approach		78	N
	GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	16	78	Y {111-123}

GRI Standard	Disclosure Number	Disclosure Title	Mapped to SDGs	Page reference and reasons for omissions, if applicable	Externally Assured (Y/N)
TOPIC-SPECIFIC STANDARDS					
Economic Contribution to Society					
Introduction and Leadership Statements	GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary		22, 25	N
		103-2 The management approach and its components		89-92, 98	N
		103-3 Evaluation of the management approach		89-93	N
Integrated Strategy for Value Creation	GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	8,9	90, 92-93, 98-101	Y (111-123)
		201-2 Financial implications and other risks and opportunities due to climate change	13	23-26, 28-29, 52	N
		201-3 Defined benefit plan obligations and other retirement plans		95-96	N
		201-4 Financial assistance received from government		CDL is not at liberty to disclose this information as the Company is bound by confidentiality.	N
Building Sustainable Cities and Communities	GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	1,5	Disclosure is not applicable as there is no minimum wage system in Singapore. Furthermore, CDL's direct hires are skilled technical and professional employees whose pay is not linked to particular laws concerning minimum wage.	N
Reducing Environmental Impact		202-2 Proportion of senior management hired from the local community	8	94	N
Shaping a Fair, Safe and Inclusive Workplace	GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	7,9,11	18,35-38, 40-43, 47-48	N
		203-2 Significant indirect economic impacts	1,3,8,10,17	18,35-38, 47-48, 69-70, 97	N
Product Safety and Customer Well-being					
Creating Shared Economic and Social Value	GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary		22, 26	N
		103-2 The management approach and its components		40-43	N
		103-3 Evaluation of the management approach		45-46	N
Assurance Statements and GRI Content Index	GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories		40-41	N
		416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	16	69	Y (111-123)
Responsible Supply Chain and Sourcing					
Assurance Statements and GRI Content Index	GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary		22, 26	N
		103-2 The management approach and its components		69-70	N
		103-3 Evaluation of the management approach		69-70	N
Assurance Statements and GRI Content Index	GRI 301: Materials 2016	301-1 Materials used by weight or volume	8,12	70	N
		301-2 Recycled input materials used	8,12	70	N
		301-3 Reclaimed products and their packaging materials		Disclosure is not applicable for CDL's operations in Singapore	N

	GRI Standard	Disclosure Number	Disclosure Title	Mapped to SDGs	Page reference and reasons for omissions, if applicable	Externally Assured (Y/N)	
TOPIC-SPECIFIC STANDARDS							
Responsible Supply Chain and Sourcing							
Introduction and Leadership Statements	GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	5	70	Y (111-123)	
		308-2	Negative environmental impacts in the supply chain and actions taken		70,77	N	
Integrated Strategy for Value Creation	GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	5, 8, 16	70	Y (111-123)	
		414-2	Negative social impacts in the supply chain and actions taken		70, 77	N	
Talent Attraction, Retention and Development							
Building Sustainable Cities and Communities	GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary		22, 26	N	
		103-2	The management approach and its components		92-97	N	
		103-3	Evaluation of the management approach		93-97	N	
Reducing Environmental Impact	GRI 401: Employment 2016	401-1	New employee hires and employee turnover	5, 8	94	Y (111-123)	
		401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		95	N	
		401-3	Parental leave		95	N	
Shaping a Fair, Safe and Inclusive Workplace	GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	8	93	N	
		404-1	Average hours of training per year per employee		97	Y (111-123)	
		404-2	Programmes for upgrading employee skills and transition assistance programmes		97	N	
Creating Shared Economic and Social Value		404-3	Percentage of employees receiving regular performance and career development reviews		83	N	
Water Management and Efficiency							
103-1		Explanation of the material topic and its Boundary		22, 26	N		
103-2		The management approach and its components		62-63	N		
Assurance Statements and GRI Content Index	GRI 303: Water and Effluents 2018	103-3		Evaluation of the management approach	62-63	N	
		303-1	Interactions with water as a shared resource	6	62	N	
		303-2	Management of water discharge-related impacts		63, 68	N	
		303-3	Water withdrawal		62	Y (111-123)	
		303-4	Water discharge		64, 68	N	
		303-5	Water consumption	6, 8, 12	64-65, 110	N	
	GRI Sector Disclosures: Construction and Real Estate	CRE 2	Building water intensity		110	Y (111-123)	



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